



City and County of San Francisco
DEPARTMENT OF PUBLIC HEALTH

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OCCUPATIONAL & ENVIRONMENTAL HEALTH

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December 10th, 2004

Paul Maltzer, Environmental Review Officer
Joan Kugler, Environmental Coordinator
San Francisco Planning Department
1660 Mission Street, Suite 500
San Francisco, CA 94103

Dear Ms. Kugler:

Thank you for the opportunity to comment on the **Rincon Hill Area Plan Draft Environmental Impact Assessment**. This comment suggests additional analyses that would assist decision-makers assess the consistency between the Rincon Hill Plan and local and state environmental goals. These suggestions are also consistent with the comments of several Planning Commissioners who requested additional analysis of the jobs-housing linkage.

The Rincon Hill Area Plan proposes over 5500 new units of housing, over 65,000 square feet of retail and office space in close proximity to local and regional transit and the Central Business District along with new open space, and street, sidewalk and lighting improvements. Meeting San Francisco housing needs by increasing the density and concentration of residential uses near San Francisco's downtown business district is both socially and environmentally beneficial. However, the analysis in the DEIR suggests the proposed housing may not meet the needs either of current San Francisco working households or of future working households expected due to employment growth. The plan thus may be inconsistent with State, Regional, and local long range environmental planning goals which aim to limit transportation, air quality, and greenhouse gas impacts by reducing automobile use. The plan may also potentially disproportionately increase transportation burdens on moderate-income and low-income households whose members work in San Francisco. The additional environmental analysis listed below would provide information with which to assess potential long-term environmental consequences of Rincon Hill Plan. A rationale for these analyses is provided as an attachment to this letter.

Suggested Additional Environmental Analyses

1. Conduct an analysis of the plan's future impacts on job's housing balance by examining plan consistency with future housing needs with regards to quantity, size, affordability, and public infrastructure needs. The following reports provide both a rationale and sample methods for this analysis:
 - Jobs-Housing Nexus Analysis. Prepared for the City of San Francisco. Keyser-Marston Associates; 1997.
 - *The New Economy and Jobs/Housing Balance in Southern California*. Southern California Association of Governments. 2001.
 - *The Air Quality Land Use Connection*. California Air Resources Board. 1997
 - *California General Plan Guidelines*. Sacramento: Office of Planning and Research; 2003
 - *Jobs-Housing Balance*. APA Planning Advisory Series 516. Chicago: American Planning Association; 2003.

2. Analyze whether the Rincon Hill Plan will be consistent in two key assumptions used in regional growth, transportation, and air quality planning: (a) Low income households will have low automobile ownership and low automobile use; (b) the majority of San Francisco employees will reside in San Francisco. Environmental impacts due to plan incompatibility with these two assumptions should be analyzed.
3. Analyze the housing needs resulting from employment created by the project under alternative development scenarios. In this analysis, disaggregate housing needs and housing production by income and housing size.
4. Analyze how plan housing production under alternative development scenarios achieves housing needs in the Regional Housing Needs Determination. In this analysis, disaggregate housing needs and housing production by income and housing size.
5. Analyze of the long term impacts on regional vehicle miles traveled of alternative development scenarios. This analysis can use outputs from the regional travel model.
6. Analyze how the plan may affect the transportation needs of low-income, moderate-income, and high-income employees.
7. Re-analyze the expected demand for public schools based on metropolitan area demographics and the 2000 US Census. Adequacy of infrastructure can be gauged against either established or proposed service standards, or where service standards do not exist, average levels of services currently provided in established neighborhoods.
8. Analyze the feasibility of reducing area and regional transportation demand through the following transportation demand reduction strategies: (a) unbundling parking from residential uses¹; (b) establishing maximum parking densities at a level less than citywide average household vehicle ownership rates.
9. Analyze the feasibility of implementing controls, design criteria, or financing strategies to decrease housing costs in the plan area. Planning for high rise development in the Transbay Area may provide relevant information.
10. Analyze the feasibility of requiring Inclusionary Housing Program housing production within the Plan Area or within adjacent areas as a means to reduce transportation impacts.

Thank you for your consideration of these suggestions.

Sincerely,

Rajiv Bhatia

cc: David Alumbaugh, Department of City Planning
Jack Broadbent, Bay Area Air Quality Management District
Juliet Ellis, Urban Habitat Program
Andrew Michael, Bay Area Council
James Corless, Metropolitan Transportation Commission

¹ Unbundling residential parking reduces vehicle miles traveled approximately 8-15%. Litman. T. Safe Travels: Evaluating mobility management strategies. Victoria: Victoria Transportation Policy Institute; 2004.

Rationale for additional environmental analysis

Jobs-housing imbalance increases vehicle use and its environmental and health costs

Automobile use causes significant environmental and health problems.

- The annual health costs from air pollution include 50-70 million days with restricted activity, 20,000 to 46,000 cases of chronic respiratory illness, and 40,000 premature deaths.²
- Transportation is responsible for 59% of California's greenhouse gas emissions.³ Carbon emissions from transportation are projected to grow by 47% between the years 1996-2020.
- For people aged 1-40, traffic crashes are the single greatest cause of disability and death. In 2002, San Francisco had over 5000 injuries involving motor vehicles many of which occurred in the Southeastern Neighborhoods. A 10% reduction in vehicle mileage provides a 10-14% reduction in crashes.⁴
- Non-motorized alternatives to automobile transport such as walking and bicycling can prevent stress, obesity, diabetes, and heart disease.⁵

Total vehicle miles of travel (VMT) have doubled in the U.S. since 1970.⁶ The MTC expects VMT to grow by 50% in the Bay Area Region from 1998 to 2005 despite significant transportation investments.⁷ The San Francisco County Transportation Plan also expects car use to increase despite significant transit investments, in part, due to the increased age and wealth of the population.⁸

The linkage between jobs and housing is a significant predictor of transportation demand. Local, regional, and, state policies, including California Assembly Bill 857,⁹ the San Francisco's Air Quality Element and Climate Change Action Plan, the Bay Area Regional Air Quality Plan¹⁰, and the California General Plan Guidelines,¹¹ and the 2003 Governor's Environmental Goals and Policy Report¹² aim for improving the jobs—housing balance in order to mitigate adverse environmental effects.

Achieving a jobs-housing balance requires meeting needs for housing for new employment both with regards to number and quality

To improve the linkage of jobs to housing, new housing must be sufficient in quantity, adequate in size, and affordable to area employees and must have accessible public infrastructure such as schools, libraries, and parks.¹³ Mixed income housing and local hiring are two recognized strategies towards a jobs/housing balance.¹⁴ Mixed-income housing production also reduces the

² Frumkin, Howard. Urban Sprawl and Public Health. Public Health Reports. 2002; 117: 201-217.

³ California Air Resources Board, 2003.

⁴ Litman T. Op Cit.

⁵ Regional Development and Physical Activity: Issues and Strategies for Promoting Health Equity. Policy Link 2002.

⁶ EPA 2001

⁷ San Francisco Bay Crossings Study. Metropolitan Transportation Commission 2002.

⁸ San Francisco Transportation Plan. San Francisco: San Francisco County Transportation Authority; 2004.

⁹ California Assembly Bill 857. 2002.

¹⁰ BAAQMD CEQA Guidelines. 1999.

¹¹ California General Plan Guidelines. Sacramento: Office of Planning and Research; 2003.

¹² Governor's Environmental Goals and Policy Report. Sacramento: Office of Planning and Research, 2003.

¹³ California Planning Roundtable 1998

¹⁴ 2003 State of California General Plan Guidelines

concentration of low-income households in high-poverty areas, preventing environmental and social costs of economic segregation.

According to the Bay Area Alliance for Sustainable Communities, San Francisco has severe unmet needs for housing.¹⁵ In 2000, San Francisco had 634,430 jobs and 329,700 households. About one-half of San Francisco employees currently commute from outside of the city. Employment projections indicate that the working population of San Francisco will grow substantially in the next several decades.

San Francisco faces a particular shortage of housing for low-income residents and moderate income households. Currently, less than one-quarter of San Francisco region homes are affordable to median income families. In San Francisco, only 7.3% of households currently earn enough to afford the median sale price of housing.¹⁶ In addition, the fair market rent for a two-bedroom apartment is \$1,904 which is affordable only to those who make 90% of the average family's median income of \$86,100.¹⁷

Exacerbating this situation, the gap between the minimum wage and the minimum hourly wage required to afford adequate housing has increased. In 2003, over 35,000 low income renters pay more than 50% of their income in rent. Even individuals earning modest wages, such as public service employees and those in the construction trades cannot afford to live where they work.¹⁸

According to the State Department of Housing and Community Development, there is a regional need for 230,743 new housing units in the nine Bay Area counties from 1999—2006. Of that amount, at least 58 percent, or 133,164 units, are needed for moderate, low and very low-income households. San Francisco's Regional Housing Needs Determination (RHND) estimates that San Francisco's housing production requirement is 20,372 units during this period. The San Francisco Planning Department has reported that over the past decade production of very-low, low-, and moderate-income housing has fallen significantly short of requirements.¹⁹

Most of the new jobs projected in the regional economy will be in the service and retail sectors, with incomes insufficient to afford market-value property. A recent California survey confirms that many regional worker households are already moving great distances from workplaces in order to afford homes.²⁰

The Rincon Hill Plan and San Francisco Housing Needs

The housing analysis in the Rincon Hill Plan Draft Environmental Impact Report (DEIR) suggests that most of the approximately 5500 housing units produced through plan implementation will not meet the needs of typical San Francisco employees and residents. For example, the DEIR states that the listing prices for basic market rate units are \$625,000 which requires household incomes of \$157,000 (p 136). Furthermore, the DEIR concludes that

¹⁵ State of the Bay Area: A Regional Report, Bay Area Alliance for Sustainable Communities (January 2003).

¹⁶ San Francisco Planning Department. Update of the Housing Element of the General Plan. (Accessed at: http://www.ci.sf.ca.us/planning/citywide/c1_housing_element.htm)

¹⁷ National Low Income Housing Coalition Out of Reach 2003: America's Housing Wage Climbs. (Accessed at: <http://www.nlihc.org/oor2003/>)

¹⁸ Governor' Environmental Goals and Policy Report. Office of Planning and Research 2003

¹⁹ San Francisco General Plan Housing Element 2004

²⁰ Special Survey on Californian's and their Housing. San Francisco: Public Policy Institute of California; 2004

fourteen out of fifteen of the fastest growing categories of employment do not offer salaries sufficient for two income earners to afford a one-bedroom unit (p 136)The DEIR also cites a survey that finds that current residents living in the plan area are predominantly professional couples, “empty nesters,” and retirees with many units purchased as second homes (p. 135)

A significant number of new units of housing affordable to moderate income households would be produced as part of the implementation of the Rincon Hill Plan and San Francisco’s Residential Inclusionary Affordable Housing Program. This program aims both to increase the supply of affordable housing and support greater economic and ethnic integration. However, the inclusionary housing program allows a project developer to produce affordable housing units outside the project development. The DEIR anticipates developers will exercise their option to build low income housing required by San Francisco’s inclusionary housing program in “areas with low housing production costs.” This suggests that new housing production affordable to the workforce will occur exist further away from the jobs in downtown.

The Plan also projects 65,000 square feet of retail uses serving the new residential community. While some fraction of new jobs might be filled by unemployed San Francisco residents, new employment in retail and housing related city services may increase demand for workforce housing.

The lack of planning for public school facilities, either in the plan area or in an adjacent creates another potential obstacle to jobs—housing linkage. Parents appreciate having a neighborhood elementary school at a safe walking distance from a residence as commuting to school results in increased demands on parents, the loss of sleep, exposure to vehicle pollution, and lost opportunity for exercise. Schools, including child care centers, also serve as important centers for community. Many families with children may avoid living in a neighborhood without close access to schools.

While plan implementation would generate school impact fees, the plan does not include a site for a future school (either within the area or nearby). The closest elementary school to Rincon Hill is the Besse Carmichael School on Harrison Street. This school is fully enrolled and, in general, the demand for public schools in this district is greater than available supply. Notably, the DEIR estimates future public school needs based not on the metropolitan area demographics but on the demographics of the current residents of Census Tract 179.01. This approach significantly underestimates the potential number of children living in the area. Young professional couples, who are described as a significant population in the area, may have children.

Population and Environmental Impacts

Given the expected long term growth in employment and population in San Francisco, the following demographic changes appear plausible as a result of the quality of housing production in the Rincon Hill Plan.

1. ***A greater proportion of higher income households employed and residing in San Francisco*** Higher income worker households currently renting will have greater opportunities for home ownership in San Francisco; some higher income worker households residing elsewhere in the region will relocate to San Francisco; and a greater proportion of new higher-income employees moving into the region will reside in San Francisco.

2. ***A greater proportion of higher income non-worker households*** residing in San Francisco High income “empty nesters” and second-home owners will have greater opportunity for home ownership in San Francisco.
3. ***A smaller proportion of moderate-income and low-income households employed and residing in San Francisco*** Moderate-income worker households currently renting will not have sufficient opportunities for home ownership in San Francisco.
4. ***A smaller overall proportion of households employed in San Francisco and residing in San Francisco.*** Few households employed in new jobs will have opportunities to live in San Francisco; and fewer families will children will find acceptable housing opportunities in San Francisco.

The cumulative effect of the above demographic changes can have impacts on transportation. The cumulative and combined environmental impacts of the following potential effects should be analyzed.

1. ***Higher income households remaining in or relocating to San Francisco would reduce transportation demand.*** Higher income households have higher rates of vehicle ownership and automobile use. Retaining higher income households who remain in San Francisco are likely to have lower vehicle use relative to a situation where they reside outside the city.
2. ***Increased proportion of low-income and moderate-income households will live further from jobs increasing vehicle trips and distances.*** People in lower income households take fewer vehicle trips and more transit trips than people in higher income households. This relationship is an established parameter in regional travel demand models. Planning that involves demographic changes that locate or displace lower-income households further from job and transit centers would be likely to increase vehicle ownership, vehicle trip frequency, and vehicle trip distances relative to a scenario where lower-income people can reside closer to job centers.
3. ***Increased proportion of total San Francisco employees residing outside of the City will increase vehicle trips and distances.*** New housing would not meet the needs, with regards to costs, for most new employees expected to be working in San Francisco.