



December 17, 2010

Marisa Raya, Regional Planner
Association of Bay Area Governments (ABAG)
101 Eighth St.
Oakland, CA 94607

Subject: SCS Vision Scenario Place Types and Policies: San Francisco Input

Dear Marisa:

On behalf of the City and County of San Francisco, we thank you for the opportunity to provide input into the development of the “Vision Scenario” for the Bay Area’s first Sustainable Communities Strategy (SCS). We have developed the information ABAG requested regarding our vision for sustainable growth, including the “Place Types” that most accurately describe the San Francisco-designated Priority Development Areas (PDAs) and the policies, incentives, and implementation strategies that will be necessary to achieve our vision.

San Francisco is planning to accommodate more than 60,000 new households in PDAs by 2035. This represents the placement of over 90% of our county growth targets (from Projections 2009) within PDAs. This is significant as the next closest county achieves only ~40% of new households in PDAs¹. However, our willingness to plan for this growth cannot be taken for granted and, in order to be realized, must be accompanied by regional resources for core infrastructure investment and supportive policy reform. As ABAG and MTC work to develop the “Vision” scenario and initiate regional funding policy discussions in early 2011, we hope the discussion will be guided by the following principles:

- 1. Maintenance resources should be prioritized for jurisdictions that are currently accommodating regional growth and travel in an equitable and sustainable manner; and that demonstrate progress toward meeting RHNA affordable housing targets.**
- 2. Expansion resources should be prioritized for jurisdictions that are proactively planning to accommodate expected growth – and particularly affordable housing — between 2010 and 2035, in a sustainable and cost-effective manner;**
- 3. Discretionary resources should be prioritized for projects that reduce regional greenhouse gas emissions equitably and cost-effectively over their life cycle; and for projects that serve TOD that includes affordable housing.**

¹ Based on PDA Assessment data reported at 9/2010 RAWG

Below, we provide the requested input on San Francisco's vision for growth.

Place Types

We confirm the current Place Type designation for the majority of San Francisco's PDAs, as noted below.

- Regional Centers: Downtown Neighborhoods, Transbay Terminal/Transit Center District
- Urban Neighborhoods: Market & Octavia, Eastern Neighborhoods, Bayview/Hunters Point Shipyard/Candlestick Point, Mission Bay
- Transit Neighborhoods: Balboa Park, San Francisco/San Mateo Bi-County Area (includes the Executive Park/ Visitacion Valley/ Schlage Lock Plan Areas)
- Transit Town Center: 19th Avenue Corridor
- Mixed Use Corridor: Mission-San Jose Corridor

While the current Place Type categories adequately capture residential developments, we view the lack of a Place Type category that will accommodate significant job centers outside of the Regional, City and Suburban Center types as a constraint. For example, there is no good fit for the Port of San Francisco, whose land use plan focuses on job development, due to state restrictions on development on port land.

San Francisco's PDAs generally fall on the high end of unit targets and new projected density compared to the available Place Types. The current Place Type definitions fail to capture the high proportion of jobs to housing units that many of San Francisco's PDAs offer. We request that ABAG staff notify us if these differences will be material for any uses of the place type designations in the SCS planning process or for any other purposes.

Policies and Incentives

The policies and incentives listed in the Policies and Place Types Form are all needed to some extent to support the overall level of growth in each of our Planned and Potential PDAs (except for funding to acquire open space). The policy areas of particular importance to San Francisco include:

- Enhanced funding for regional core transportation and non-transportation infrastructure such as water, sewer, utilities, and parks;
- Funding for affordable housing;
- Increased maintenance funding;
- Adequate provision of water treatment and water supply;
- Parking pricing policy;
- Improvements to school quality.

Implementation Strategies

Many of the implementation strategies listed in the Policies and Place Types Form have already been put to use in San Francisco, including:

- Zoning for increased densities and/or mix of uses;
- Provision of affordable housing through zoning;
- Funding affordable housing development;
- Retention of existing affordable units; and
- Implementation of community impact fees, commercial linkage fees.

Implementation strategies needed to support growth of particular importance to San Francisco include:

- Major regional transit capital improvements beyond Resolution 3434;
- Transit capital improvements to bring fleets, guideways and facilities to a state of good repair;
- Non-motorized and alternative mode infrastructure investments such as walking and bicycle facilities. Bicycling alone has grown 58% in the last three years in San Francisco;
- Transportation demand management strategies such as parking management, ridesharing, virtual commuting and congestion pricing;
- Value capture/redevelopment infrastructure improvement;
- Increased transit service frequencies for core trunk lines serving PDAs;
- Improvements in non-auto access to schools, job centers, and other major destinations; and
- Utility and other infrastructure improvements, including adequate provision of water and sewer.

Accommodation of Growth

San Francisco's Adopted and Planned PDAs collectively accommodate over 63,000 new housing units, and 136,000 new jobs. Healthy absorption of the city's existing vacancies in PDAs like Downtown provides the opportunity for another 23,000 or more jobs. However, new growth in San Francisco is not confined to PDAs. The city includes numerous small-scale infill opportunity sites close to transit throughout all of its neighborhoods. Such sites outside of Priority Development Areas could accommodate another 17,000 new housing units, distributed reasonably evenly throughout the city. Cumulatively, San Francisco's PDAs and other opportunities yield the potential for over 85,000 housing units and almost 160,000 more jobs, more growth than is likely to be projected for San Francisco under the SCS P2011 Projections.

The ABAG-highlighted "Other Significant Areas" do not represent particular places that should be considered within the SCS process, and the city is not proposing any new PDAs. The lion's share of city's growth will continue to be focused in its PDAs, including new plans (such as the Western SOMA Plan under development, and the pending initiation of a plan for the Central Subway alignment, within the Downtown and Eastern Neighborhood PDAs); and growth opportunities will

be pursued as appropriate at smaller scale infill opportunities along transit lines outside of the PDAs.

How people commute to work has dramatic implications for the region's overall sustainability. In major downtowns like San Francisco and Oakland, a high percentage of workers commute by means other than automobile; outside of these areas, the percentage of workers that do not drive to work is insignificant. Increasing workplace development capacity in major centers, as opposed to other localities in the region, will go further to support both local and regional goals to reduce greenhouse gas emissions.

However, with the limited information available, San Francisco cannot volunteer to accept more growth. While more funding, incentives and policy support would inevitably increase the City's ability to accommodate and to manage growth, there is no way for the City to make a fair estimate of "how much" more growth would require, nor any way for us to assess how that growth could fit within the fabric of our city.

While San Francisco has pioneered transit supportive development over the past few decades, we are at our limit in terms of transit's ability to carry more people in the peak period without significant new right-of-way, fleet and facility expansion. Our transit state of good repair backlog is over \$2 billion just to maintain current service levels let alone the additional service levels from the expected growth, and similar backlogs exist for the regional transit service providers who serve San Francisco, such as BART and Caltrain. These core capital capacity constraints are regional in nature and will need a regional focus on resource prioritization for these PDAs to be successfully implemented. In addition, San Francisco needs over \$750 million to bring our local streets to a state of good repair, and many PDAs have significant non-transportation infrastructure investment needs as well, lacking the community assets necessary to make them complete communities.

San Francisco uses the strategies noted above to create and preserve affordable housing. Yet despite a deep commitment to mixed-income communities, the City has been unable to achieve more than a third (34%) of our RHNA affordable housing target. In the absence of additional resources for affordable housing, the City will be unable to accommodate equitable and sustainable growth at projected levels. Under the current RHNA for San Francisco, more than 60% of our projected housing need requires subsidy. San Francisco is making tremendous efforts and is succeeding in its efforts to bring affordable units into production. However, without financial support we will not have the ability to keep up with the mandated RHNAs.

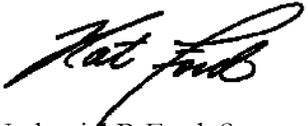
We are further challenged by needing to pace growth with new investment. While San Francisco's planning efforts aim to combine changes in zoning with proposals for new infrastructure investment, we continually face resistance from neighborhoods who are skeptical that needed infrastructure will come. There is a very real threat of neighborhood demand for legislation that meters growth according to infrastructure provision, thereby restricting zoning changes and any development under those zoning changes, until after the infrastructure is in place.

In sum, the region cannot assume, or take for granted, San Francisco's growth plans. We need support and incentives, in order to realize our vision. In doing so, San Francisco is poised to help the region realize our shared region for a more sustainable Bay Area. We hope this input is helpful in shaping the SCS "Vision" scenario. We look forward to continuing our collaboration and to

participate in the SCS/RHNA/RTP planning process.

Sincerely,

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