

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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November 23, 2022

Kate Conner, LEED AP
Manager, Priority Projects and Process
Current Planning Division
City and County of San Francisco
49 South Van Ness Avenue, Suite 1400
San Francisco, CA 94103

Dear Kate Conner:

RE: 469 Stevenson – Letter of Support

The California Department of Housing and Community Development (HCD) learned that the City and County of San Francisco (City/County) has released the Partially Recirculated Draft Environmental Impact Report (PRDEIR) for public review and comment for the project located at 469 Stevenson Street (Project). The purpose of this letter is to express HCD's support of the Project and to urge the City/County to approve the Project, which is protected by the Housing Accountability Act (HAA) (Gov. Code, § 65589.5). Any further delay or additional conditions on the Project's approval may subject the City to the HAA's provisions regarding bad faith.

Background

On October 26, 2021, the Board of Supervisors (BOS) voted 8-3 to grant an appeal overturning the Planning Commission's certification of the Final Environmental Impact Report (FEIR). In doing so, the BOS cited vague concerns over the FEIR's deficiencies, including seismic concerns, effects on historic resources, and gentrification and displacement of residents. On December 14, 2021, the BOS adopted findings that reversed the FEIR certification and remanded it back to the City/County's planning department to prepare a new partial Draft Environmental Impact Report.

Partially Recirculated Draft Environmental Impact Report (PRDEIR) Analysis

The PRDEIR, released on November 2, 2022, shows that the impacts on the three study areas previously identified by the BOS would be less than significant. More specifically, the PRDEIR reports that:

1. the Project's impacts on gentrification and displacement would be less than significant;

2. the Project's impacts on historical resources (e.g., demolition of a surface parking lot) would be less than significant after mitigation and would be less than significant in its effects on historical resources overall; and
3. the Project would have a less than significant impact on geology and soils and would have no cumulative impact overall.

With this new analysis complete, the Planning Commission and the BOS should move quickly to approve the Project.

Housing Policy and Practice Review

As you are aware, HCD initiated a Housing Policy and Practice Review of San Francisco aimed at identifying and removing barriers to approval and construction of new housing. As noted in HCD's Letter of Technical Assistance dated February 1, 2022, the BOS's actions regarding the FEIR exemplify a pattern of lengthy processing and entitlement timeframes that exceed the norms for jurisdictions of similar size and complexity. These excessive timeframes act as a constraint on housing development.

6th Cycle Housing Element

Additionally, HCD is reviewing the latest draft of the City/County's Housing Element (submitted to HCD on October 17, 2022). In this draft, the City/County identified the Project as a site suitable for residential development in its Housing Element Sites Inventory. As a reminder, these sites must remain viable and useable throughout the planning period. HCD will provide the City/County with a formal review and response to the draft Housing Element no later than December 16, 2022.

Conclusion

In requesting the PRDEIR, the BOS has delayed the processing of this 495-unit Project by more than 12 months. No discernible benefit has resulted from this delay. HCD reiterates its support of the Project and urges the City/County to approve this project without any further delay or additional conditions. HCD appreciates this opportunity to provide information to assist the City/County in its decision-making. If you have questions or would like to discuss the content of this letter, please contact Kevin Hefner at Kevin.Hefner@hcd.ca.gov.

Sincerely,



Shannan West
Housing Accountability Unit Chief

cc: Attorney General of California