

**Minutes of the
Community Advisory Committee of the
Market and Octavia Plan Area
City and County of San Francisco**

<http://www.sf-planning.org/index.aspx?page=1700>

**4th Floor Conference Room
Planning Dept., 1650 Mission Street
Wednesday, January 25, 2012; 6:30pm
Regularly scheduled monthly meeting**

Jason Henderson	Robin Levitt
Ted Olsson	Dennis Richards
Michael Simmons	Krute Singa
Lou Vasquez	Ken Wingard
_____	Kearstin Dischinger (<i>ex officio</i>)

The Agenda & Minutes of all community meetings, a matter of public record, are available at the Planning Department, 1650 Mission Street, 4th Floor or on our website (above).

SUMMARY

AGENDA (Exhibit 1: Agenda)

1. Call to order and roll call
2. Announcements, upcoming meetings and general housekeeping [discuss]
3. Approval of Minutes for meetings of December 14, 2011 [act]
4. Transportation Sustainability Program—staff presentation [discuss; possibly act]
5. Review and Resolution on Interagency Plan Implementation Committee (IPIC) Report to the Planning Commission [discuss; act]
6. Review of Controller's Report for FY2011 Impact Fees [discuss; possibly act]
7. Resolution on Van Ness Avenue Bus Rapid Transit (BRT) [act]
8. Legislation/policy Pipeline Report—Legislation and Planning Commission issues in process [discuss; possibly act]
9. Committee members comments & issues the Committee may consider in future meetings [discuss]
10. Public Comment
11. Adjournment & announcement of next meeting

NEXT MEETING: TUESDAY, FEBRUARY 22, 2011, 7:00PM AT 1650 Mission, Rm. 400 [temp.sched.]
(Jan24, Feb22, Mch19; Mch meeting to determine permanent schedule of meetings for 2012)

TBD: normal meetings are on the fourth Wednesday of each month (Jan & Feb: exceptions this year)

EXHIBITS (handout documents informing the discussion; name = responsible to provide to Oropeza)

- Exhibit 1: Agenda (**Dischinger**, distributed at meeting)
 NOTE: NO Minutes from December meeting — Secretary absent; no minutes taken; staff to do.
 Exhibit 2: Transportation Sustainability Program presentation (**John-Baptiste**)
 Exhibit 3: IPIC's Report to Planning Commission on M/O Impact Fee Expenditure (**Dischinger**)
 Exhibit 4: Controller's Report on FY2011 MOP-CAC Impact Fees (**Dischinger**)
 Exhibit 5: Development Pipeline Report—legislation/commission issues in process (**Dischinger**)

DECISIONS

- Decision 1: CAC will not meet in conflict with its neighborhood associations' regular meetings.
 Resolution 1: City asked to evaluate efficiency of fee deferral policy before expiration date.

COMMITMENTS, ASSIGNMENTS, INFORMATION DUE

#	WHEN	WHO	WHAT
1.	02/01	AJ-B	Provide CAC with Nexus Study; provide CAC website with TSP slides
2.	02/22	KD	Provide City officials with CAC Resolution/request to evaluate fee deferral
3.	02/22	AS/KD	Provide Vasquez/CAC with recusal rules.
4.	02/22	KD	Provide Olsson/CAC with city's rules for housing density & neighbor impact.

MINUTES

1. CALL TO ORDER AND ROLL CALL

EXHIBIT 1: AGENDA

ROLL CALL (√=present; 0=absent; X=excused; full membership = 9; Quorum = 5)

√ Jason Henderson (Vice Chair)

√ Robin Leavitt

√ Ted Olsson (Secretary)

√ Dennis Richards

0 Michael Simmons

0 Krute Singa

√ Lou Vasquez

√ Ken Wingard

0 *member yet to be appointed*

Ex Officio Members

√ Kearstin Dischinger, staff liaison

Others attending:

1. Alicia John-Baptiste, Chief of Staff, SF Planning Department

A quorum being present, ViceChair Cohen opened the meeting at 6:30pm.

2. Announcements, upcoming meetings and general housekeeping [discuss] (CAC)

2.1 It was noted that two of the new members did not know of this meeting and would not be attending. In the interim Vice Chair Henderson conducted the meeting. The Chair for 2012 & 2012 meetings will be determined at the next meeting when all members are present to vote.

2.2 It was mentioned that Levitt and Olsson were reappointed by the Mayor, who also appointed Lou Vasquez. Gold, Starkey, and Winslow were succeeded by Simmons and Singa, newly appointed by the Supervisors. It was mentioned that Cohen's reappointment was still under consideration by the Supervisors; however, Cohen indicated that he will not return to the CAC; so, there may be another new member at our next meeting.

2.3 New member Lou Vasquez introduced himself. He lives outside of the area (Broderick & Hayes); he is a developer and building contractor (BuildInc.), working at Linden Alley, as well as in NOPA and the Western Addition. For full disclosure he stated that he is developing property on Lot P of the Hayes Valley properties; so, of course, he will recuse himself from any discussions on this issue. However, he needs to know the official rules from the City Attorney regarding this. Dischinger will provide him with this. It was announced that Krute Singa is from the north Mission on Church Street; Michael Simmons is from the Western Addition.

2.4 Dischinger will send members an email inviting them to indicate on Doodle when they could hold regular MOP-CAC meetings. Since the committee held their meetings for November and December on the second Wednesdays—when MDNA always holds its regularly scheduled meetings — Olsson requested that never again should this CAC's meetings conflict with those of a constituent neighborhood association (e.g., MDNA, DTNA, HVNA). He felt that this was very unfair to MDNA and its members. There seemed to be a consensus to observe this constraint.

3. Approval of Minutes from previous meetings [act] (staff)

There were no minutes from the December meeting. The Secretary, having been excused to attend his son's birthday, was not present to take minutes and nobody else seemed to have taken any. He attended for the first few moments to vote on the first motion but then had to leave the meeting. Staff said that they would try to create minutes for this meeting to be approved at next month's meeting.

4. Presentation of Transportation Sustainability Program and fees (Alicia John-Baptiste) [discuss]

EXHIBIT 2: Transportation Sustainability Program (Market & Octavia, January 2012)

— **sponsors: San Francisco County Transportation Authority (TA); San Francisco Planning Department; San Francisco, Office of Economic and Workforce Development; San Francisco Municipal Transportation Agency (SFMTA)**

Alicia John-Baptiste, briefed the CAC with digital slides/handouts (Exhibit 2) on this critical program for the city, which would be added to our CIP fee on all developments. In addition to being Chief of Staff for the department, she also heads the coordination among city departments for this program in response to a recommendation by the Supervisors in 2003 that the Planning Department propose a means of sustaining the city's transportation for the next twenty years. By 2007 the MTA staff agreed on their recommendations; since 2009 the Planning Department has been working with the city's Municipal Transportation Authority (the Supervisors sitting as a focused board). Among other estimates, they had to determine the number of automobiles that would be allowed in the city under the Transit First Policy. Alicia has been part of this process since 2009.

The goals and objectives of this Transportation Sustainability Program are: 1) to better align City practices with citywide policy goals; 2) to harmonize California Environmental Quality Act (CEQA) analysis with the City's 40-year-old Transit First policy; 3) to integrate impact fees with the CEQA process; 4) to streamline CEQA review; 5) to fund high-efficiency transportation system improvements that result in measurable mitigations on a citywide basis. This is an innovative approach to the considerable development which the city anticipates to experience during this period. The city plans to assess fees to be used to mitigate the impact of our population growth. The city must fund the capital improvements to offset the impact of such development. This is meant to bring our city's practices in line with our policy goals.

This program accomplishes several things: 1) it changes the the transportation impact analysis methodology under CEQA; 2) it establishes a citywide Transportation Sustainability Fee (TSF) that replaces the Transit Impact Development Fee (TIDF) and extends fees to residential uses; and 3) it completes an Environmental Impact Review (EIR) studying the cumulative transportation impacts over 20 years of projected development and transportation projects. The program proposes to create the necessary transportation analyses to know what will be needed and then to create sufficient fees to make our transportation network sustainable. During the 20 years, the study looks both at the city's developments as well as its transportation solutions. To mitigate the negative impact, the program proposes an impact fee based upon the gross square footage of the development. To determine what is appropriate, they will perform and analyze a traffic nexus study.

By changing the CEQA transportation methodology and by establishing a citywide transportation impact fee, the program will insure that the cumulative impacts of the developments upon the city's transportation system are offset by improvements to the whole transportation system in line with the City's policies and priorities. This program proposes changing the CEQA methodology. The program needs to estimate automobile throughput, because any delay of automobile throughput is considered a negative impact. These mitigations may pose contrasts with the Transit First Policy or with the Safe Bikes Policy. Because the number of projects over time cumulatively affect the level of transport service, the program must consider what happens when any one of the projects may cross a threshold which the developer cannot meet. So, this Level of Service (LOS) is an index by which to gauge the impact on the city.

There are many aspects to this transportation — cars and trucks, various motorized- (scooters & motorcycles) and manual-cycles (uni-, bi-, tricycles as well as motorized bicycles), skaters and skateboarders, pedestrians as well as public transportation. The emphasis and advantage in the city is currently upon cars. The TSP would remove this competitive advantage from the calculation to provide for more equity for alternative forms of transportation. This Level of Service concept can also be useful in reshaping the city's transit centers (e.g., the new Transbay Terminal).

The Environmental Impact Report (EIR) for this program will project cumulative growth for 20 years. Therefore, the individual projects do not need to do their own EIRs, which should provide a significant cost savings for developers. However, the projects still must be reviewed for the site's design process.

However this program will have a significant impact upon developers and their projects, since all developers must pay this Transportation Sustainability impact fee. This fee will be applied citywide because the impact will be cumulative upon the city. The city's Bus Rapid Transit (BRT) system's type of projects will not be required to undergo these EIRs, because they are designed specifically to reduce the transit delay, which is the purpose of the program as a whole.

The Transportation Sustainability Fee (TSF) will apply to all developments in the city both residential and commercial for all land uses citywide. Transit, bike or pedestrian projects are not subject to this fee. This TSF will replace the Transit Impact Development Fee (TIDF) and will charge a reasonable share to all land use projects. The TIDF ordinance planned for adoption in Spring 2012 will stay in effect until collection of the new TSF is authorized and the nexus (last completed in Feb.2011) will be updated every five years. The TIDF will not be extended to residential uses but will extend to non-profit and institutional uses.

This TSF will generate approximately \$630m over 20 years, and will leverage an additional \$820m in other transportation revenues. Together they will fund a comprehensive and strictly regulated \$1.4B plan for highly efficient transportation system improvements.

According to the TSP Expenditure Plan, the top priority is in the Transit Headway Improvements and Service Expansions category, which accounts for 65% of TSP expenditures that would occur in our Market/Octavia area for Transit Service Expansions on the following lines: 5-Fulton; 6-Parnassus; 14, 14X, 14L-Mission; 21-Hayes; 22-Fillmore; 71-Haight Noriega; J-Church; F-Market; and N-Judah. The 2nd priority (Transit Reliability Improvements = 29%) is dedicated to improving Rapid Network Travel Time Improvements in our MOP area: namely, the Van Ness Business Rapid Transit (BRT); and Market Street Redesign transportation components.

This TSF is scheduled to be \$5.53 per gross sq.ft. (/gsf) for residential developments. However, non-residential developments' TSF per gross sq.ft. rates range from \$6.80/gsf for developments in production/distribution/repair developments to a high of \$13.30/gsf fee for both retail/entertainment developments as well as for cultural/institutional/educational developments. The remaining two development categories (Management, Information & Professional Services; and Visitor Services) both amount to \$12.64/gsf. As a result of this, new residential developments will change from a current total of \$9.57/gsf to a new total of \$12.99/gsf: a net change of \$3.42/gsf (27%) for the total impact fee. New commercial developments will change from a total of \$15.68/gsf to \$16.66/gsf, for a net change of \$0.98/gsf (6%). The total impact fee for the MOP area will peak in 2017, rising in 2014 and falling in 2018.

The timeline for this new TSP is:

Nov. 2011	Initiate Stakeholder Outreach
Jan. 2012	Policy Body Presentations
Feb. 2012	Ordinance Introduction
Feb. 2012	Environmental Review begins
2012-2013	Ongoing Stakeholder Updates
Summer 2013	Environmental Review ends
Fall 2013	Legislation Heard and Adopted

During questions Olsson mentioned his concern that the CIP fees have been deferred until occupancy, which means that we cannot pre-emptively mitigate the impact of multiple developments in our area but rather that none of our budget can be spent until the impact has already occurred. It was pointed out that this deferral of the fee will expire in 2013. But until then, fees can be deferred by the developer. It was noted that the maximum parking fees support the city's Transit First policy and 100% of the fee is waived for persons in Affordable Housing.

Henderson asked if the Nexus study is available and was told that it would be soon. He principally wanted to study the Executive Summary to understand why the TSF was not set at the maximum. He also wanted to see several different fee scenarios, since each land use category has its own fee structure. The answer was that because fees are always challenged in court, the fact that they have not used the maximum rate, will help their chances to sustain this fee. Nevertheless, the TSF is roughly 90% of what the Nexus Study recommended. Another questioner wondered if the development's occupant changes would the fee change? Levitt felt that in residential developments it would be better to charge by the occupant rather than by the square foot. Henderson was also concerned about the Level of Service (LOS) impacts on the developments, particularly if we want to add a bike lane or remove a lane of traffic. According to him, after 2013 the LOS is dropped from all considerations. It was mentioned that the transit exemptions would only be considered for identified transit streets (i.e., Muni routes).

The committee wondered if a large commercial institution (e.g., a Trader Joe's store) was put anywhere other than on a transit route would this trigger an EIR? However, it was stated that developers will continue to be required to do EIRs if triggered by any aspects of community use.

The committee recommended that TSP should consider giving a commercial credit for the kind of stores which the neighborhood wants.

John-Baptiste mentioned that there are some TSF potential discounts. There would be graduated fee discounts (up to 100%) for all projects (both residential and commercial), which build less than the maximum allowed for parking. The maximum allowed is \$40m of discounts over 20 years. Part of the problem is that MTA is trying to find how to solve its operating deficit. The TSF is indexed [to what: COLA?], like the MOP fee, so that every year it will increase.

Levitt suggested taxing all taxi drivers for mileage driven in San Francisco. It was noted that all developers who have already paid their fees and are approved will not be further assessed. It was also stated that none of these TSP fees are planned for subsidizing the Central Subway: this is not allowed. Indeed much of the large scale development expected in the next 20 years would not be subject to this program's fee.

This new program must be approved by six of the Supervisors at a regular meeting of the Board of Supervisors. However, the concept is well regarded by them. The concerns and issues are on the margins of the policy, though the supervisors do have some concerns; nevertheless, some Supervisors and the Mayor will support this new program.

At this point Henderson asked what this CAC could do to further facilitate this proposal. If we wish to pass a resolution of support and forward that to the Supervisors, that would help. The proposal will be introduced in two months; however, it will require another two years before the EIR can be completed. Richardson liked the concept.

John-Baptiste committed to sending our committee the Nexus Study in the next couple of weeks.

5. IPIC Implementation Committee Report (Dischinger) [discuss]

EXHIBIT 3: IPIC'S Market Octavia Impact Fee Expenditure Recommendation

Dischinger reported that IPIC met to coordinate how to spend the impact fee money during the next two years. She passed out the recommendations exhibit, indicating that this is IPIC's recommendations to the Planning Commission for the next two years. This shows a realistic view of the MOP area according to the city's experts. The gray column of the report is what IPIC proposes to fund during the next two years (2012-14).

6. Review of Controller's Report for FY2011 Impact Fees [discuss; possibly act]

EXHIBIT 4: Controller' Report for FY2011 MOP-CAC Impact Fees

This report has just been emailed to all committee members from Dischinger. The Market/Duboce/Buchanan intersection is estimated to cost \$460k. The report indicates that specific amounts for all of the major intersections in the MOP area will be allocated later together with matching funds. This CAC's resolution is included in the packet that the Commission will receive. The MOP had the money required for the intersection, defined in three allocations. Dischinger will list these as a footnote. She believes that the report is likely to come back to us requesting \$500k per intersection.

Henderson in reviewing this Controller's Report asked whether the currently approved fee deferral policy will truly stimulate development. Even more importantly, how will we measure this? As a result of this fee deferral policy, now in the MOP area \$900k has been deferred and only \$113k was collected. This fee deferral program will expire in May 2013; perhaps the committee would like to pass a resolution of how effective this program has been for the benefit of the Commission, Supervisors and Mayor, as lessons learned and to be remembered when considering similar remedies in the future. Dischinger was requested by the CAC to ask the Planning Commission and the City's Economist to determine whether the purpose of this policy was fulfilled (i.e., the actual impact of the fee or what wouldn't have been built without this) and to indicate how he measured this, according to our following resolution

MOP-CAC Resolution #____ (25 January 2012)

BE IT RESOLVED that the Market/Octavia Plan Community Advisory Committee requests City officials to analyze and report on the existing development impact fee deferral program and its actual stimulus effect on the development that would not have otherwise occurred. This report should be completed prior to the May 2013 expiration of the policy, so that this evaluation could be included in the record on evaluating the effectiveness of this policy.

Ayes: Henderson, Olsson, Richardson, Vasquez
Nays: None
Abstain: Levitt

At our next (February) meeting the San Francisco County Transportation Authority (SFCTA) will speak to us, which will allow us to further understand the proposed Transit Sustainability Program.

7. Resolution on Van Ness Avenue Buss Rapid Transit (BRT) [act]

This item was postponed until our next meeting as we had run out of time to discuss it today.

8. Legislation/policy Pipeline Report—Legislation and Planning Commission issues in process [discuss; possibly act]

EXHIBIT 5: PIPELINE REPORT

The report was accepted without comment, which was postponed until next meeting when CAC could review it.

9. Committee members comments/issues for Committee to consider in future meetings [discussion]

9.1 At the next meeting the CAC will vote on its new officers, awaiting all new members attending

9.2 At the next meeting the CAC will determine the consistent meeting dates for 2012

7. Public Comment: No public having attended, there was none.

8. Adjournment & announcement of next meeting

There being no further business and the time having expired, the meeting adjourned at 9:00pm.

NEXT MEETING: WEDNESDAY, FEBRUARY 22, 2012, 7:00PM, PLANNING DEPARTMENT, RM.400.

CAC Meetings: (Fourth Wednesday monthly, City Hall, Rm 278, 7:00-9:00pm)

2012 Calendar: 1/25, 2/22, 3/??, 4/??, 5/??, 6/??, 7/??, 8/??, 9/??, 10/??, 11/??, 12/??

Respectfully submitted,
~TED OLSSON, Secretary

APPENDIX 1
MOP-CAC
Attendance

4th Wednesday monthly

Legend

- Y = attended
- N = unexcused absence
- X = excused absence (i.e., Chairman notified)
- Q = no quorum: no official business transacted; no minutes

NOTE: January & February meetings were held before the new CAC set the year's monthly meeting day.

CAC Member **1/25** **2/22** **3/??** **4/??** **5/??** **6/??** **7/??** **8/??** **9/??** **10/??** **11/??** **12/??**

Jason Henderson	Y											
Robin Levitt	Y											
Ted Olsson	Y											
Dennis Richard	Y											
Michael Simmons	0											
Krute Singa	0											
Lou Vasquez	Y											
Ken Wingard	Y											
_____	0											

Ex Officio

Kearstin Dischinger

- Jan & Feb meetings held monthly on third Wednesday.
- NQ = No Quorum

APPENDIX 2
MOP-CAC
2011 Draft Schedule of meeting Topics
(as of 22 FEB 2012)

2010 SCHEDULE OF TOPICS — THE 2012 SCHEDULE IS YET TO BE DEFINED

SUMMARY OF TOPICS PLANNED/DISCUSSED DURING 2012

January 24

- Proposed Transportation Sustainability Fee
- IPIC Report to Planning Commission — proposed 2-year (2012-14) projects
- Controller's Report on FY2011 Impact Fees
- *Resolution on Van Ness Avenue Bus Rapid Transit (BRT) — postponed*
- Pipeline Report legislation/policy—Legislation & Planning Commission issues in process

February 22

TO BE SET FOR THE 2012 YEAR

March 24

- Finalize 1st year program recommendations and text defining continuing refinement of the process
- Monitor and report; overview and discussion

April 24

- Neighborhood Planning and MEA staff presentations and discussions
- Discussion of Monitor Report by key topics of interest

May 28

- Review draft Monitor Report and potential action
- Review CAC draft section of Monitor Report; potential action

June 23

- IPIC presentation and discussion with CAC
- Discuss a process to continually refine and augment Appendix C's list of potential CIPs

July 28

- Finalize proposed process — potential action

August 25

- Impement Appendix C process
- Discuss MOP Fund expenditure categories; potential action
- Discuss additional funding sources for CIPs

September 22

- Update CAC CIP recommendations

October 27 **CANCELLED: Lack of Quorum**

- Finalize 2011 CAC CIP recommendations; potential action

November 24 Postponed to **November 29**: to avoid Thanksgiving holidays

- As needed; potential action to finalize 2011 CAC recommendations

December 22 Moved up to **December 15** to avoid Holidays

- Approve revised CAC Supplementary report.
- Send resolution to CAC Audiences

APPENDIX 3
LIST OF RELEVANT DOCUMENTS
TO BE INCLUDED ON MOP-CAC WEBSITE
(other than Exhibits, unless cross-referenced_
<http://www.sf-planning.org/index.aspx?page=1700>

Each member of the CAC should indicate which public documents relevant to the MOP should be incorporated onto our website or at least linked from it. This page should be annotated to explain the document and its relevance to the MOP. The point is to make everything relevant to MOP transparent in order to inform the citizens about the CAC's decisions.

- Parking Nexus Study
- TEP
- NCD-20 (Neighborhood Community District) by Dan Sayer (model of superb government report)
- In-Kind policy
- Department's 5-year Monitoring Report of MOP
- CAC's supplementary to the Department's Monitoring Report of MOP
- List of CAC's Resolutions
- Planning Department's *Fifth Year MOP Monitoring Report*
- CAC's *Supplementary Fifth Year MOP Monitoring Report*
- *Transportation Sustainability Program presentation & report*
- Criteria for members of MOP-CAC
numbers chosen by Mayor, by Supervisors; description of representation & members' constituencies
listing of terms of each member; how and when for public to apply to participate

**APPENDIX 4
MOP-CAC RESOLUTIONS**

2. APPENDICES—CAC Resolutions

SUMMARY

Resolution 01	(20Oct2009):	INFRASTRUCTURE FINANCE RECOMMENDATIONS
Resolution 02	(24Mch2010):	IN-KIND AGREEMENT, COMMISSION POLICY
Resolution 03	(25Aug2010):	FEES DEFERRAL PROGRAM
Resolution 04	(22Sep2010#1):	INCLUSIONARY AFFORDABLE HOUSING
Resolution 05	(22Sep2010#2):	HAYES STREET PROJECT INVESTMENT
Resolution 06	(14Dec2011#1):	CIP: DOLORES INTERSECTIONS AT MARKET & 14TH STREETS
Resolution 07	(14Dec2011#2):	
Resolution 08	(24Jan2012):	FEE DEFERRAL PROGRAM EVALUATION

2.1 20Oct2009 RESOLUTION 1: INFRASTRUCTURE FINANCE RECOMMENDATIONS

The Market/Octavia Plan's Community Improvements Program lays out a comprehensive set of measures "necessary to accommodate projected growth of residential and commercial development in the Plan Area while maintaining and improving community character." Partial funding for those needed community improvements will come from the Plan Area's impact fees funds. However, as the Plan notes, to fully implement the Community Improvements Program "some future revenue streams must be established, or additional revenue sources must be made available to the program." A recent report by an Infrastructure Finance Working Group and the City's Capital Planning Committee at the direction of the Board of Supervisors recommends a number of financing tools as strategies for funding public improvements, including tax increment financing and community facilities districts. The CAC expects such financing tools to be applied to the Market/Octavia Area, as called for in the adopted Plan and Community Improvements Program Document as future revenue streams. Therefore, the Community Advisory Committee supports the recommendations of the July 2009 Capital Planning Committee report as relevant to the fulfillment of the Market/Octavia Plan's adopted community improvements goals.

RESOLUTION #1: Infrastructure Finance Recommendations (20Oct2009)
DATE: October 20, 2009
MOTION: Moved by Richards, seconded by Levitt
YES: Unanimous: Brinkman, Cohen, Henderson, Levitt, Olsson, Richards, Villiers
NO: none
ABSTAIN: none
ABSENT: Gold

2.2 24Mch2010 RESOLUTION 2: IN-KIND AGREEMENT, COMMISSION POLICY

The MOP-CAC commends Kearstin Dischinger on a well-expressed policy which incorporates all of the input from the MOP-CAC and EN-CAC delegates. The CAC conditionally approves the Department's latest draft of an In-Kind policy presented by her to the Committee at its August 25, 2010 meeting subject to incorporating the following:

- 1) The policy shall require the developer to report back to the Commission on the status of his project midway through the project's construction, in order for this to be a matter of public record, transparent to the public.
- 2) Since this In-Kind policy and fee deferrals directly reduce the fund of money which the CAC can use to direct community improvements benefitting the larger community, and because it allows developers to more directly influence the direction of CIPs, the CAC must know the tradeoffs (how it would have prioritized CIPs and allocated funds to them if it had the full funds vs how it must now prioritize CIPs with reduced funds). The CAC must also consider whether the developer's proposed In-Kind CIP is truly a priority at this point. The CAC may also wish to rank CIPs according to which it would approve developers constructing.
- 3) Since this policy could allow routine projects to be approved for the sake of expediency—i.e., lower priority

CIPs might be completed at the expense of more important CIPs—and since developers are not constrained to propose projects in the CIP list, therefore the CAC can encourage developers to adopt the CAC’s prioritized CIPs and if the proposal is misaligned with CAC priorities, the CAC has the right to vigorously disapprove a developer’s concept based on this rationale alone.

4) The policy is meant to let the developers understand the CAC’s top priorities and to allow them to choose to construct an In-Kind CIP from among these.

RESOLUTION #2: In-Kind Policy (24Mch2010)

DATE: March 24, 2010

MOTION: Moved by Henderson, seconded by Levitt

YES: Unanimous: Cohen, Henderson, Levitt, Olsson, Richards

NO: none

ABSTAIN: none

ABSENT: Brinkman, Gold, Starkey, Wingard

**2.3 25Aug2010 RESOLUTION 3: FEES DEFERRAL PROGRAM
CAC Resolution on Fees Deferral for the Market and Octavia Plan Area**

WHEREAS the Market/Octavia Plan encourages "smart growth" development for the many neighborhoods it encompasses, and is predicated upon complementary implementation of a comprehensive set of community and infrastructure improvements “necessary to accommodate projected growth of residential and commercial development in the plan area while maintaining and improving community character”;

WHEREAS the Findings of the Better Neighborhoods Area Plan Monitoring Program state that, “Successful fruition of the plan’s goals requires a coordinated implementation of land use controls, community and public service delivery, key policies, and community infrastructure improvements”;

WHEREAS streets in the Market and Octavia Plan area are already carrying a disproportionate share of the city’s mainline through-traffic at a great cost to the public safety, health, and well-being of Market and Octavia residents;

WHEREAS the key bus and rail lines that transverse the Market and Octavia Plan area are already severely strained and at or near capacity during peak hours;

WHEREAS the Market and Octavia Plan area is expected to absorb 6,000 new housing units but already has severely overburdened parks;

WHEREAS a key component of smart growth is affordable housing and mixed income neighborhoods accessible to a range of diverse lifestyles, but the price of housing and retail space in the neighborhood is out of reach for most people;

WHEREAS the Community Advisory Committee strongly supports the Plan’s development impact fees on residential and commercial growth in the Plan Area to provide a portion of the funding for those needed infrastructures that include safe transportation, affordable housing, and adequate parks and public spaces;

WHEREAS it is essential that those fees be paid and the funds available in advance of the development itself so that the community improvement projects can be initiated early enough to be in the ground and ready to absorb the increased demands from population growth created by development projects;

WHEREAS there is a logical reason that the building of infrastructure always comes before, or at the same time as, the increased demands created by construction of residential and commercial development;

WHEREAS the ordinances proposed would in combination defer, delay and effectively reduce the development impact fees that help fund this infrastructure;

WHEREAS in effect, the entire premise of the Market/Octavia Plan – to enable increased development coupled with mitigating community improvements – would be seriously tested by these proposed changes in the fee structures;

WHEREAS the one aspect in the package of three proposals that has clear merit is to consolidate fees collection with a single city agency (i.e., a single-point-of-payment system) and that this is perhaps a good “efficiency” measure for collection, management and monitoring of various development fees required on each project but that, however, must be unbundled from the very different idea in this same ordinance

proposal of deferring fees to a later point in the entitlements and development process rather than at the front end prior to any construction permits;

WHEREAS the Community Advisory Committee recognizes that current economic conditions and difficult access to financing capital have stalled construction activity throughout the City;

BE IT RESOLVED that the Market and Octavia Community Advisory Committee can support a temporary fees deferral program that incorporates:

1. Requirement of a minimum 10% payment at DBI Permit of all fees (ie, allowing a maximum deferral of 90% of fees due);
2. Creation of a Community Infrastructure Fund to enable the pre-development design, planning and engineering (ie, “shovel ready”) for priority improvement projects, and that the initial the size of the Fund be between \$3 million and \$5 million, and that the capitalization of the Fund will further grow as the amount of deferred fees from pipeline projects grows, and that the enactment of the Fees Deferral program is explicitly contingent upon creation of the Community Infrastructure Fund;
3. Affirmation that prioritization of improvement projects for use of the Community Infrastructure Fund is done through CACs in plan areas where they exist;
4. Retention of Sec. 315 inclusionary housing in-lieu fee payment standards (i.e., not subject to deferral);
5. Sunset of the Fees Deferral program in three years.

Approved by the Market and Octavia Community Advisory Committee on March 24th 2010

RESOLUTION #3: Fees Deferral Program (25Aug2010)
DATE: August 25, 2010
MOTION: Moved by Henderson, seconded by Levitt
YES: Cohen, Henderson, Levitt, Olsson, Richards (unanimous)
NO: none
ABSTAIN: none
ABSENT: Brinkman, Gold, Starkey, Wingard

2.4 22 Sep10 RESOLUTION 4: INCLUSIONARY AFFORDABLE HOUSING
Resolution Advising Inclusionary Affordable Housing in the Market & Octavia Plan Area

WHEREAS the spirit and policy intent of the Market and Octavia Plan includes providing low and middle-income affordable housing within new development in the Market and Octavia Plan area;

WHEREAS affordable housing is critical for diversity and economic well-being within the Market and Octavia Plan Area;

WHEREAS affordable housing is part of a complete community, and the goal of the Market and Octavia Plan is to create complete communities;

WHEREAS affordable housing is an investment in the community including the Market and Octavia Plan Area;

BE IT RESOLVED that the Market and Octavia Community Advisory Committee advises the San Francisco Planning Commission, the San Francisco Planning Department, the Mayor’s Office of Housing and the San Francisco Board of Supervisors that the priority is that ALL inclusionary housing for new development within the Market and Octavia Plan Area be built on-site. If a project sponsor considers that infeasible, the inclusionary units should be built offsite within the immediate area of the new development or a developable site of equivalent value within ¼ mile of the new development should be dedicated to the city for affordable housing. For such latter land dedication alternative, eligible sites should not include Redevelopment-owned parcels and must have necessary entitlement-ready zoning established at time of dedication. The CAC encourages creative application of these offsite and land dedication alternatives by the Mayor’s Office of

Housing to allow project sponsors to pool resources for maximizing local inclusionary housing impact in the Market/Octavia Plan Area.

FURTHER BE IT RESOLVED that geography matters—the primary importance of the inclusionary housing policy for the Market/Octavia Area is that it be a mechanism to achieve mixed income housing development at a very localized scale within the various neighborhoods of the plan area, whether in the form of on-site below-market-rate units, off-site BMR units or land for future lower income affordable units. Simply paying in-lieu fees to satisfy the inclusionary requirement in the Market/Octavia Area has no value to advancing the inclusionary housing policy.

Approved by the Market and Octavia Community Advisory Committee on September 22, 2010

Revision approved by M/O-CAC on December 15, 2010

This revision included all text regarding the land dedication alternative.

RESOLUTION #4: Inclusionary Affordable Housing (22Sep2010)

DATE: September 22, 2010

MOTION: Moved by Henderson, seconded by Richards

YES: Unanimous: Cohen, Henderson, Levitt, Olsson, Richards, Starkey, Wingard

NO: none

ABSTAIN: none

ABSENT: Gold

REV. RSLN #4: Inclusionary Affordable Housing (15Dec2010)

MOTION: Moved by Henderson, Seconded by Gold

YES: Unanimous: Cohen, Gold, Henderson, Levitt, Olsson, Starkey, Wingard

NO: none

ABSTAIN: none

ABSENT: Richards

**2.5 22Sep10-2 RESOLUTION 5: HAYES STREET PROJECT INVESTMENT
Resolution Advising Expenditure of Market & Octavia Community Impact fees
for the Hayes Street Two-Way Project**

WHEREAS the Hayes Street two-way project is a key project identified in the Market/Octavia Plan;

WHEREAS the Hayes Street two-way project has been identified by both the Market and Octavia Plan Community Advisory Committee and the Interagency Plan Implementation Committee (IPIC) as a high priority project;

WHEREAS the Hayes Street two-way project is an inexpensive, optimal use of limited available funds;

WHEREAS there are only \$105,000 available for expenditure for community benefits in the Market and Octavia Plan area to date;

WHEREAS anticipated future community benefits funds have been deferred for up to three years and few additional funds are anticipated in the near future;

BE IT RESOLVED that the Market and Octavia Community Advisory Committee advises the San Francisco Planning Department to invest \$52,500, or half of the currently available community impact funds, to the Hayes Street two-way project.

Approved by the Market and Octavia Community Advisory Committee on September 22nd, 2010

RESOLUTION #5: Hayes Street Project Investment (22Sep2010)

MOTION: Moved by Henderson, seconded by Levitt

YES: Unanimous: Cohen, Henderson, Levitt, Olsson, Richards, Starkey, Wingard

NO: none

ABSTAIN: none

ABSENT: Gold

2. __ 14Dec11 Several Resolutions

- Dolores Street constriction
-
-

RESOLUTION #__ : Title (Date)

MOTION: Moved by _____, seconded by _____

YES:

NO:

ABSTAIN:

ABSENT:

2. __ 24Jan12 Resolution __: Evaluate Fee Deferral Policy

MOP-CAC Resolution #__ (25 January 2012)

BE IT RESOLVED that the Market/Octavia Plan Community Advisory Committee requests City officials to analyze and report on the existing development impact fee deferral program and its actual stimulus effect on the development that would not have otherwise occurred. This report should be completed prior to the May 2013 expiration of the policy, so that this evaluation could be included in the record on evaluating the effectiveness of this policy.

RESOLUTION #__ : Evaluate Fee Deferral Policy (25Jan2010)

MOTION: Moved by Olsson, seconded by Richardson

YES: Henderson, Olsson, Richards, Vasquez

NO: none

ABSTAIN: Levitt

ABSENT: Simmons, Singa; Wingard had left by this time.

APPENDIX 5
MOP-CAC GLOSSARY
2012 EXTRACTS FROM MINUTES

Affordable Housing**BOS Board of Supervisors**

The eleven supervisors are the legislators for the City. Together with the Mayor, they manage the city and are all subject to election. In 2012 the supervisors' districts are being realigned according to the 2010 census and the US Constitution's mandate. The new districts will represent about 72,000 people (\pm 5,000 persons, so as not to disrupt ethnic, cultural or other communities). These new boundaries will also effect the new district's for state and federal legislative office. The city's agencies implement the laws of the city, often at the oversight of their respective commissions.

BRT Bus Rapid Transit

This is the city's plan to enhance public mass transit by dedicated bus lanes along major transit corridors.

CAC Community Advisory Committee

This is a committee of citizens (3 selected by the Mayor; 6, by the Supervisors) appointed to provide oversight and represent neighbors' concerns and opinions.

CIP Community Improvement Program (or –Projects)

All developers within our area are assessed a CIP fee according to the gross square footage of their development project. These funds are to be used near the development to mitigate the impact of the development either because of its increase in population density or because of its contribution to the quality of life in the area and near it.

CIP-IK Community Improvement Project— In Kind

As an alternative to paying the CIP Fee, developers may choose to contribute by constructing an approved improvement project. They must indicate this to the Department. It will explain to the developer the approved improvement projects near its development. The developer can then choose which ones it wishes to undertake up to the amount of the CIP Fees that it would otherwise owe.

CEQA California Environmental Quality Act**COLA Cost Of Living Assessment**

This is an index of the cost of living, determined annually by counties, which is often applied as a surcharge to a specific fee in order to keep it proportional for the citizens to the cost of living and to maintain income from the fee for the appropriate budget.

DTNA Duboce Triangle Neighborhood Association

<http://www.dtna.org/>

This area has its apex at Duboce and Market Streets. It runs along the western side of Market Street from this apex to Castro Street and over to Scott Street. See map on the website.

EIR Environmental Impact Review**HVNA Hayes Valley Neighborhood Association**

<http://www.hayesvalleysf.org/html/abouthvna.html> see also
<http://hayesvalleysf.org/blog/>

This neighborhood association at the southern edge of the MOP area is concerned with the neighborhood, resulting from its area particularly with its renovation after demolition of the Central Freeway. See the map on the website

IPIC Interagency Plan Implementation Committee

This committee consists of representatives from the several city agencies which coordinate recommendations to the Planning Commission and to the Board of Supervisors regarding the practicality, scheduling, and budget for municipal improvements.

LOL Level of Service

This index gauges the impact upon the city of population density in terms of transportation efficiency.

MDNA Mission Dolores Neighborhood Association

<http://www.MissionDNA.org>

This neighborhood association's emphasis is upon historical preservation, diversity, and quality of life within its area, which is the oldest neighborhood in San Francisco, site of Mission Dolores, with numerous historical resources within its area. See map on website.

MOP Market Octavia Plan

This is the area under consideration by this committee. See the MOP Map for the defined area.

MOP-CAC Market Octavia Plan's Community Advisory Committee

This committee of citizens appointed by the Mayor and Supervisors, must be representative of the citizens. Each person on this committee represents a specific constituency within this area. The committee consists of nine members; a quorum consists of five members.

Neighborhood Associations

These are independent organizations of neighbors created with various emphases, whose own boundaries lie within or abut the MOP area. Principally these have been: the Hayes Valley Neighborhood Association (HVNA), the Mission Dolores Neighborhood Association (MDNA), the Duboce Triangle Neighborhood Association (DTNA).

Nexus Study

Pipeline Report

This is the monthly report compiled by staff for the CAC which shows the status of each development project within the MOP area. Quarterly this report also includes a map, which shows each development in the area.

Resolution

This is an official decision and statement by this CAC expressing the majority opinion on an important issue relevant to the MOP area.

RPD Recreation and Parks Department

This agency plans and manages all municipal parks and recreational facilities in the city.

Safe Bikes Policy

SF County Transportation Authority

SF Historic Preservation Commission

The Planning Department is subject to this commission's rulings, as well as to those of the Planning Commission.

SFMTA SF Municipal Transportation Agency**SF Office of Economic and Workforce Development****SF Planning Commission**

This commission oversees the Planning Department, establishing policy for the development of the city

SF Planning Department

This agency proposes and executes the laws of the city regarding planning for buildings and other infrastructure implementations. It is under the joint authority of two commissions: the Planning Commission and the Historic Preservation Commission.

TEP**Transit First Policy****TIDF Transit Impact Development Fee****TSF Transportation Sustainability Fee**

This program adds to the CIP fee and additional fee to fund the city's transportation plans and implementation to mitigate the impacts of increased population growth.