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September 1, 2017

Planning Commission  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

*via electronic submission*

Subject: Objection to and Comments on the Elimination of Tantamount to Demolition Thresholds (Planning Code Sec. 317), use of Floor Area Ratio Thresholds in RH Zoning Districts, and the To-be-Defined Residential Expansion Threshold Proposals

Dear Planning Commissioners:

The Coalition for San Francisco Neighborhoods (CSFN) opposes the elimination of Tantamount to Demolition thresholds (Planning Code 317), use of Floor Area Ratio thresholds in RH zoning districts, and the to-be-defined Residential Expansion Threshold proposals. CSFN requests that no portion of Section 317 be eliminated until after the proposed amendments to the Planning Code to replace current practices are developed and there is appropriate public review of the changes. The impacts on RH-zoned buildings, on facilitating new affordable units, on neighborhood character, and on open space created by the Planning staff proposals have not been evaluated. It is premature to pursue these changes before an impact assessment on the neighborhoods is made.

## BACKGROUND

On June 1, 2017 Planning staff sent a memo to the Planning Commission entitled “Updates on status of Tantamount to Demolition (Section 317) changes.” This memo describes a proposal to remove Tantamount to Demolition (TTD) calculations from deciding the threshold that is used to determine when a project’s alteration or demolition can be approved by Planning staff and when Commission approval is required. CSFN recognizes that the term “Tantamount to Demolition” is a concept that encompasses various elements enumerated in Planning Code Section 317, rather than a distinct section in the Code.

On August 15, 2017, Planning staff made a presentation to the General Assembly of the CSFN at its regularly scheduled monthly meeting. Staff introduced new details and qualifications to the FAR threshold proposal that is intended to replace the TTD controls, presented publicly for the first time at the CSFN meeting. The CSFN members responded with insightful comments and questions, some of which are provided in this letter.

The demolition portion of Section 317 describing TTD standards are to be replaced with a new code section to be developed in conjunction with the to-be-developed Residential Expansion Threshold (RET) proposal that intends to separate large alteration projects from the concept of preserving existing housing. A new method is proposed to replace the existing TTD threshold with one based on different Floor Area Ratio (FAR) values assigned to each of the low-density zoning districts (RH-1(D), RH-1, RH-2 and RH-3) as the primary metric to determine projects that go beyond the threshold number and therefore require Planning Commission approval. The FAR threshold focuses on the size of the final project, and strives to incentivize density within the allowable zoning code. FAR thresholds assigned to RH-2 and RH-3 zoning districts are larger than those assigned to RH-1(D) and RH-1 to encourage building Additional Dwelling Units (ADUs) and new units allowed by zoning. Projects that exceed the FAR threshold will trigger Planning Commission review but the proposal offers only subjective criteria for their decision.

In response to the future elimination of the Section 317 TTD threshold, the use of FAR as a replacement for TTD as the primary threshold for project review, and the to-be-developed RET proposal, the CSFN developed and approved at its General Assembly meeting on August 15, 2017 a Resolution opposing these three Planning proposals. The approved Resolution is at the bottom of this letter.

This letter is submitted to the Commission to clarify some of the issues that concern CSFN members who represent neighborhood organizations from all over San Francisco. CSFN presents the following preliminary concerns and requests to the Planning Commission at this time, since these staff proposals fall short of resolving any housing issue related to affordability. Not only does the elimination of TTD and adoption of FAR not foster creation of starter homes for new buyers and preserve rent-controlled units for renters, there is no path for housing to be directed to the working-class individuals and those families wanting to live in San Francisco. CSFN objects to launching the RET proposal without substantial, meaningful input and dialogue with a wide base of the city's residents. It is unclear how the many different districts that today can be seen as distinct small villages within the City are to be governed by a collection of undefined planning concepts to replace the TTD portion of Section 317 for the preservation of affordable housing and neighborhood character.

## 1. TANTAMOUNT TO DEMOLITION (TTD) ELIMINATION ISSUES

The staff states that the purpose of residential expansion proposal is to "encourage density" by offering bonuses of larger units in low-density RH-1, RH-2 and RH-3 zoning districts without necessarily adding any new units through the application of a Floor Area Ratio (FAR) threshold. The staff's June 1, 2017 memo also proposes the elimination of Tantamount to Demolition (TTD) language in Section 317, which is against the General Plan policies for many years and will allow the demolition of modest, sound, and relatively affordable homes.

The memo continues in providing background for needing TTD protections by stating "Adopted in 2008, these [the TTD rules] were created with the intent to retain existing stock, presumed to be more affordable and more in keeping with neighborhood character." However, the staff concluded, without much explanation, that the rules "lack clarity, increase uncertainty and do

not achieve their initial policy goals.” Because the TTD process is alleged to be “lengthy and iterative,” staff now proposes to just eliminate the TTD controls – rather than amend them – in favor of supporting new size-based controls based on “floor area ratio thresholds” that would require less staff time to administer.

With the elimination of TTD, and with Planning staff stating at the August 15, 2017 CSFN General Assembly monthly meeting that there will be no replacement of the controls on demolition in the Planning Code, this proposal will encourage the decimation of modest existing housing stock that actually is more affordable.

Rather than consider a wholesale elimination of the TTD, a less complex and more streamlined definition of demolition needs to be sought so that developers know what to expect and the Planning Department can better enforce the demolition controls.

According to the memo, the elimination of TTD would appear to apply with respect to all housing regardless of zoning except possibly “rent-controlled buildings” that would continue to require a Conditional Use (CU). If this is true, a fairly significant percentage of the city’s residential housing stock would apparently continue to be governed by what the staff considers a tarnished process, or have no protection at all. However, if the demolition of rent-controlled housing is still subject to CU mandates, then some type of decision-making process would have to be applied to determine whether a “demolition” has occurred. New proposals do not address this important question of how to handle rent-controlled units with no demolition definition.

To facilitate and streamline administration of the FAR, Planning proposes to eliminate thresholds enumerated in Planning Code Section 317 that provided for administrative approval of demolition of single-family dwellings that were demonstratively unaffordable or unsound. These “Tantamount to Demolition” thresholds would be replaced with a focus on the “size of the final project” controlling Planning decisions, not using the current expansive Section 317 criteria for controlling demolitions, which previously retained the existing housing stock.

While staff proposes to retain only one criteria in Section 317 that requires a CU review for demolition (for demolishing rent-controlled buildings), the other demolition criteria that also required a CU review protected many other important concepts valued by the neighborhoods. Summarily eliminating these demolition actions from further review is not acceptable. The following is a partial list of actions which staff intends to remove from CU review, from Section 317 (5) criteria list:

- (C) whether the property is an "historical resource" under CEQA;
- (D) whether the removal of the resource will have a substantial adverse impact under CEQA;
- (G) whether the project conserves existing housing to preserve cultural and economic neighborhood diversity;
- (H) whether the project conserves neighborhood character to preserve neighborhood cultural and economic diversity;
- (I) whether the project protects the relative affordability of existing housing;
- (J) whether the project increases the number of permanently affordable units as governed by Section 415;

- (O) whether the project increases the number of on-site Dwelling Units;
- (R) if replacing a building not subject to the Residential Rent Stabilization and Arbitration Ordinance, whether the new project replaces all of the existing units with new Dwelling Units of a similar size and with the same number of bedrooms.

The above issues documented in this section are only a partial list of concerns identified by CSFN members.

## 2. FLOOR-AREA-RATIO (FAR) PROPOSAL ISSUES

The proposal to use a Floor Area Ratio (FAR)-derived value and assign it to each of the RH-1(D), RH-1, RH-2 and RH-3 low-density parcels citywide would bring about some very unintended consequences. First, the FAR-based expansions up to a derived FAR value assigned to a particular zoning district parcel would be allowed “by right,” meaning there would be no need to go before the Planning Commission for approval. If a proposed project’s size exceeded the FAR-derived value, then the excessive size would go beyond the FAR threshold number and “trigger” the need for Commission approval. The guidelines for this approval are currently limited to a watered down and very subjective set of design guidelines (“high-quality architectural design...etc.”). This litany of guidelines sounds like something for new construction and seems internally inconsistent.

Using the FAR as the primary metric for Planning Department staff and Commissioners to decide on the validity of the project and to allow a demolition assumes that the plans, data and calculations provided by the project applicant are truthful as to the size of the proposed final project, the size of the lot, and the existence of a rent-controlled building.

At this time, there is no signed affidavit required on the DBI application form submitted by the applicant that the project information and plans provided, on which all Planning and DBI decisions are based, are indeed truthful. All documents for projects based on FAR thresholds need to be accurate, complete, and certified by the property owner or authorized agent for the proposal, to ensure that these documents can be relied upon by all parties to accurately describe the size and uses of the project.

Moreover, the proposed FAR limits appear to be more like bonuses than limits since they are far greater than the average square footage of dwellings in San Francisco. Per Planning Department’s own admission, the average home in San Francisco is no more than 1,500 to 1,600 sq. ft. Where these home sizes are the norm in neighborhoods, when the thresholds set so high to allow >3,000+ sq. ft. single-family homes and 2,250+ sq. ft. apartments, that will impact the neighborhood. This greater resulting square footage example does not even include the additional allotment for ADUs and garages. Considering all the added allotments, these FAR limits incentivize supersized dwellings that are contrary to the Department’s and the City’s policy goals to make homes affordable by design.

In Planning Code, the two sq. ft. numbers in the FAR proposal used to signify a “typical” lot size appears in relation to various uses to be curbed. The numbers -- 2,500 sq. ft. and 1,750 sq. ft. – are used in Planning Code, e.g. to dictate if certain uses can exist on a lot of certain sizes such as Medical Cannabis Dispensary, Institutional Community Use, Retail and Personal Service Use, etc. These numbers are not defined in Planning Code as being “typical” of any lot that exists in reality on the ground. They are used to determine if certain uses could exist. Planning needs to justify how it arrived at the “typical” lot size that FAR is applied to.

Based upon comparable data developed from samplings by CSFN delegates, current FAR thresholds for lots on representative parcels around the City were found to be between 0.4 and 1.2 for entire buildings, including non-complying buildings. These are substantially less than the presently proposed FAR triggers. Therefore, staff suggestions for the trigger values would permit major “by right” mass increases for RH-1 through RH-3 and density increases especially for RH-2 and RH-3 that rarely, if ever, exceed proposed triggers.

### 3. NON-COMPLYING BUILDINGS ISSUES

In many areas in the City, the major percentages of the lots were built upon before the current land use codes were created, and the current buildings are not now code compliant. Such buildings are referred to as “non-complying” structures. Further, these buildings did not seek to achieve nor comply with what are now maximum height or minimum open space limits. Many of these are on RH-2 and RH-3 lots, whose neighborhoods’ contextual and compatibility characteristics are the product of those limitations.

The elimination of TTD, the proposal to use larger FARs to determine thresholds for “by right” projects vs. those which would require a Commission hearing, and the expansion of non-complying buildings via an increase of 10% square footage every 5 years would potentially create larger buildings as time goes on. Code-complying structures would appear to be able to turn into non-complying structures at some point and possibly take advantage of the additional 10% increase once it meets non-complying status.

Code-complying and non-complying buildings would also get a potential Accessory Dwelling Unit (“ADU”) based on the sq. ft. The massing could be enormous and out of neighborhood character in many areas. The handling of these non-complying buildings is not clear under the proposals.

Since there are so many non-complying residential structures, staff should create a new proposal grandfathering in existing buildings on non-conforming sites that will not be subject to FAR controls. An amended TTD standard should be created for single-family houses on RH-2 and RH-3 zoned parcels. Property owners should not be required to add units beyond their single-family house because of an arbitrary, multi-family zoning district assigned to them.

### 4. AFFORDABLE HOUSING AND TENANT ISSUES

Staff presented at the August 15, 2017 CSFN meeting as “additional details” that Planning

Department is working in “collaboration with other agencies” to address “rent control” and “DBI. This section of concerns is presented to respond to the staff’s statement of discussions about rent control.

San Francisco has stated that it needs substantially more housing -- especially that which is affordable to a wide range of people who are not close to being top wage earners. To this end, it has rent control laws. Also, it has sought help from developers of new projects by requiring affordable housing in many projects without bonuses, as such, and offering density bonuses through local programs as the reward for including affordable housing. One can note that in all of these housing settings, affordable housing must be included as the quid pro quo for the bonuses or other approvals for the projects. Further, State law affordable housing bonus programs, which are applicable to San Francisco as well, also require affordable housing as a quid pro for density bonuses. These programs are all designed to maintain or create housing stock for very diverse groups of people who without these laws and programs could not remain in San Francisco.

Nonetheless, San Francisco is by some measures behind in the amount of affordable housing which is being created and is also losing historically rent-controlled units to new development with limited control or are market-rate. The impact of this can be significant to large populations of RH-zoned lots, especially RH-2 and RH-3 lots, which are the major zoning districts in many parts of the City.

In order to mitigate some of the impacts that the staff proposals will have on residents, all future rent-controlled residential expansions, whether TTD- or FAR-derived-enabled projects, need to limit the rent that can be charged after the project is completed to be no more than perhaps 150 percent of that being charged prior to the project taking place. Major renovations cannot take place more frequently than on a ten year cycle, and during the ten years period, rent increases are subject to the normal rules. By allowing the property owner to charge a rent that reflects the total cost of the renovation simply encourages “mega mansions” which prices tenants out of that building, essentially discriminating against rent control tenants and defeating the entire concept of “affordable housing.”

Even under existing rent and housing laws programs, there is often pressure to minimize or eliminate their impact in a variety of ways, requiring vigilance by those seeking to promote economic diversity in San Francisco. This is in part the product of what appear to be sought after ad hoc applications/interpretations of housing and land use rules.

With “by right” FAR values being proposed that are much higher than the samplings found by CSFN, and with the City Planning staff stating that the average home is around 1,500 sq. ft., such high FAR values would create larger spaces which would thus increase very substantially the rental rates permitted, and in turn reduce the eligible pool of renters.

A National Association of Realtors study of a few years ago shows that selling prices of existing homes are typically cheaper than newly constructed homes by 15 to 20 percent. That gap widened after the Great Recession of the last decade to as much as 30 to 40 percent due primarily to major cutbacks in new construction. So, preserving housing stock rather than replacing it should give a wider swath of people a chance to live and stay in San Francisco.

Of course, it is recognized that developers will be seeking to enable all new construction and to maximize unit size to increase investment returns. This is what the current FAR proposal promotes. Properties in RH-zoned areas will almost certainly get a bump up in land values, and will have to give nothing in return. However, this is antithetical to City policies and will place at risk of loss much of the older existing and rent-controlled stock. Losing older and rent-controlled stock will disrupt the neighborhood character and force out of San Francisco even more people who will not be able to afford the likely higher rents for newly constructed units, nor be able to purchase any “entry-level” homes, since they will be larger under this FAR proposal and thus less affordable. The combination of easing controls on demolitions and allowing supersized homes is a recipe for disaster. Similar to the AHBP 1.0, this will incentivize tenant displacement while reducing affordability without benefit to the public unlike AHBP.

As proposed, the FAR thresholds seem to permit complete demolition of buildings located on eligible lots, and their replacement with all new construction. If that is correct, and if refurbishing requires the vacating of a building, the disposition of and concessions to tenants must be made as part of the proposal.

The proposal involves elimination of TTD expansion limits for the RH zoned districts. In a city where over 65% of inhabitants are renters in these zones, easing demolition via elimination of the TTD “formula” for residential buildings in all zoning districts will certainly result in more of tenant displacement.

In addition, what is not taken into consideration is the variously reported at least 8% vacancy rate of newly constructed housing units left for investment purposes with nobody living in them. Some of the vacant units are older units, no doubt, but left vacant for various reasons. It is questionable as to whether the residential expansion/FAR/TTD proposals would allow these units to be expanded when they are vacant and do not serve the overall goal of providing housing for people to live in.

These potential consequences require discussion about the fundamental premise of removing TTD and proposing an expansion threshold via use of FAR among the staff, with neighborhood groups, and with various activist groups before going further.

## 5. CONCERNS FROM CSFN GENERAL ASSEMBLY MEMBERS ON AUGUST 15, 2017

In response to the information Planning staff presented on the proposed replacement plan after the TTD controls are eliminated, discussion ensued about the proposal’s impact on and the need for clarification of the Planning Code changes on the neighborhoods. Some of the issues raised are listed below, but many more concerns were told to the Planning staff at the meeting.

A. Adopting FAR thresholds will enable, and possibly force, property owners to add units to their lots up to the maximum zoning district whether or not the owner wishes to enter into the rental business. This proposal is changing how existing single-family homes are either expanded or demolished and rebuilt. Will adding units be mandatory to allow structures to be remodeled?

B. Changes away from TTD controls to FAR controls will allow the Commission and staff to be relieved of work and not spend time scrutinizing smaller projects. The volume of demolitions of sound housing will go unnoticed, since projects are reviewed by Planning staff for only their size in relation to the lot they are built on, not on whether affordable housing can be salvaged by remodeling.

C. Planning staff acknowledges that there will be a loss of neighborhood character under FAR thresholds. Even more insulting is the staff's attitude that "the desire for some of the older charming buildings to be retained" is "just not reality under today's rules; and that's not part of the proposal." This approach to revising the Planning Code to disrespect neighborhood character will not be tolerated.

D. It appears that the new proposals are an effort to allow rent-controlled units to be remodeled to such a degree that they are no longer eligible to be considered under rent control regulations. When "new construction" of pre-1979 units enables a loss of housing to be preserved under rent control, then a much greater debate must be undertaken to resolve this issue.

E. Planning, San Francisco Fire Department (SFFD), Department of Building Inspection (DBI) have met to determine if fire-damaged buildings subject to Rent Control will continue to be rent-controlled once they're refurbished or once they're rebuilt. The decision is that rebuilds will be rent-controlled. Such a working group should be convened to discuss whether FAR-enabled remodeling will also continue to be rent-controlled.

## 6. CSFN REQUESTS TO THE PLANNING COMMISSION

To resolve the issues CSFN is opposed to, we request that the Commission directs the Planning staff to amend the proposal as enumerated below and to continue to have further meaningful dialogue with CSFN. CSFN requests that no decision be made on the controversial issue of eliminating the parts of Section 317 controlling demolition, until staff has clarified and resolved the issues raised by the proposed FAR threshold, including the imposition of the expansion threshold via FAR, the increase for non-complying buildings, and how the ADUs will be implemented in light of recent code changes.

The Commission is also requested to take no action on these proposals without complete on-the-ground, citywide data with specified information on buildings and lots as detailed in Item G below. With only samplings done here and there, the Commission would not be given representative data of the various streets and lots found in the 11 very distinct supervisorial districts.

The staff have asked the Commission to decide "if the use of a FAR threshold is the right approach to regulate large units in the city's low-density residential zoning districts?" Your answer must be "No" until such time you are thoroughly and accurately presented with the information requested below from staff that will properly inform a different answer.

CSFN requests the Commission to direct Planning staff to:

A. Create “hard” caps on FARs at the following levels: 0.4 for RH-1, 0.8 for RH-2, and 1.2 for RH-3.

B. Clarify what the ADU implementation requirements are, if ADUs will be mandated to be built, and what changes to the existing Planning Code are needed by these proposals.

C. Clarify 1) if FAR is going to mandate that new units be built to the maximum of RH2 and RH3 zoning district designations?, 2) if it is mandatory that units be built and rented as only affordable?, and 3) how will the mandates be enforced?

D. Exclude property if, within the ten years immediately preceding the filing of the “first papers”, any building/unit thereon, at any time then or currently, was/is occupied by a licensee, renter or tenant (other than immediate family of the property owner), regardless of license, rental or lease durations. This is similar to the approach taken in State Senator Weiner’s-sponsored “by right” legislation, SB 35, and by the State’s AHBP.

E. Work with Department of Building Inspection staff to require an Applicant’s Affidavit on the DBI Permit Application form that states: “Under penalty of perjury the following declarations are made: The undersigned is the owner or authorized agent of the owner of this property. The information and plans presented are true and correct to the best of my knowledge. The other information or applications may be required.” This affidavit must be signed at the time the Permit Application is filed, so that both Planning and Building departments can rely on the documents submitted as truthful.

F. Conduct more meaningful neighborhood group and activist-involved meetings regarding the impact of the RET/FAR/TTD proposals with a view to gathering more input from the public on these changes, to discuss this letter, and any other issues surrounding the proposals.

G. Provide the actual citywide data upon which staff relied to establish a “typical” lot size and to develop the proposed triggers. The data should include:

1. specific lot identity (block/lot/address)
2. zoning (e.g. RH-1(D), RH-1, RH-2, RH-3)
3. number of units
4. actual lot square footage
5. actual existing unit & total building square footages
6. year structure was built (original & after alteration/demolition)
7. the category (A, B, C) staff assigned to the parcels/lots
8. resulting FARs for each
9. identify if there are non-complying buildings on parcels/lots under today’s Planning Code

H. Provide data of actual projects considered during the preceding 5 years to which TTD rules were considered and which were, or could have been, impaired thereby. This report must show which projects were denied or approved (either as demolition or otherwise) and how each project would have fared if the proposed FAR rule had been in place.

I. Provide a report that studies other municipalities that have adopted the FAR thresholds and have separated the FAR triggers per unit for Planning Commission referral that are used for evaluating residential vs. commercial property proposals. Current staff-recommended FAR unit triggers are too high compared to other cities using this method.

J. Provide the data from all Citywide parcels grouped in RH-1(D), RH-1, RH-2 and RH-3 the lot sizes and state how staff arrived at its basis for using 2,500 sq. ft. and 1,750 sq. ft. numbers as the “typical” lot size to which the FAR proposal would be assigned.

K. Provide data to document and explain how incentivizing expansion of residential buildings using the FAR threshold will provide new affordable housing.

L. Clarify if, under the FAR threshold, the existing rent-controlled units will be permitted to be demolished and rebuilt as new construction, and if so, whether the previous rent-controlled designation of these units will continue, or if the new construction status will allow the rent-controlled status to be removed.

M. Clarify how expansion projects for non-complying residential buildings on residentially zoned lots would be treated under FAR, and whether these projects would be mandated to increase unit density up to the maximum number of units for which the parcel is zoned. If so, will a variance be required for the non-complying project to expand to maximum units if current rear yard area does not meet code requirements for this purpose?

N. Clarify what guidelines, other than those proposed for projects governed by the FAR threshold that exceed the proposed trigger thresholds, will be used to control expansion projects? Will the Residential Design Guidelines be used by staff to evaluate remodeling and demolition-related expansion projects?

O. Provide the data on the number and location of all short lots (e.g. under 100 ft. deep) that would not be able to achieve the rear yard setback with the FAR numbers for the RH zoning districts that bases everything on a 2,500 sq. ft. parcel or a 1,750 sq. ft. “small corner” parcel.

P. Clarify whether buildings code-complying today that get enlarged to become non-complying buildings, if they are eligible to receive the 10% expansion every 5 years subsequently, and if non-complying buildings will have a maximum extension into the rear yard setback, side setback or height limits.

Q. Direct staff to explain how non-complying buildings will be handled under the proposals.

R. Direct staff to explain how non-complying structures, due to their ages, and thus are currently subject to the City's lawful exercise of police power with regard to rents, would be treated under FAR.

S. Clarify how the FAR proposal will not be responsible for converting rent-controlled units into market-rate units.

T. Clarify how enabling the building of oversized houses in RH-1D and RH-1 will contribute to providing additional affordable units in San Francisco.

U. Provide the data on the number and location of all short lots (e.g. under 100 ft. deep) that would not be able to achieve the rear yard setback with the FAR numbers for the RH zoning districts base everything on a 2,500 sq. ft. parcel or a 1,750 sq. ft. "small corner" parcel.

V. Staff should create a new proposal grandfathering in existing buildings on non-conforming sites that will not be subject to FAR controls. An amended TTD standard should be created for single family houses on RH-2 and RH-3 zoned parcels.

"CSFN RESOLUTION ADOPTED AUGUST 15, 2017

TO: San Francisco Planning Department, San Francisco Planning Commission,  
San Francisco Board of Supervisors

FROM: George Wooding, President, Coalition for San Francisco Neighborhoods (CSFN)

RESOLUTION ON RESIDENTIAL EXPANSION THRESHOLD (RET) /  
TANTAMOUNT TO DEMOLITION (TTD)

WHEREAS, the San Francisco Planning Department (the "Department") is proposing a program entitled "Residential Expansion Threshold" (RET), all as more fully described in the Department Memo dated June 1, 2017, to the Planning Commission, whereby residential buildings on lots zoned RH-1(D), RH-1, RH-2 or RH-3, could be substantially expanded in terms of volume even though, as many have been built prior to the current Planning Code, they are not code compliant and already have volumes which may far exceed current code, and are thus below code requirements for open space; and

WHEREAS, RET would establish volume increases by applying a "Floor Area Ratio" (FAR), which is the ratio of the building sleeves square footage to the land square footage, and which, according to the Department, are either below or just slightly above current ratios, but has not provided any data to support those claims; and

WHEREAS, in addition to new FARs, RET would permit a further volume bonus of a) a code compliant Accessory Dwelling Unit (ADU) and b) a 10% possible additional bonus; and

WHEREAS, so long as a proposed volume increase does not exceed an articulated ceiling ("trigger"), and otherwise will be Planning Code compliant (or were built prior to any existing Code mandates), a RET bonus would be "of-right" and not require a review by the Planning Commission for the volume increase; if a trigger were exceeded, the review by the Planning Commission would be a very subjective review of some very general design guidelines; and

WHEREAS, according to the Department, the RET program would replace the need to closely monitor whether RET-qualified projects were deemed a "demolition" or "remodel" under current Planning Code rules, which if applied properly can preserve existing housing, which is almost always less costly to access than new, luxury buildings/units for which no affordable housing is required; and

WHEREAS, as the Memo points out, the FAR is only applied to non-residential buildings – not to RH-1(D), RH-1, RH-2 nor RH-3 -- which have no bonus incentive programs whereas there are currently incentive bonus / inclusionary programs for residential already available to incentivize development; and

WHEREAS, a RET bonus package requires nothing from an existing eligible lot owner and yet it is almost a certainty that the land value will turn up if the RET program were approved, with no quid pro quo from the owner; and,

WHEREAS, RET effectively pre-empts the use of the Home-SF density bonus program for RH-3 lots and thus the opportunity for affordable housing units; and

WHEREAS, with the urgent need for affordable housing, the City should be influencing the use of all development resources to the development of such housing, and not to providing land value bonuses to land owners who give nothing in return; and

NOW THEREFORE BE IT RESOLVED, that, upon the recommendation of the Land Use Committee (the "Committee") of the Coalition for San Francisco Neighborhoods (the "Coalition"), and for the reasons stated above, the Coalition shall oppose, and does hereby declares its opposition, to the current RET proposal in its entirety; and

BE IT FURTHER RESOLVED that the President, in consultation with the Chair of the Committee and others whom they may designate, be, and they are hereby authorized to take any and all steps which they believe are necessary and appropriate to fulfill the purpose and intent of the foregoing resolution."

CSFN looks forward to receiving comments from the Commission in response to CSFN's concerns and to continuing to work with staff to resolve our concerns.

Respectfully submitted by,

/s

George Wooding, President  
Coalition for San Francisco Neighborhoods

/s

Rose Hillson  
Chair, CSFN-Land Use Committee

CSFN Letter Re Demolition, Expansion in RH Zoning Districts

September 1, 2017

Page 13 of 13

cc:

Jonas Ionin, Commissions Secretary

John Rahaim, Director

Scott Sanchez, Zoning Administrator

Elizabeth Watty, Assistant Director of Current Planning

Brittany Bendix, Planning Staff

Board of Supervisors

Clerk of the Board of Supervisors