SUBSTITUTED 9/8/2015 ORDINANCE NO. 172-15

FILE NO. 150586

NOTE:

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[Planning Code, Zoning Map - Rezoning a Portion of Daggett Street to Public Use/Open Space Zoning]

Ordinance amending the Planning Code by revising the Zoning Map to rezone a portion of Daggett Street between 16th Street and 7th Street from Urban Mixed Use/68-X Height and Bulk District to Public/Open Space as part of the establishment of Daggett Park; and making findings under the California Environmental Quality Act, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, **Section 101.1.**

> **Unchanged Code text and uncodified text** are in plain Arial font. **Additions to Codes** are in *single-underline italics Times New Roman font*. **Deletions to Codes** are in *strikethrough italics Times New Roman font*. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

- (a) As San Francisco continues to grow and develop, the need increases for wellmaintained public open spaces that meet the demands of existing and new residents, workers, and visitors. The Showplace Square/Potrero Hill Area Plan, a part of the Eastern Neighborhoods Area Plan, identifies the need for additional open space to enhance livability in the Plan Area.
- (b) In order to provide these new open spaces, significant funding beyond existing City resources is necessary to acquire, develop, and maintain the necessary new open spaces. One potential source of funds is new residential development that could contribute to the capital costs of open space. New residential development directly impacts the existing park

sites with its influx of new residents. Therefore, new development in the Eastern Neighborhoods is required under Planning Code Section 423 to pay the Eastern Neighborhoods Infrastructure Impact Fee directly into the Eastern Neighborhoods Public Benefit Fund to, among other infrastructure improvements, acquire and/or construct new open space. Alternatively, project sponsors may propose to directly provide community improvements to the City in lieu of fee payments. In such a case, the Planning Commission may enter into an in-kind improvement agreement with the sponsor and issue a fee waiver for the Eastern Neighborhoods Infrastructure Impact Fee in the amount of the cost of the acquisition of property and/or proposed improvements.

- (c) The Eastern Neighborhoods Streets and Open Space Concept Plan (Appendix A3 of the 2008 Showplace Square/Potrero Hill Area Plan) identified as a priority and significant opportunity for new open space the approximately one-acre one block section of Daggett Street between 16th and 7th Streets, owned by the Port of San Francisco and subject to the public trust. Policies 5.1.1 and 5.1.2 of the Showplace Square/Potrero Hill Area Plan (2009) call for the City to "[i]dentify opportunities to create new public parks and open spaces and provide at least one new public park or open space serving the Showplace/Potrero" and "[r]equire new residential development and commercial development to provide, or contribute to the creation of publicly accessible open space." In addition, the Showplace Open Space Plan (2010) identified Daggett Street as a potential location for open space to fulfill the goals of the Showplace Square/Potrero Hill Area Plan.
- (d) On January 27, 2009, the City issued an "Eastern Neighborhoods Infrastructure Prioritization Memorandum of Understanding" ("ENMOU") between seven City agencies. This MOU listed the implementation of one new open space project in the Showplace Square area (generally bounded by 16th Street to the south, 7th Street to the northeast, Bryant Street to the northwest, and Potrero Avenue to the west) as one of the seven priority projects for funding in

the Eastern Neighborhoods. On July 18, 2011, in Motion No. 2011-6-1, and June 15, 2015, in Motion No. 2015-06-05, at duly noticed public meetings, the ENCAC supported the use of a portion of the Eastern Neighborhoods Infrastructure Impact fee that the Project Sponsor owed via an In-Kind Agreement between the City and Project Sponsor, as set forth in Planning Code Section 423.3, to be allocated to the construction of the open space improvements. The ENCAC recommended this action to the Planning Commission and Board of Supervisors. Copies of these motions are on file with the Clerk of the Board in File No. 150644.

- (e) On September 7, 2012, the Interagency Planning and Implementation Committee ("IPIC") agreed with this recommendation.
- (f) In 2012, the Planning Commission and Archstone Daggett Place, LLC ("Project Sponsor"), which plans to develop a 453-unit rental development project on the properties abutting Daggett Street, entered into an in-kind agreement to build a new open space on a portion of Daggett Street in exchange for a waiver of a portion of its Eastern Neighborhoods Infrastructure Impact Fee. The Planning Commission and the Project Sponsor entered into the 1000 16th Street In-Kind Improvement Agreement dated as of November 29, 2012 (the "In-Kind Agreement"). Project Sponsor will provide the additional cost of construction of the open space improvements and maintenance of the open space as a gift to the City. On November 29, 2012 and July 9, 2015, at duly noticed public hearings, the Planning Commission, in Resolution Nos. 18752 and 19410 approved an In-Kind Agreement and an amended In-Kind Agreement, respectively (collectively referred to herein as the "In-Kind Agreements"). Copies of these resolutions and the In-Kind Agreements are on file with the Clerk of the Board in File No.150644.
- (g) The Showplace Square/Potrero Hill area will benefit greatly from this new local amenity, facilitated by the Project Sponsor's adjacent new residential development, as

adequate resources have not been available to fund a significant new open space in this Plan Area.

- (h) Daggett Street, which was transferred to the City under the Burton Act, was subject to the public trust and placed in the jurisdiction of the Port of San Francisco. In order to support new open space uses on Daggett Street, the City worked with the Port and California State Lands Commission to lift the public trust from Daggett Street in exchange for the City's payment of the appraised fair market value of \$1,675,000 to the Port. In exchange for such payment, the Port agreed to remove the public trust and transfer jurisdiction of Daggett Street to the City.
- (i) Once construction of the open space improvements is complete, jurisdiction over the portion of Daggett Street that will be vacated (the "Vacation Area") and will transfer to the Real Estate Division of the Office of the City Administrator ("RED"). RED will manage the Vacation Area as a public open space and intends to request the Board to designate the Vacation Area as a City Plaza under Administrative Code Section 94, the San Francisco Plaza Program, once RED has identified a steward for the Board's consideration and approval. The Vacation Area is proposed to be zoned as public/open space use, while the remaining street right-of-way portion of Daggett Street will continue as a public street under the jurisdiction of Public Works.
- (j) To facilitate establishment of the Daggett Park open space, this legislation would conditionally change the zoning of a portion of Daggett Street between 16th Street and 7th Street from the adjacent zoning district of UMU (Urban Mixed Use)/68-X Height and Bulk District to P (Public)/OS (Open Space). This zoning change would become operative on the effective date of the street vacation of the northern portion of this street segment in accordance with Public Works Code Section 787 and California Streets and Highways Code Sections 8300 et seq. The street vacation, Public Works SUR Map No. 2015-002 showing the

area to be vacated, and other related approvals and actions are in companion legislation on file with the Board of Supervisors in Clerk's File No. 150644 and incorporated herein by reference.

- (k) For purposes of the actions set forth in this legislation, the Board adopts the California Environmental Quality Act ("CEQA") (Public Resources Code Sections 21000 et seq.) findings that it adopted in companion legislation on file with the Clerk of the Board of Supervisors File No. 150644, and incorporated herein by reference.
- (I) On July 2, 2015, the Planning Commission, in Resolution No. 19406, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 150586, and is incorporated herein by reference.
- (m) In Resolution No. 19406, the Planning Commission also determined, in accordance with Planning Code Section 302, that the ordinance will serve the public necessity, convenience, and general welfare. The Board adopts this determination as its own.

Section 2. Under Sections 106 and 302(c) of the Planning Code, the Zoning Map of the City and County of San Francisco is amended as follows:

Property Location	Zoning District	Zoning District	<u>Sheet</u>
	To Be Superseded	Hereby Approved	
The northerly portion of	UMU	Р	ZN08
Daggett Street between			
16th and 7th Streets as			
shown in Public Works			

SUR Map No. 2015-002.

SUR Map No. 2015-002.

Property Location	Height District	Height & Bulk District	<u>Sheet</u>
	To Be Superseded	Hereby Approved	
The northerly portion of	68-X	OS	HT08
Daggett Street between			
16th and 7th Streets as			
shown in Public Works			

Section 3. Effective and Operative Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance. The zoning changes set forth in this ordinance shall be conditional and become operative only upon the effective date of the street vacation of the northerly portion of Daggett Street between 16th and 7th Streets in accordance with Public Works Code Section 787 and California Streets and Highways Code Sections 8300 et seq.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:

John D. Malamut Deputy City Attorney

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City and County of San Francisco Tails Ordinance

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number:

150586

Date Passed: September 29, 2015

Ordinance amending the Planning Code by revising the Zoning Map to rezone a portion of Daggett Street between 16th Street and 7th Street from Urban Mixed Use/68-X Height and Bulk District to Public/Open Space as part of the establishment of Daggett Park; and making findings under the California Environmental Quality Act, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

September 14, 2015 Land Use and Transportation Committee - RECOMMENDED

September 22, 2015 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

September 29, 2015 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 150586

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/29/2015 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Date Approved