



## PUBLIC BENEFITS ZONING

Major re-zoning efforts in the city, such as the Better Neighborhoods plans, Eastern Neighborhoods re-zoning, and Downtown Neighborhoods Initiative, create the potential for an additional 20,000-40,000 residential units, many in areas with little or no residential infrastructure at present. An appropriate mechanism to provide for the necessary physical improvements (such as affordable housing, community facilities, open space and gracious streets) must accompany this re-zoning effort. Public Benefit Zoning proposes to include the provision of these neighborhood services and amenities as part of new development through specific zoning controls.

- **Development impacts city services and infrastructure.** Investment in new parks, community facilities, and streets improvements is essential to meet the needs of new residents, especially in districts that will add housing to areas with little or no residential presence, and lack these essential elements of a residential neighborhood.
- **Development must create whole neighborhoods.** Development that considers only individual parcels leads to inward-looking buildings and a marginal public realm. To create good places, development must consider the neighborhood as a whole, through the design of the project and by contributing to public realm improvements. Investment in the public realm will also return value to the project by creating a desirable and marketable place to live.
- **There should be certainty to the development process.** More certainty in the development process means greater certainty that public objectives will be met. Negotiating development deals on a project by project basis leads to a haphazard application of public objectives. Instead, there should be a standardized program of contributions to public benefits. For the developer, this cost standardization translates to less risk, preferred lender financing, and a shorter development timeframe.

### WHAT ARE THE ELEMENTS OF PLACE?

As residential neighborhoods are created or adapted, they must contain the essential elements of place that create neighborhoods that meet the needs of residents. Simply adding housing to a district that does not contain these features cannot create the sense of community and livability that can be found in San Francisco's most treasured neighborhoods. The following bullets highlight the elements of place that contribute to a good neighborhood, adapted from the Better Neighborhoods planning process:

- **Walk to shops.** Daily shops and services that satisfy everyday needs are within an easy walk from home.
- **Safe streets.** Streets are safe and friendly for pedestrians, and are an active, pleasant part of the public realm.
- **Getting around easily.** Transportation choices, including walking, bicycle, transit and auto, are available to access most needs. The neighborhood accommodates the car, but allows people to live easily without one.
- **Housing choices.** There is a variety of housing types, serving diverse communities, with options available to all income levels.
- **Gathering places.** Public gathering places create spaces to meet, talk and be neighborly, or to sit and watch the life of the neighborhood.
- **City services.** Public services such as schools and libraries are available to everyone in the neighborhood.

- **Special character.** The design of development and the public realm acts to reinforce the distinct identity of the existing neighborhood.
- **Part of the whole.** The neighborhood has a distinct character of its own, yet is connected to the city's wider community.

## WHAT ARE ESSENTIAL PHYSICAL IMPROVEMENTS?

Physical improvements to the public realm, based on the elements of place listed above, must enhance the strengths and qualities of new and existing neighborhoods. The most important improvements identified by the communities include the following:

- **Community facilities.** Schools, community centers, libraries, day care and other community-serving uses. Community facilities could be provided based on service standards for residential neighborhoods.
- **Affordable housing.** In areas to be re-zoned for increased residential development, affordable housing could be provided either on-site or through a fee, above and beyond the existing inclusionary requirements.
- **Open space.** Neighborhood parks, sidewalk open spaces, shared streets, pocket parks and on-site open spaces. Quality open spaces are especially important in underserved areas such as SoMa and other downtown neighborhoods
- **Streets and alleys.** Basic streetscaping improvements are a requirement of all development. In some areas, such as SoMa, more extensive street improvements are necessary, to humanize the street network and create open space opportunities. Alleys or mid-block pedestrian pathways are important on overly large blocks.

## HOW DO WE PAY FOR THESE IMPROVEMENTS?

- **Government share.** In areas with increases in development density, there will be a corresponding increase in property taxes. However, property taxes and other existing sources of revenue may not be enough to cover the full costs of providing new neighborhood services and amenities, and may be only enough to pay for their maintenance.
- **Required contribution for costs of growth.** Development could be required to contribute to the public benefits discussed above, using one of the following mechanisms:
  - **City-wide contribution.** Based on the growth projected for the entire city.
  - **District-based contribution.** To pay for district-wide improvements, in areas where value is added through re-zoning
  - **Project-based contribution.** The greater the increase in property value conferred through re-zoning, the greater would be the contribution to public benefits.

## STAFF CONTACTS

**Miriam Chion**, Plan manager  
 (415) 558-6314  
 Miriam.Chion@sfgov.org

**Johnny Jaramillo**  
 (415) 575-6818  
 Johnny.Jaramillo@sfgov.org

**Adam Varat**  
 (415) 558-6405  
 Adam.Varat@sfgov.org