

SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Large Project Authorization

HEARING DATE: NOVEMBER 12, 2015

| Date: | November 5, 2015 |
|------------------|---------------------------------------|
| Case No.: | 2012.1398EX |
| Project Address: | 1601 Mariposa Street |
| Zoning: | UMU (Urban Mixed Use) District |
| | 40-X Height and Bulk District |
| Block/Lot: | 4005/001B, 004 |
| | 4006/006, 010, 019, 020 |
| Project Sponsor: | Related/Mariposa Development Co., LLC |
| | Attn: Susan Smartt, Executive VP |
| | 44 Montgomery Street, Suite 1050 |
| | San Francisco, CA 94104 |
| Staff Contact: | Chris Townes – (415) 575-9195 |
| | <u>chris.townes@sfgov.org</u> |
| Recommendation: | Approval with Conditions |

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax: 415.558.6409

Planning Information: 415.558.6377

PROJECT DESCRIPTION

The proposed *1601 Mariposa Street Mixed-Use Project* is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east. The site is located within the Showplace Square/Potrero Hill Subarea of the Eastern Neighborhoods Rezoning and Area Plan within the UMU Zoning District. The project would demolish three existing one- and two-story commercial, office, and warehouse buildings and associated surface parking lots and construct two fourstory, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 331,534 sf. The project proposes 299 dwelling units, 5,593 sf of retail, 3,962 sf of PDR, 249 parking spaces and a total of 369 bicycle parking spaces. A two-level, below-grade parking garage under the East Building would contain the off-street parking accessible from Arkansas Street and 18th Street. A total of 42,777 sf of publicly accessible and private open space would be developed throughout the project site. The publically accessible open spaces include a 40-foot wide, north-south mid-block alley connecting 18th Street to Mariposa Street that intersects with a 25-foot wide, east-west pedestrian passageway accessed from Arkansas Street.

The project has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate rental units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5.

SITE DESCRIPTION AND PRESENT USE

The proposed *1601 Mariposa Street Mixed-Use Project* is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east. The site is located within the Showplace Square/Potrero Hill Subarea of the Eastern Neighborhoods Rezoning and Area Plan. The site is within the UMU Zoning District and 40-X Height and Bulk District. The irregularly-shaped parcel has 185 feet of frontage along Mariposa Street, 280 feet along 18th Street, 300 feet along Carolina Street and 300 feet along Arkansas Street.

Currently, the site is developed with three separate structures composed around centrally-located surface parking of 100 parking spaces. These buildings include: a single-story warehouse/office building (MacKenzie Warehouse Auto Parts), a single-story industrial/office building (various tenants), and a two-story bus repair depot (Coach 21). The existing buildings total approximately 74,696 sf and consist of approximately 66,696 sf of PDR and 8000 sf of office space.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The Project site generally covers the entire City block with exception at the northeast and southeast corners. Existing land uses abut the project site at the northeast (along Mariposa and Arkansas Streets) and southwest (along 18th and Carolina Streets) corners of the City block. At the northeast corner there is a three- to four-story, school (Live Oak School)/office building with associated two-story recreation building. Live Oak School occupies approximately half of the three- to four-story building and is located immediately adjacent, along the parcel boundary, to the northeast portion of the project site. The private school provides K-8 education and has an enrollment of about 290 students. The other half of the building is occupied by various office tenants.

At the southwest corner, there are eight two-story commercial buildings whose ground floors are occupied by a variety of retail, design office, and service uses.

The blocks that surround the *1601 Mariposa Street Mixed Use Project* site include a variety of land uses, including commercial, residential, institutional, and recreational uses, as follows:

<u>North.</u> Jackson Playground is an approximately 4.41-acre park located immediately north of the project site, across Mariposa Street, within the P (Public) Zoning District. The park occupies two city blocks and includes a recreation building, sand-floor playground, picnic area, tennis courts, basketball courts, and two ball fields. A community garden is also located along the southern park boundary, starting from the Mariposa and Carolina Streets intersection extending eastward to about mid-block along Mariposa Street. First Spice Mixing Company, a spice manufacturer, is located northeast of the site at the northeast corner of Mariposa and Arkansas Streets. Mixed commercial and residential uses are located farther north, followed by a variety of uses associated with PDR uses. Downtown San Francisco is located less than two miles farther to the north.

<u>South.</u> The existing topography rises uphill immediately south of the site, across 18th Street. Land uses immediately across from the project site along 18th Street include a public school (International Studies Academy) located within the P (Public) Zoning District, described below, and a three-story mixed-use building on a property located within the UMU (Urban Mixed Use) Zoning District. The school is a 6th through 12th grade public school with an enrollment of about 530 students which occupies approximately three-quarters of three blocks bound by 18th, Arkansas, 19th, and De Haro Streets. The three-story building on the eastern portion of the block immediately across from the project site along 18th Street includes primarily ground floor artist's lofts with residential uses on the upper floors. A performing arts/community center is also located within this building.

<u>West.</u> Land uses immediately west of the project site, across Carolina Street, include the four-story Anchor Steam Brewery building and a three-story commercial building upon a City block that is located entirely within the PDR-1-G (Production, Distribution, Repair- 1- General) Zoning District. The brewery is located on the northern portion of the block bound by Mariposa, Carolina, 18th and De Haro Streets. The building on the southern portion of this block contains a large indoor children's play space on the ground floor (Recess), as well as other service uses. Residential and commercial uses located within the RH-2 (Residential House- Two Family) and UMU (Urban Mixed Use) Zoning Districts are located farther to the west. St. Gregory's church and food pantry is located further west, on De Haro Street.

<u>East.</u> Immediately across the street and east of the project site, land uses consist primarily of two- and three-story residential buildings on Arkansas Street located within the RH-3 (Residential House- Three Family) Zoning District. This land use pattern generally continues for several blocks further east. Neighborhood-serving commercial uses located within the NC-2 (Neighborhood Commercial, Small Scale) Zoning District are also located along the 18th Street corridor, between Connecticut and Texas Streets.

The overall visual character of the area surrounding the project site is influenced by the above described uses and physical conditions. This area of Potrero Hill is characterized by a variety of building heights, which generally range from two to four stories. Buildings range in age from over 100 years old to new construction, and building architecture and design varies widely between different types of uses, from functional industrial buildings to residential buildings of Edwardian, 20th century, and modern designs. Buildings are generally built to the property line. Streets are generally lined with street trees. Jackson Playground is characterized by children's play areas, open lawn areas for active and passive uses, and a recreation building.

ENVIRONMENTAL REVIEW

On December 17, 2014, the Department published a Draft Environmental Impact Report ("DEIR") for the Project for public review (Case No. 2012.1398E). The DEIR was available for public comment until February 17, 2015. On January 22, 2015, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On October 15, 2015, the Department published a Comments and Responses document, responding to comments made regarding the DEIR for the Project.

On November 12, 2015, the Commission certified the FEIR for the Project as adequate, accurate and complete.

On November 12, 2015, the Commission must adopt the CEQA Findings for the FEIR, prior to the approval of the Project (See Case No. 2012.1398E).

HEARING NOTIFICATION

| ТҮРЕ | REQUIRED PERIOD | REQUIRED NOTICE DATE | ACTUAL NOTICE DATE | ACTUAL PERIOD |
|--------------------|--------------------|-------------------------|-----------------------|------------------|
| Classified News Ad | 20 days | October 23, 2015 | October 21, 2015 | 22 days |
| Posted Notice | 20 days | October 23, 2015 | October 22, 2015 | 21 days |
| Mailed Notice | 20 days | October 23, 2015 | October 23, 2015 | 20 days |

The proposal requires a Section 312 neighborhood notification, which was conducted in conjunction with the required hearing notification for the Large Project Authorization.

PUBLIC COMMENT

- On Thursday, April 16, 2015, Planning staff met with various members of the neighborhood with concerns regarding the project representing different entities, including Grow Potrero Responsibly, Potrero Boosters, Save the Hill, as well as, Live Oak School. Following that meeting staff received a correspondence dated April 17, 2015 itemizing specific project concerns (see attached) that were provided to the Project Sponsor resulting in specific project modifications.
- The Project Sponsor has conducted on-going community outreach to solicit public comment which is summarized in their public outreach summary (see attached).
- As of November 5, 2015, the Department has received two letters of concern and 24 letters of support. The letters of concern take issue with the accuracy and adequacy of the EIR analysis, as well as the level of community benefits and neighborhood compatibility of the project in numerous ways. The letters of support voice support for the Project's proposed density, affordability, urban design and neighborhood compatibility, financial contribution to parks, job creation capacity and level of neighborhood outreach.

ISSUES AND OTHER CONSIDERATIONS

- Large Project Authorization Modifications: As part of the Large Project Authorization (LPA), the Commission may grant modifications from certain Planning Code requirements for projects that exhibit outstanding overall design and are complementary to the design and values of the surrounding area. The proposed project requests modifications from: 1) rear yard (Planning Code Section 134); 2) ground floor ceiling height (Planning Code Section 145); 3) off-street loading (Planning Code Section 152); 4) horizontal mass reduction (Planning Code Section 270). Planning Department staff is generally in agreement with the proposed modifications given the overall project and its exceptional and compatible design.
- <u>Inclusionary Affordable Housing</u>: The project has elected the on-site affordable housing alternative, identified in Planning Code Section 415.6 and 419.3. The project site is located within the UMU Zoning District and is therefore subject to the Tier A Affordable Housing Program Requirements, which requires 14.4% of the total number of units to be designated as part of the

inclusionary affordable housing program; however, the Project Sponsor has elected to pursue the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5. The Project contains 299 units and the Project Sponsor will fulfill this requirement by providing 43 affordable units on-site, which will be available for rent.

- <u>Shadow:</u> Pursuant to Planning Code Section 295(a)(1), the project is not subject to Planning Code Section 295 (Height Restrictions on Structures Shadowing Property Under the Jurisdiction of the Recreation and Park Commission) since the project building height does not exceed 40 feet in height.
- <u>Development Impact Fees</u>: The Project would be subject to the following development impact fees, which are estimated as follows:

| FEE TYPE | PLANNING CODE SECTION/FEE | AMOUNT |
|---|------------------------------|----------------|
| Eastern Neighborhoods Impact Fee | | |
| (8,000 sq ft – Tier 1; Change in Use from Non- | 423 (@ \$2.43) | \$19,440.00 |
| Residential to Residential) | | |
| Eastern Neighborhoods Impact Fee | | |
| (66,696 sq ft – Tier 1; Change in Use from PDR to | 424 (@ \$6.07) | \$404.844.72 |
| Residential) | | |
| Eastern Neighborhoods Impact Fee | | |
| (247,283 sq ft – Tier 1; Residential) | 423 (@ \$9.71) | \$2,401,117.93 |
| New Residential) | | |
| Eastern Neighborhoods Impact Fee | 423 (@ \$12.14) \$115,997.70 | |
| (9,555 sq ft – Tier 2; Non-Residential) | 425 (@ \$12.14) | \$113,997.70 |
| Transit Impact Development Fee (TIDF) | <i>4</i> 11 (@ ¢14 50) | ¢91 401 97 |
| (5,593 sq ft – Retail) | 411 (@ \$14.59) | \$81,601.87 |
| Transit Impact Development Fee (TIDF) | 411 (@ \$7.46) | \$29,556.52 |
| (3,962 sq ft – PDR) | 411 (@ \$7.40) | \$Z7,000.0Z |
| | TOTAL | \$3,052,558.74 |

Please note that these fees are subject to change between Planning Commission approval and approval of the associated Building Permit Application, as based upon the annual updates managed by the Development Impact Fee Unit of the Department of Building Inspection.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant a Large Project Authorization pursuant to Planning Code Section 329 to allow the new construction of two four-story, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 331,534 sf., with 299 dwelling units, 5,593 sf of retail, 3,962 sf of PDR, 243 parking spaces and a total of 369 bicycle parking spaces, and to allow modifications to the requirements for 1) rear yard (Planning Code Section 134); 2)

ground floor ceiling height (Planning Code Section 145); 3) off-street loading (Planning Code Section 152); 4) horizontal mass reduction (Planning Code Section 270).

BASIS FOR RECOMMENDATION

The Department believes this project is approvable for the following reasons:

- The Project complies with the applicable requirements of the Planning Code.
- The Project is consistent with the objectives and policies of the General Plan.
- The Project is located in a zoning district where residential, PDR, and retail uses are principally permitted.
- The Project produces a new mixed-use residential development with significant site updates, including widened sidewalks, street furniture, landscaping, bulb-outs, bike parking and publically accessible open space.
- The Project is architecturally compatible with and respects the existing neighborhood character, and provides an appropriate mass and scale.
- The Project exceeds the open space requirements while improving neighborhood connectivity by including both a north-south mid-block alley and an east-west pedestrian passageway.
- The Project includes comprehensive streetscape improvements along all frontages developed in accordance with the San Francisco Better Streets Plan.
- The Project complies with the First Source Hiring Program.
- The Project adds 299 new dwelling units to the City's housing stock and provides 20% on-site inclusionary housing.
- In total, the project proposes 243 off-street parking spaces in conformance with the maximum permitted ratios based on the proposed unit sizes.
- In accordance with the Showplace Square/Potrero Hill Area Plan Land Use and Housing Objectives and Policies, the Project maximizes development potential in keeping with neighborhood character while providing increased density near public transit, schools and public parks with safe routes for pedestrians and bicyclists.
- The Project will fully utilize the Eastern Neighborhoods Area Plan controls, and will pay the appropriate development impact fees estimated at approximately \$3,050,000.00.

RECOMMENDATION: Approval with Conditions

Attachments:

Draft Motion- Large Project Authorization, including MMRP; Adoption of CEQA Findings for FEIR Parcel Map Sanborn Map Aerial Photograph Zoning Map Height and Bulk Map Major Projects within .25 mile Radius Map

Executive Summary Hearing Date: November 12, 2015

Public Correspondence Inclusionary Affordable Housing Program Affidavit Costa Hawkins Agreement Project Sponsor Submittal, including Seifel Associates Alternatives Feasibility Report Attachment Checklist:

| Executive Summary | \square | Project sponsor submittal |
|--|-----------|---|
| Draft Motions | | Drawings: Existing Conditions |
| Environmental Determination | | Check for legibility |
| Zoning District Map | | Drawings: Proposed Project |
| 🔀 Height & Bulk Map | | Check for legibility |
| Parcel Map | | 3-D Renderings (new construction or significant addition) |
| Sanborn Map | | Check for legibility |
| Aerial Photo | | Wireless Telecommunications Materials |
| Context Photos | | Health Dept. review of RF levels |
| Site Photos | | RF Report |
| Major Projects within .25 mile Radius Map | | Community Meeting Notice |
| Public Correspondence | \square | Housing Documents |
| | | Inclusionary Affordable Housing Program: Affidavit for Compliance |
| | | Costa Hawkins Agreement |
| | | |

Exhibits above marked with an "X" are included in this packet

CT

Planner's Initials

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SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion No. XXXXX HEARING DATE: NOVEMBER 12, 2015

| Date: | November 12, 2015 |
|------------------|---------------------------------------|
| Case No.: | 2012.1398 <u>E</u> X |
| Project Address: | 1601 MARIPOSA STREET |
| Zoning: | UMU (Urban Mixed Use) |
| | 40-X Height and Bulk District |
| Block/Lot: | 4005/001B, 004 |
| | 4006/006, 010, 019, 020 |
| Project Sponsor: | Related/Mariposa Development Co., LLC |
| | Attn: Susan Smartt, Executive VP |
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ADOPTING **ENVIRONMENTAL FINDINGS** PURSUANT TO THE **CALIFORNIA** ENVIRONNMENTAL QUALITY ACT, INCLUDING FINDINGS OF FACT, FINDINGS REGARDING SIGNIFICANT IMPACTS AND SIGNIFICANT AND UNAVOIDABLE IMPACTS, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES, AND A STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO APPROVALS FOR THE PROJECT, LOCATED AT 1601 MARIPOSA STREET, TO DEMOLISH THREE EXISTING ONE- AND TWO-STORY COMMERCIAL, OFFICE AND WAREHOUSE BUILDINGS AND ASSOCIATED SURFACE PARKING LOTS, AND TO CONSTRUCT TWO FOUR-STORY MIXED USE BUILDINGS, REFERRED TO AS THE "EAST" AND WEST" BUILDINGS (APPROXIMATELY 331,534 GSF) WITH UP TO 299 DWELLING UNITS AND GROUND FLOOR COMMERCIAL SPACE (APPROXIMATLEY 5,593 GSF OF RETAIL, 3,962 GSF OF PDR) AND BELOW GRADE PARKING FOR 249 VEHICLES.

PREAMBLE

On January 23, 2014, Related/Mariposa Development Company, LLC (Attn: Susan Smartt) (hereinafter "Project Sponsor") filed Application No. 2012.1398EX (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct two new fourstory, 40-foot tall, mixed-use buildings, referred to as "East" and "West" Buildings (approximately 331,534 gsf) with up to 299 dwelling units and ground floor retail and PDR space at 1601 Mariposa Street (Block 4005 Lots 001B and 004; Block 4006 Lots 006, 010, 019 and 020) in San Francisco, California.

On December 17, 2014, the Department published a Draft Environmental Impact Report ("DEIR") for the Project for public review (Case No. 2012.1398E). The DEIR was available for public comment until February 17, 2015. On January 22, 2015, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On October 15, 2015, the Department published a Comments and Responses document, responding to comments made regarding the DEIR for the Project.

Motion No. TBD

November 5, 2015

CASE NO. 2012.1398EX 1601 Mariposa Street

On November 12, 2015, the Commission certified the FEIR for the Project as adequate, accurate and complete.

On November 12, 2015, the Commission must adopt the CEQA Findings for the FEIR, prior to the approval of the Project (See Case No. 2012.1398E).

On November 12, 2015, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2012.1398EX.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2012.1398EX, subject to the conditions contained in "EXHIBIT A" of this Motion, based on the following findings:

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of

on November 12, 2015.

Jonas P. Ionin Commission Secretary

AYES:

NAYS:

ABSENT:

EXCUSED:

ACTION: Adoption of CEQA Findings

2



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ✓ Affordable Housing (Sec. 415)
- □ Jobs Housing Linkage Program (Sec. 413)
- □ Downtown Park Fee (Sec. 412)
- ✓ First Source Hiring (Admin. Code)
- \Box Child Care Requirement (Sec. 414)
- ✓ Other (EN Impact Fees, TIDF)

Planning Commission Motion No. TBD HEARING DATE: NOVEMBER 12, 2015

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Reception: 415.558.6378

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| Date: | November 12, 2015 |
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| 2 | |
| Case No.: | 2012.1398E <u>X</u> |
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| | 40-X Height and Bulk District |
| Block/Lot: | 4005/001B, 004 |
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| Staff Contact: | Chris Townes – (415) 575-9195 |
| | chris.townes@sfgov.org |
| | |

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO 1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, 2) GROUND FLOOR CEILING HEIGHT PURSUANT TO PLANNING CODE SECTION 145, 3) OFF-STREET LOADING PURSUANT TO PLANNING CODE SECTION 152, AND 4) HORIZONTAL MASS REDUCTION PURSUANT TO PLANNING CODE SECTION 270 TO ALLOW CONSTRUCTION OF TWO NEW FOUR-STORY, 40-FOOT TALL, MIXED-USE BUILDINGS, REFERRED TO AS THE "EAST" AND "WEST" BUILDINGS (APPROXIMATELY 331,534 GSF) WITH UP TO 299 DWELLING UNITS AND GROUND FLOOR COMMERCIAL SPACE (APPROXIMATELY 5,593 GSF OF RETAIL, 3,962 GSF OF PDR), LOCATED AT 1601 MARIPOSA STREET, LOTS 001B AND 004 IN ASSESSOR'S BLOCK 4005, AND, LOTS 006, 010, 019, AND 020 IN ASSESSOR'S BLOCK 4006 WITHIN THE UMU (URBAN MIXED USE) ZONING DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

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The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2012.1398EX, subject to the conditions contained in "EXHIBIT A" of this Motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

- 1. The above recitals are accurate and constitute findings of this Commission.
- 2. Site Description and Present Use. The proposed *1601 Mariposa Street Mixed-Use Project* is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east. The site is located within the Showplace Square/Potrero Hill Subarea of the Eastern Neighborhoods Rezoning and Area Plan. The site is within the UMU Zoning District and 40-X Height and Bulk District. The irregularly-shaped parcel has 185 feet of frontage along Mariposa Street, 280 feet along 18th Street, 300 feet along Carolina Street and 300 feet along Arkansas Street.

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The blocks that surround the *1601 Mariposa Street Mixed Use Project* site include a variety of land uses, including commercial, residential, institutional, and recreational uses, as follows:

<u>North.</u> Jackson Playground is an approximately 4.41-acre park located immediately north of the project site, across Mariposa Street, within the P (Public) Zoning District. The park occupies two city blocks and includes a recreation building, sand-floor playground, picnic area, tennis courts, basketball courts, and two ball fields. A community garden is also located along the southern park boundary, starting from the Mariposa and Carolina Streets intersection extending eastward to about mid-block along Mariposa Street. First Spice Mixing Company, a spice manufacturer, is located northeast of the site at the northeast corner of Mariposa and Arkansas Streets. Mixed commercial and residential uses are located farther north, followed by a variety of uses associated with PDR uses. Downtown San Francisco is located less than two miles farther to the north.

<u>South.</u> The existing topography rises uphill immediately south of the site, across 18th Street. Land uses immediately across from the project site along 18th Street include a public school (International Studies Academy) located within the P (Public) Zoning District, described below, and a three-story mixed-use building on a property located within the UMU (Urban Mixed Use) Zoning District. The school is a 6th through 12th grade public school with an enrollment of about 530 students which occupies approximately three-quarters of three blocks bound by 18th, Arkansas, 19th, and De Haro Streets. The three-story building on the eastern portion of the block immediately across from the project site along 18th Street includes primarily ground floor artist's lofts with residential uses on the upper floors. A performing arts/community center is also located within this building.

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<u>East.</u> Immediately across the street and east of the project site, land uses consist primarily of two- and three-story residential buildings on Arkansas Street located within the RH-3 (Residential House- Three Family) Zoning District. This land use pattern generally continues for several blocks further east. Neighborhood-serving commercial uses located within the NC-2 (Neighborhood Commercial, Small Scale) Zoning District are also located along the 18th Street corridor, between Connecticut and Texas Streets.

The overall visual character of the area surrounding the project site is influenced by the above described uses and physical conditions. This area of Potrero Hill is characterized by a variety of building heights, which generally range from two to four stories. Buildings range in age from over 100 years old to new construction, and building architecture and design varies widely between different types of uses, from functional industrial buildings to residential buildings of Edwardian, 20th century, and modern designs. Buildings are generally built to the property line. Streets are generally lined with street trees. Jackson Playground is characterized by children's play areas, open lawn areas for active and passive uses, and a recreation building.

4. Project Description. The proposed 1601 Mariposa Street Mixed-Use Project is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east. The site is located within the Showplace Square/Potrero Hill Subarea of the Eastern Neighborhoods Rezoning and Area Plan within the UMU Zoning District. The project would demolish three existing one- and two-story commercial, office, and warehouse buildings and associated surface parking lots and construct two four-story, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 331,534 sf. The project proposes 299 dwelling units, 5,593 sf of retail, 3,962 sf of PDR, 249 parking spaces and a total of 369 bicycle parking spaces. A two-level, below-grade parking garage under the East Building would contain the off-street parking accessible from Arkansas Street and 18th Street. A total of 42,777 sf of publicly accessible and private open space would be developed throughout the project site. The publically accessible open spaces include a 40-foot wide, north-south mid-block alley connecting 18th Street to Mariposa Street that intersects with a 25-foot wide, east-west pedestrian passageway accessed from Arkansas Street.

The project has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5.

5. Public Comment.

 On Thursday, April 16, 2015, Planning staff met with various members of the neighborhood with concerns regarding the project representing different entities, including Grow Potrero Responsibly, Potrero Boosters, Save the Hill, as well as, Live Oak School. Following that meeting staff received a correspondence dated April 17, 2015 itemizing specific project concerns (see attached) that were provided to the Project Sponsor resulting in project modifications.

- The Project Sponsor has conducted on-going community outreach to solicit public comment which is summarized in their public outreach summary.
- As of November 5, 2015, the Department has received two letters of concern and 24 letters of support. The letters of concern take issue with the accuracy and adequacy of the EIR analysis, as well as the level of community benefits and neighborhood compatibility of the project in numerous ways. The letters of support voice support for the Project's proposed density, affordability, urban design and neighborhood compatibility, financial contribution to parks, job creation capacity and level of neighborhood outreach.
- 6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Permitted Uses in UMU Zoning Districts.** Planning Code Sections 843.20, 843.45, 843.78-84 and 843.86-87 state that residential, retail and PDR uses are principally permitted uses within the UMU Zoning District.

The proposed Project would construct a new residential/commercial mixed-use project with ground floor retail and PDR uses within the UMU Zoning District; therefore, the Project complies with Planning Code Section 843.20, 843.45, 843.78-84 and 843.86-87.

B. **Rear Yard**. Planning Code Section 134 requires a minimum rear yard equal to 25% of the total lot depth of the lot to be provided at every residential level. Therefore, the Project would have to provide a rear yard, which measures approximately 36,571 sf, located along the rear property line.

The Project site occupies approximately 76% of the entire City block area bounded by Mariposa, 18th, Carolina and Arkansas Streets. The Project itself is composed of two four-story buildings that front along each of the four respective street frontages to better define the sidewalk edge in a manner that relates well to the adjacent buildings and surrounding neighborhood. The Project provides an area (open to the sky) greater than a comparable Code-required rear yard through the provision of various open spaces, including: a north-south mid-block alley, an east-west pedestrian passageway, an east and a west interior courtyard, that successfully frame the usable open spaces and mid-block circulation. The Project provides a total of 42,777 sf of open space or approximately 29% of the total lot area. Thus, the total amount of open space, which would have been provided through the required rear yard, is exceeded by 6,206 sf. The Project is seeking a modification of the rear yard requirement as part of the Large Project Authorization since the proposed rear yard does not extend the entire width of the subject lot along a rear property line.

The Project replaces an existing, underutilized site that is only approximately 50% occupied by buildings with uses including warehouse/office, industrial/office, and a bus-depot located within a mixed use neighborhood. The structures on the existing site do not currently contribute towards a cohesive mid-block open space and allow no pedestrian circulation; whereas, the proposed Project would provide mid-block open space that relates well to the neighborhood while improving pedestrian circulation through the site and connectivity for the neighborhood. (see below)

C. Useable Open Space. Planning Code Section 135 requires 54 sf of open space per dwelling unit, if publically accessible. Common useable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum of 300 sf. With regard to the commercial open space requirement, Planning Code Section 135 requires a minimum of 1 sf per 250 sf of retail space (which may be reduced by 33% if publicly accessible usable open space) and there no open space required for PDR space within the Eastern Neighborhoods Mixed Use District.

The 299 dwelling unit Project with 5,593 sf of retail satisfies its residential and retail open space requirement through the provision of qualifying publically accessible open space. The Project, as a whole, is required to provide a minimum of 16,161 sf (including 16,146 sf for residential and 15 sf for retail) of publicly accessible open space; whereas, the Project provides a total of 28,292 sf of publicly accessible open space (including a 21,505 sf north-south mid-block alley and a 6,787 sf east-west pedestrian passageway). Therefore, the Project exceeds its minimum publicly accessible usable open space requirement by 12,131 sf through publicly-accessible mid-block open space, and private residential courtyards and a roof deck.

D. **Permitted Obstructions.** Planning Code Section 136 outlines the requirements for architectural features, which may be permitted over streets, alleys, setbacks, yards or usable open space.

Currently, the Project includes numerous architectural projection elements throughout the Project that enhance the composition of the elevations, improve neighborhood compatibility, enhance articulation of the ground floor street frontage and entrances, and provide additional open space. These elements include bay windows, awnings, vertical fins, and balconies that increase the floor area of the building along various elevations including Arkansas and 18th Streets, the mid-block passageways, and west interior courtyard. The project plans are still schematic with regard to these particular elements; however, the Project Sponsor has indicated their intent to design all such projection elements to comply with the requirements of Planning Code Section 136 and not seek any modification. Subject to Planning Commission approval, Staff will ensure compliance of these elements during the plancheck review process when further plan detail is provided.

E. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires one (1) new street tree for every 20 feet of street frontage for projects proposing new construction, and streetscape and pedestrian elements in conformance with the Better Streets Plan when a project is on a lot that is greater than 1/2-acre in total area and includes new construction.

The Project includes new construction on a 146,284 sf lot that is more than 1/2-acre in size with 185 feet of frontage along Mariposa Street, 280 feet along 18th Street, 300 feet along Carolina Street and 300 feet along Arkansas Street. The Project is required to provide a total of 53 street trees, or pay an in-lieu fee. The Project will provide a total of 41 street trees and seek payment of an in-lieu fee for the remaining 12-tree requirement. The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks, bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

F. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

The subject lot is not located within an Urban Bird Refuge. The Project meets the requirements of feature-related standards and does not include any unbroken glazed segments 24 sf and larger in size; therefore, the Project complies with Planning Code Section 139.

G. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, public alley at least 20 feet in width, side yard at least 25 feet in width, a rear yard meeting the requirements of this Code or other open area that meets minimum requirements for area and horizontal dimensions.

The Project organizes the dwelling units to have exposure either on to one of the surrounding street frontages (Mariposa, 18th, Carolina or Arkansas Streets) or on to the interior open spaces provided within the site (including the west and east interior courtyards, the north-south mid-block alley and the east-west pedestrian passageway). The site's surrounding street widths all exceed 20 feet and the other open areas used to satisfy the exposure requirement all meet the minimum dimensional requirements for area and horizontal dimensions as diagrammatically depicted in "Exhibit B" on Sheet A.52.

H. Street Frontage in Mixed Use Districts/Floor-to-Floor Ceiling Heights. Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential ground floor uses within the UMU Zoning District have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60% of the street frontage at the ground level.

With the exception of the minimum 17-foot floor-to-floor ceiling height for non-residential uses within the UMU Zoning District criteria, the Project meets the requirements of Planning Code Section 145.1. At grade, the Project features the appropriate amount of active use within the first 25 feet of the building including retail and PDR space to a depth of at least 25 feet, the ground floor plan consists of residential walk-up units with direct, individual pedestrian access to a public sidewalk, and all accessory off-street parking is located below grade within a two-level subterranean garage, so as not to detract from the active frontage standards. In addition, the Project satisfies the ground-level visual transparency and fenestration requirements.

However, as a result of the unique, laterally-sloping topography of the site which poses difficulty for two separate portions of the ground floor non-residential uses to meet the required 17-foot floor-to-

floor ceiling height, the Project is seeking a modification of the non-residential floor-to-floor ceiling height requirement of 17 feet within the UMU Zoning District (see below).

- I. **Off-Street Parking**. Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit generally, and a ratio of 1.0 for only those units with at least 2- bedrooms and at least 1000 sf. For those units 2-bedrooms or larger and at least 1000 sf (37 dwelling units total), the following additional findings apply and must be made in the affirmative by the Planning Commission in order to allow:
 - 1. Vehicle movement on or around the project does not unduly impact pedestrian spaces or movement, transit service, bicycle movement, or the overall traffic movement in the district;
 - 2. Accommodating excess accessory parking does not degrade the overall urban design quality of the project proposal;
 - 3. All above-grade parking is architecturally screened and lined with active uses according to the standards of Section 145.1, and the project sponsor is not requesting any exceptions or variances requiring such treatments elsewhere in this Code; and
 - 4. Excess accessory parking does not diminish the quality and viability of existing or planned streetscape enhancements.
 - 5. For projects with 50 dwelling units or more, all residential accessory parking in excess of 0.5 spaces per unit shall be stored and accessed by mechanical stackers or lifts, valet, or other space-efficient means that reduces space used for parking and maneuvering, and maximizes other uses.

With regard to the non-residential uses, Planning Code Section 151.1 of the Planning Code allows 1 space per 500 sf of retail space and 1 space per 1500 sf of PDR.

For the 299 dwelling units proposed, the Project is allowed a maximum of 234 off-street parking spaces. With a total of (37) 2-bedroom or larger units at least 1,000 sf in area, the Project is permitted up to 1 space per unit or 37 off-street parking spaces (37 DU's x 1 = 37 spaces), subject to the conditions of Planning Code Section 151.1(g) (demonstrated below). The remaining 262 dwelling units are permitted up to .75 spaces per unit or 197 off-street parking spaces (262 DU's x 0.75 = 197 spaces).

For retail and PDR space combined, the Project is allowed a maximum of 14 spaces. For the 5,593 sf of retail, the Project is allowed a maximum of 11 spaces and for the 3,962 sf of PDR, the Project is allowed 3 spaces.

In total, the Project is allowed up to 248 off-street parking spaces (234 residential spaces subject to the findings of Planning Code Section 151.1(g) + 14 retail/PDR spaces = 248 spaces), whereas 243 spaces are proposed; therefore, the Project complies with Planning Code Section 151.1. Of these 243 off-street parking spaces provided, 10 spaces are ADA accessible.

The Project provides an additional 6 off-street car share spaces (for a total of 249 off-street parking spaces), thereby fulfilling the 1 car share space requirement. Pursuant to Planning Code Section 166, car share spaces do not count towards the maximum number of parking spaces allowed by this Code.

With regard to the findings applicable to those dwelling units with at least 2-bedroom or larger units at least 1,000 sf in area, the Project satisfies the findings (see below).

J. **Off-Street Freight Loading.** Planning Code Section 152.1 requires two off-street loading spaces for residential uses between 200,001-500,000 gsf.

The Project includes approximately 238,429 gsf of residential area; therefore, at least two off-street loading spaces are required. The Project does not possess any off-street loading parking spaces; however, the Project is proposing three on-street loading spaces on Carolina, Mariposa and Arkansas Street that would be located in direct proximity to the Project's primary entrances. Therefore, the Project is seeking a modification from this requirement as part of the Large Project Authorization (see below).

K. **Bicycle Parking.** Planning Section 155.2 of the Planning Code requires at least one Class 1 bicycle parking spaces for each dwelling unit and one Class 2 bicycle parking spaces for every 20 dwelling units; however, for buildings containing more than 100 dwelling units, 100 Class 1 spaces are required, plus one Class 1 space for every four dwelling units over 100.

The Project includes 299 dwelling units; therefore, the Project is required to provide 149 Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces. The Project will provide 350 Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces, thus exceeding the Code requirement. Therefore, the Project complies with Planning Code Section 155.2.

L. **Car Share Requirements.** Planning Code Section 166 requires two car-share parking space for projects containing 201 or more dwelling units.

Since the Project includes 299 dwelling units, it is required to provide a minimum of two carshare parking space. The Project provides six off-street car share parking space within the garage; therefore, the Project complies with Planning Code Section 166.

M. **Unbundled Parking**. Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project complies with Planning Code Section 167.

N. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40% of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30% of the total number of proposed dwelling units contain at least three bedrooms.

For the 299 dwelling units, the Project is required to provide at least (120) 2-bedroom or larger units or (90) 3-bedroom or larger units. The Project provides (10) 3-bedrooms, (111) 2-bedrooms, (109) 1- bedrooms, and (69) studios. In all, 40% of the total units are 2-bedroom or larger; therefore, the Project complies with Planning Code Section 207.6.

O. Horizontal Mass Reduction. Planning Code Section 270.1 outlines the requirements for horizontal mass reduction on large lots within the Eastern Neighborhoods Mixed-Use Districts. For buildings with street frontage greater than 200-feet in length, one or more mass reduction breaks must be incorporated to reduce the horizontal scale of the building into discrete sections not more than 200-feet in length. Specifically, the mass reduction must 1) be not less than 30-feet in width; 2) be not less than 60-feet in depth from the street-facing building façade; 3) extend up to the sky from a level not higher than 25-feet above grade or the third story, whichever is lower; and 4) result in discrete building sections with a maximum plan length along the street frontage not greater than 200-feet.

Given the 300 linear feet of frontage along Carolina, 280 linear feet of frontage along 18th Street, and 300 linear feet of frontage along Arkansas Street, the Project is required to provide one or more mass breaks along each of these frontages which are not less than 30-feet wide by 60-feet deep starting at the third story and open to the sky.

Along the Carolina Street frontage, the Project provides a centrally-located mass break 12-feet wide and 30-feet deep that begins at grade and is open to the sky. This mass break, which borrows additional area from an adjacent recessed wall plane for a length of 44 feet along the Carolina Street frontage, divides the Carolina Street elevation in two distinct building segments which measure 128 feet and 158 feet.

Along the 18th Street frontage, the Project provides a mass break 15-feet wide and 30-feet deep that begins at grade and is open to the sky. This mass break divides the 18th Street elevation in two distinct building segments which measure 61 feet and 144 feet. The 61 foot long segment also abuts the Project's proposed 40-foot wide north-south mid-block alley.

Along the Arkansas Street frontage, in lieu of the Code-required mass break and with the goal of providing a more architecturally-contextual design, the massing is carved away and stepped into 25-foot wide increments with bays and raised residential entry stoops of varying height and depth in conjunction with descending roof heights that follow the laterally sloping topography.

Since the horizontal mass breaks described above do not meet the dimensions required by Code Section 270.1, the Project is seeking a modification of this requirement as part of the Large Project Authorization (see below).

P. **Mid-Block Alley.** Planning Code Section 270.2 outlines the requirements for mid-block alleys on large lots within the Eastern Neighborhoods Mixed-Use Districts. This

requirement applies to all new construction on parcels that have one or more street frontage of over 200 linear feet on a block face longer than 400 feet between intersections. On lots with frontage of over 200 linear feet on a block face longer than 400 feet between intersections. On lots with frontage greater than 300 feet, the project shall provide a publicly-accessible mid-block alley for the entire depth of the property, generally located toward the middle of the subject block face, perpendicular to the subject frontage and connecting to any existing streets and alleys.

The Project frontage along 18th Street (280 feet) exceeds 200 linear feet on a block face (480 feet) that exceeds 400 linear feet; therefore, a publicly-accessible north-south mid-block alley in accordance with Planning Code Section 270.2 is required.

The Project provides a 40- to 63-foot wide, 21,505 sf, publicly-accessible north-south mid-block alley designed in accordance with Planning Code Section 270.2; therefore, the Project complies with Planning Code Section 270.2. Although not required, the Project provides a secondary 6,787 sf mid-block pedestrian passageway, open to the sky, linking Arkansas Street to the required north-south mid-block alley to provide additional publicly-accessible open space and improve neighborhood connectivity.

Q. Shadow. Planning Code Section 295 restricts net new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission. Any project in excess of 40 feet in height and found to cast net new shadow must be found by the Planning Commission, with comment from the General Manager of the Recreation and Parks Department, in consultation with the Recreation and Park Commission, to have no adverse impact upon the property under the jurisdiction of the Recreation and Park Commission.

Pursuant to Planning Code Section 295(a)(1), the project is not subject to Planning Code Section 295 (Height Restrictions on Structures Shadowing Property Under the Jurisdiction of the Recreation and Park Commission) since no portion the Project exceeds 40 feet in building height.

R. **Inclusionary Affordable Housing Program**. Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Since the subject property is located within the UMU Zoning District, the Project is subject to the inclusionary affordable housing requirements identified in Planning Code Section 419. The subject property has been designated as Tier A, thus a minimum of 14.4% of the total units constructed shall be considered affordable.

The Project site is located within the UMU (Urban Mixed Use) Zoning District in which the on-site inclusionary housing requirement is 14.4% of the total units. The Project Sponsor has submitted an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee; however, the Project Sponsor has indicated that it will apply for and receive California Debt Limit Allocation Committee (CDLAC) tax-exempt bond financing. In order for the CDLAC restricted units to qualify for the Inclusionary Affordable Housing Code Section 415.6(f), the Project

is required to provide 20% of the proposed dwelling units on-site as affordable to households at 50 percent of Area Median Income. The income table to be used for such projects when the units are priced at 50 percent of Area Median Income is the income table used by MOHCD for the Inclusionary Affordable Housing Program, not that used by TCAC or CDLAC. Except as provided in this subsection, all units provided under this Section must meet all of the requirements of Section 415 et seq. and the Procedures Manual for on-site housing. In addition, Planning Director Bulletin #2 Planning Department Priority Application Processing Guidelines provides Priority Processing for Projects providing 20% of the proposed dwelling units as affordable to qualifying households. The Project Sponsor has submitted their Priority Processing Program application and has been entered into the Priority Processing Program as a Type 1A project. The Project contains 299 units; therefore, 60 affordable units on-site. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

S. **Eastern Neighborhood Infrastructure Impact Fees**. Planning Code Section 423 is applicable to any development project within the UMU (Urban Mixed-Use) Zoning District that results in the addition of at least one net new residential unit.

The Project proposes the replacement of three existing industrial/office buildings with two fourstory, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 331,534 sf with 299 dwelling units, 5,593 sf of retail and 3,962 sf of PDR. Therefore, the Project is subject to Eastern Neighborhood Infrastructure Impact Fees, as outlined in Planning Code Section 423. This fee must be paid prior to the issuance of the building permit application.

T. **Transit Impact Development Fee.** Pursuant to Planning Code Section 411, the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) as required by and based on drawings submitted with the Building Permit Application. Prior to the issuance of a temporary certificate of occupancy, the Project Sponsor shall provide the Planning Director with certification that the fee has been paid.

The Project includes 9,555 sf of commercial space. This use is subject to Transit Impact Development Fees, as outlined in Planning Code Section 411. These fees must be paid prior to the issuance of the building permit application.

- 7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:
 - A. Overall building mass and scale.

The Project, composed of two 4-story buildings (an "East" and "West" building) situated around two mid-block passageways and two interior residential courtyards, has a mass and scale that is appropriate for the subject 3.36 acre site (with frontage along Mariposa, 18th, Carolina and Arkansas Streets). The Project's mass and scale is composed in a manner that relates well to the mass and scale of the surrounding neighborhood (which includes a diverse mixture of industrial, design-related, residential, school and public park uses and buildings) and the site's topography. The Project successfully incorporates architectural elements from the surrounding buildings along each respective street frontage while establishing appropriately dimensioned building segments whose roof heights descend in relation to the laterally sloping topography in conformance with the maximum 40-foot height limit.

B. Architectural treatments, facade design and building materials.

The Project's architectural treatments, façade design and building materials include horizontal hardwood, smooth lap fiber cement board plank and standing seam zinc metal siding, colored cement plaster, vertical board form concrete, corten steel, aluminum storefront systems, and aluminum framed windows. The fenestration pattern and bay dimensions are informed by the size, spacing and composition found in surrounding buildings. The Project is enhanced through the division of the building's street frontage into smaller distinct segments that relate the typical building width found in the neighborhood and are distinguished by changes in plane and materiality. Bay windows and vertical fin elements are also incorporated into the elevations to create a rhythm along the street.

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access.

<u>Mariposa Street</u>: The topography along Mariposa Street is flat. The neighboring properties to the east include Live Oak School and office uses within 2- to 4-story buildings while the site across Mariposa Street, to the north, is a public park (Jackson Playground) that occupies the entire City block. Along the ground floor, for a continuous linear length of 107 feet, the Project provides approximately 2800 sf of commercial retail space to a depth of 30 feet that is divided into three separate tenant spaces, each with their own entry. In plan, the ground floor retail space activates the corner by wrapping around the corner of Mariposa and Carolina Streets and is setback only slightly (with greater recess at the corner) from the north property line to provide a greater sense of depth while maintaining a strong edge that reinforces the existing property line edge of the neighboring Live Oak School and offices. In elevation, the commercial storefront is composed of clear glazing within an aluminum storefront system framed by exposed metal I-beams establishing a well-defined, 20-foot tall, floor to floor ceiling height. The I-beam framework orders the frontage to better integrate into the neighborhood scale. The Project's commercial space abuts a small leasing office (approximately 800 sf) whose angled walls are juxtaposed against the more rectangular commercial space walls while successfully signaling access to the publicly-accessible, north-south mid-block alley. At the "mouth" of north-south, mid-block ally, the distance between the Project's leasing office and the Live Oak School 2-story building is approximately 50 feet, an appropriately-sized opening for such a public passageway.

<u>18th Street:</u> The topography along 18th Street is laterally sloping. From both Carolina and Arkansas Streets, 18th Street slopes downward to its lowest point which coincides with the Project's north-south, mid-block alley southern opening. The mid-block low point is about 30 feet below the high point at Arkansas Street, or a 12% slope. The neighboring properties to the south, across 18th Street, include a 3-story multi-family residential building and the International Studies Academy. Along the ground

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floor, for a continuous linear length of 61 feet, the Project provides approximately 1600 sf of commercial retail space to a depth of 25 feet that is divided into two separate tenant spaces, each with their own entry. In plan, the ground floor retail space activates the corner by wrapping around the corner of 18th and Arkansas Streets and is setback 5 feet from the south property line to provide a greater sense of depth while maintaining a strong edge that reinforces the existing property line edge of surrounding buildings. In elevation, the commercial storefront design matches that of the northwest corner ground floor elevation, with the exception floor to floor ceiling height ranging from 10-12 feet. The Project's commercial space abuts a 17-foot wide residential entry space, 64 linear feet of gas meter/mechanical/circulation/stair access space with landscape buffer, 20 linear feet of vehicular access and 60 linear feet of residential frontage for two 2-story units with recessed ground floor patios.

Carolina Street: The Project's topography along Carolina Street is laterally sloping in an uphill direction from Mariposa Street toward 18th Street with approximately 12 feet in grade differential across the 400-foot long block, or 3% slope. The neighboring adjacent properties to the south include a series of PDR design-related uses. The neighboring properties to the west, across Carolina Street, include Anchor Steam Brewery and a 3- to 4-story commercial building with surface parking lot. Along the Carolina Street ground floor, the commercial retail space extends 25 linear feet, then abuts 79 linear feet of PDR space, then abuts a 12-foot wide mass break to accommodate a residential entry, then abuts 44 feet of stairway and building system space, then abuts 93 feet of PDR space terminating into 21 feet of additional building system space. All ground floor uses extend to a depth of 30 feet from the street frontage with varying recessed wall plane dimensions from 4 to 6 feet in depth. In plan, the ground floor retail space activates the northwest corner by wrapping around the corner of Mariposa and Carolina Streets and is setback 5 feet from the west property line to provide a greater sense of depth while maintaining a strong edge that reinforces the existing property line edge of the neighboring PDR uses. In elevation, the ground floor commercial storefront design, north of the residential entrance mass break, matches that of the commercial storefront design along Mariposa Street. The ground floor commercial storefront design, south of residential entrance mass break, consists of recessed aluminum storefront systems within bays whose spacing relate well to the adjacent PDR storefronts along Carolina Street.

<u>Arkansas Street</u>: The Project's topography along Arkansas Street is laterally sloping in an uphill direction from Mariposa Street toward 18th Street with approximately 21 feet in grade differential across the 300 feet of frontage, or 7% slope. The neighboring adjacent property to the north is occupied by Live Oak School and office uses within a 2- to 4-story building. The neighboring properties to the east, across Arkansas Street, include 2-, 3- and 4-story residential buildings on typical 25-foot (width) by 100-foot (depth) lots. These residential properties vary in architectural style yet present a well-defined street wall that is articulated with variation in recessed at-grade and walk-up stair entrances, garage doors entries, roof heights and roof types, bay windows and side setback spacing between buildings. To better relate to the character of the surrounding neighborhood, the Project employs several strategies for the Arkansas Street elevation, including: 1) use of raised entry stoops for residential units, 2) division of the façade into distinct widths (articulated by changes in plane, color,

and materiality) that approximate the typical 25-foot width of existing residential frontages along Carolina Street, 3) lower scale commercial retail space with a 12 foot floor-to-floor ceiling height, and 4) descending roof heights that better relate the building height to the laterally sloping topography. In plan, the ground floor retail space activates the corner by wrapping around the corner of Arkansas and 18th Streets and is setback 5 feet from the east property line to provide a greater sense of depth while maintaining a strong edge that reinforces the existing property line edge of surrounding buildings. In elevation, the commercial storefront design is similar to that that of the northwest corner ground floor elevation, with the exception the floor-to-floor ceiling height being lower at 12 feet. The Project's commercial space at the corner of 18th and Arkansas Street abuts a 161 linear feet of residential frontage (including 25 linear feet for electrical room space) featuring raised entry stoops, then abuts an approximately 20 linear feet of bicycle parking terminating into the approximately 20-foot wide opening into the east-west pedestrian passageway.

D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site.

The Project exceeds the required amount of open space for its 299 dwelling units, 5,593 sf of retail and 3,962 sf of PDR space through the provision of a publicly-accessible 40-foot wide north-south mid-block alley and two interior residential courtyards meeting the applicable design standards of Planning Code Section 135 and 270.2. In total, the Project provides 42,777 sf of qualifying open space, exceeding the required amount of 16,161 sf.

E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2.

The Project satisfies the mid-block alley requirements of Planning Code Section 270.2 by providing a 40-foot wide, publically-accessible, north-south mid-block alley connecting 18th Street to Mariposa Street developed in accordance with the applicable design standards.

F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

The Project includes comprehensive streetscape elements, including a widened sidewalks, corner bulb outs, sidewalk landscaping, street tress, street furniture, and paving treatments. The Commission finds that these improvements would significantly improve the public realm.

G. Circulation, including streets, alleys and mid-block pedestrian pathways.

The Project provides ample circulation in and around the Project site through comprehensive sidewalk improvements, a 40-foot wide north-south mid-block alley, a 25-foot east-west pedestrian passageway, well defined walk-up entrances to residential units along the residential street

frontages, prominent residential entrances and a vehicular garage entrances accessed from 18th and Arkansas Streets to a two-level subterranean garage.

H. Bulk limits.

The Project is within an 'X' Bulk District, which does not restrict bulk.

I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan.

The Project, on balance, meets the Objectives and Policies of the General Plan (see below).

- 8. Large Project Authorization Exceptions. Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts:
 - A. Exceeding the principally permitted accessory residential parking ratio described in Section 151.1 and pursuant to the criteria therein;

In granting such Conditional Use or exception per 329 for parking in excess of that principally permitted in Table 151.1, the Planning Commission shall make the following affirmative findings according to the users to which the proposed parking is accessory:

- (1) Parking for All Uses.
 - (i) Vehicle movement on or around the project does not unduly impact pedestrian spaces or movement, transit service, bicycle movement, or the overall traffic movement in the district;

The Project does minimize vehicular movement in and around the Project in that the offstreet parking garage is located below grade and the entrances/exits to the garage are accessed via only two 20-foot wide openings, including one along Arkansas Street and one along 18th Street. This configuration orients vehicular circulation away from other neighboring sensitive vehicular operational areas, including Anchor Steam Brewery loading activities across Carolina Street and the student pick-up/drop-off activities of Live Oak School.

(ii) Accommodating excess accessory parking does not degrade the overall urban design quality of the project proposal;

The residential accessory parking does not degrade the overall urban design quality of the Project in that the parking placement is two-level subterranean plan that adheres to active frontage Code requirements and limits vehicular access to only two 20-foot wide entrances/exits.

(iii) All above grade parking is architecturally screened and lined with active uses according to the standards of Section 145.1, and the project sponsor is not requesting any exceptions or variances requiring such treatments elsewhere in this Code; and The Project does not include above grade off-street parking; however both driveway entrances into the subterranean garage will be recessed from the street and have perforated metal panel garage doors to provide adequate screening. At the street, the Project accommodates the appropriate amount of active uses per Planning Code Section 145.1.

(iv) Excess accessory parking does not diminish the quality and viability of existing or planned streetscape enhancements.

Since the excess parking would be located below grade, the excess accessory parking would not impact any existing or planned streetscape enhancements. The Project has strategically located its proposed two-level subterranean parking garage with storage, trash and service equipment at the southeast corner of the site to take advantage of the existing excavation at this portion of the property so as to not disrupt the activity of the ground floor level. Entrances to the off-street parking are minimized to have the least impact upon Arkansas and 18th Street, thus minimizing the potential for conflicts with pedestrians and bicyclists. The Project would undertake significant site and public realm improvements, including a north-south mid-block alley, an east-west pedestrian passageway, and comprehensive streetscape improvements developed in accordance with the San Francisco Better Streets Plan along all four frontages. Typical improvements include widened sidewalks, paving, seating, landscaping, bulb-outs, bicycle parking, and street trees.

- (2) Parking for Residential Uses.
 - (i) For projects with 50 dwelling units or more, all residential accessory parking in excess of 0.5 spaces per unit shall be stored and accessed by mechanical stackers or lifts, valet, or other space-efficient means that reduces space used for parking and maneuvering, and maximizes other uses.

Since the parking is essentially underground and due to topographic conditions, requiring space efficiency would not necessarily improve usable interior space or its desirability and the current design positively engages the street frontage and the pedestrian. Furthermore, the existing off-street parking area is already excavated.

B. Exception for rear yards, pursuant to the requirements of Section 134(f);

<u>Modification of Requirements in the Eastern Neighborhoods Mixed Use Districts.</u> The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified or waived by the Planning Commission pursuant to Section 329. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified by the Zoning Administrator pursuant to the procedures set forth in Section 307(h) for other projects, provided that:

(1) A comparable, but not necessarily equal amount of square footage as would be created in a code conforming rear yard is provided elsewhere within the development;

The Project provides a comparable amount of open space, in lieu of the required rear yard. Overall, the Project site is 146,284 sf in size, and would be required to provide a rear yard measuring 36,571 sf. The Project provides 42,777 sf of qualifying open space through a northsouth mid-block alley and two residential interior courtyards and also includes an additional 6,787 sf of publicly accessible open space via an east-west pedestrian passageway, thus exceeding the amount of space which would have been provided in a Code-compliant rear yard by 6,206 sf.

(2) The proposed new or expanding structure will not significantly impede the access to light and air from adjacent properties or adversely affect the interior block open space formed by the rear yards of adjacent properties; and

The proposed 1601 Mariposa Street Mixed-Use Project is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east.

The Project, composed of two 4-story buildings (an "East" and "West" building) situated around two mid-block passageways and two interior residential courtyards, has a mass and scale that is appropriate for the subject 3.36 acre site (with frontage along Mariposa, 18th, Carolina and Arkansas Streets). The Project's mass and scale is composed in a manner that relates well to the mass and scale of the surrounding neighborhood (which includes a diverse mixture of industrial, design-related, residential, school and public park uses and buildings) and the site's topography.

The site occupies approximately 75% of the entire City block; therefore, the Project will establish the interior block open space formed by the proposed building's footprint in relation to interior open spaces provided. The surrounding, adjacent uses are non-residential and include the following uses: 1) Live Oak School and offices within 2- to 4-story buildings at the northeast corner (Mariposa and Arkansas Streets); and 2) a cluster of PDR uses within 2-story buildings at the southwest corner (18th and Carolina Streets). In order to mitigate the Project's impact to the light and air of the adjacent Live Oak School classroom space, the Project provides a 35 foot setback at the east-west pedestrian passageway.

Overall, the Project does not significantly impede access to light an air for the adjacent properties and the subject block which does not possess a pattern of mid-block open space. The Project massing and building height is compatible with the neighborhood character by defining a strong street frontage along each of the four frontages, maintaining a consistent 40-foot tall building height throughout that is appropriately segmented and descends with the laterally sloping topography, framing appropriately sized publicly-accessible mid-block passageways and interior courtyards to serve both the neighborhood at large and the residents of the Project.

(3) The modification request is not combined with any other residential open space modification or exposure variance for the project, except exposure modifications in designated landmark buildings under Section 307(h)(1).

The Project is not seeking a modification to the exposure requirement.

C. Exception from satisfaction of loading requirements per Section 152.1 pursuant to the criteria contained therein.

For projects in the Eastern Neighborhoods Mixed Use Districts that are subject to Section 329, the Planning Commission may waive these requirements per the procedures of Section 329 if it finds that the design of the project, particularly ground floor frontages, would be improved and that such loading could be sufficiently accommodated on adjacent streets and alleys.

The Project provides three on-street loading parking spaces located directly in front of three of the Project's main entrances, including the west residential entry gate on Carolina Street, the north entrance of the north-south mid-block alley on Mariposa Street, and the entrance of the east-west pedestrian passageway on Arkansas Street. Given the existing and proposed character of the related street frontages, the Project can accommodate the three loading parking spaces on the street being developed in accordance with the San Francisco Better Streets Plan design standards. Furthermore, by providing for on-street loading, the Project has reduced the overall size and scale of the garage opening.

D. Modification of the horizontal massing breaks required by Section 270.1 in light of any equivalent reduction of horizontal scale, equivalent volume of reduction, and unique and superior architectural design, pursuant to the criteria of Section 270.1(d).

Per Planning Code Section 270.1(d), the Planning Commission may modify or waive this requirement though the process set forth in Section 329. When considering any such application, the Commission shall consider the following criteria:

(1) No more than 50% of the required mass is reduced unless special circumstances are evident;

Along Carolina Street, the mass break provided is approximately 80% of the volumetric mass reduction required by Code.

Along 18th Street, the mass break provided approximately equals the volumetric mass reduction required by Code.

Along the Arkansas Street frontage, with the goal of providing a more architecturallycontextual design while minimizing negative impacts to light and air upon the adjacent Live Oak School, in lieu of the Code-required mass break the Project utilizes two alternate treatments, including: 1) The Project massing is carved away from the property line and stepped into 25-foot wide increments with bays and raised residential entry stoops of varying height and depth in conjunction with descending roof heights that follow the laterally sloping topography to better relate to the more fine grain architectural character of the residential housing across Arkansas Street, and 2) The building's north wall is setback from the adjacent Live Oak School to provide a volumetric buffer between the buildings that is approximately 80% of the volumetric mass reduction required by Code.

The special circumstances that warrant the Project's alternate approach for this frontage is twofold. First, the existing, more fine grain residential character of the opposite side of Arkansas Street presents a well-defined and uninterrupted (with mass breaks comparable to the Coderequired area) street wall that would render a Code-compliant mass break less architecturally compatible with the existing neighborhood character. Secondly, given the site's proximity to Live Oak School (whose classroom space abuts the shared north property line), providing a volumetric buffer between the Project and Live Oak School reduces the Project's impact to Live Oak School's classroom space light and air. The Project utilizes this volumetric setback as an opportunity to establish a second mid-block pedestrian passageway that intersects with the primary north-south mid-block alley; thereby, further improving connectivity within the neighborhood while providing approximately 6,787 sf of additional publicly-accessible open space.

The Project exceeds some of the horizontal mass reduction requirements, since the mass reduction occurs at the ground floor and extends upward. Typically, the horizontal mass reduction is only required to occur at the third floor or above a height of 25 feet. Given the overall design and site layout, the Project provides an appropriate mass reduction, which allows for an expressive and contextual design.

(2) The depth of any mass reduction breaks provided is not less than 15 feet from the front façade, unless special circumstances are evident;

The depth of the mass breaks provided along Carolina and 18th *Streets begin at the front façade and are each* 30 *feet deep.*

Along the Arkansas Street frontage, with the goal of providing a more architecturally-contextual design while minimizing negative impacts to light and air upon the adjacent Live Oak School, in lieu of the Code-required mass break the Project utilizes two alternate treatments, including: 1) The Project massing is carved away from the property line and stepped into 25-foot wide increments with bays and raised residential entry stoops of varying height and depth in conjunction with descending roof heights that follow the laterally sloping topography to better relate to the more fine grain architectural character of the residential housing across Arkansas Street, and 2) The building's north wall is setback from the adjacent Live Oak School to provide a volumetric buffer between the buildings that is approximately 80% of the volumetric mass reduction required by Code.

The special circumstances that warrant the Project's alternate approach for this frontage is twofold. First, the existing, more fine grain residential character of the opposite side of Arkansas Street presents a well-defined and uninterrupted (with mass breaks comparable to the Coderequired area) street wall that would render a Code-compliant mass break less architecturally compatible with the existing neighborhood character. Secondly, given the site's proximity to Live Oak School (whose classroom space abuts the shared north property line), providing a volumetric buffer between the Project and Live Oak School reduces the Project's impact to Live Oak School's classroom space light and air. The Project utilizes this volumetric setback as an opportunity to establish a second mid-block pedestrian passageway that intersects with the primary north-south mid-block alley; thereby, further improving connectivity within the neighborhood while providing approximately 6,787 sf of additional publicly-accessible open space.

The Project exceeds some of the horizontal mass reduction requirements, since the mass reduction occurs at the ground floor and extends upward. Typically, the horizontal mass reduction is only required to occur at the third floor or above a height of 25 feet. Given the overall design and site layout, the Project provides an appropriate mass reduction, which allows for an expressive and contextual design.

(3) The proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

The Project achieves a distinctly superior effect of reducing the apparent horizontal dimension of the buildings, since the horizontal mass breaks and volumetric buffer from Live Oak School occurs from ground floor through the entire height of the Project. Architectural elements separating the street-level and articulation of the façade contribute to reducing the horizontal appearance of the buildings. Furthermore, the palate of high quality materials, colors and finishes coupled with changes in wall plane contribute to the perceived mass reduction.

(4) The proposed building achieves unique and superior architectural design.

The Project achieves a unique and contextually-superior architectural design with the proposed horizontal mass breaks and volumetric buffer from Live Oak School, due to the Project's overall design and composition. The Project provides a unique expression within a transitioning context and appropriately introduces a design that has responded to community concerns and Planning Code requirements.

E. Where not specified elsewhere in subsection (d) of Planning Code Section 329, modification of other Code requirements which could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located. Since Planning Code Section 304 allows for modification of ground floor ceiling heights, the Project is eligible to seek a ground floor ceiling height modification request.

The Project is seeking a modification to the non-residential ground floor ceiling height requirement because of the steep topography of the site which renders a uniform 17-foot ground floor height infeasible without negatively impacting the ground floor design. In all 36% of the Project frontage is below a 17-feet floor-to-floor, ranging from 16'-2" to 12"-0" (at the southeast corner) and 64% of the Project frontage is above a 17-feet floor-to-floor, ranging from 18'-0" to 20'-0" (at the northwest corner). The Project will maintain an average floor-to-floor height for non-residential uses that is 17.3 feet.

9. **General Plan Compliance.** The project is, on balance, consistent with the following Objectives and Policies of the General Plan:

HOUSING

Objectives and Policies

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

The Project is a higher density mixed-use residential/commercial development in a transitioning residential/ industrial area. The Project site, composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east, is an ideal infill site given the underutilized nature of expansive site. The site was rezoned to UMU as part of a long range planning goal to create a cohesive, higher density residential and mixed-use neighborhood. The 299 dwelling unit mixed-use project has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5. Accordingly, the Project includes 60 on-site (or 20%) affordable housing units, which complies with the UMU District's goal to provide a higher level of affordability.

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

The 299 dwelling unit mixed-use project has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5. Accordingly, the Project includes 60 on-site (or 20%) affordable housing units, which complies with the UMU District's goal to provide a higher level of affordability.

The Project fosters a housing stock that meets the needs of a diverse resident population (including individuals, couples and families) by providing a variety of dwelling unit types including (10) 3-bedrooms, (111) 2-bedrooms, (109) 1-bedrooms, and (69) studios within proximity to public transit.

OBJECTIVE 11

SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2

Ensure implementation of accepted design standards in project approvals.

Policy 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.6

Foster a sense of community through architectural design, using features that promote community interaction.

Policy 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

The Project site, located within the UMU (Urban Mixed Use) Zoning District and composed of six parcels encompassing a 3.36-acre site is inherently unique given its expansive area, irregular shape, sloped topography and variety of zoning district adjacencies. The 299 dwelling unit mixed-use Project has four street frontages along Mariposa, 18th, Carolina and Arkansas Street that abut a variety of zoning districts and uses comprising the neighborhood character, as follows:

<u>To the North:</u> The property to the north along Mariposa Street is located within the P (Public) Zoning District and occupied Jackson Playground. This neighborhood-serving playground occupies the entire City block and provides expansive lawn open space accommodating a variety of recreational activities including baseball, soccer, tennis, basketball and playground space. The grade along Mariposa Street is flat.

<u>To the South</u>: The properties to the south along 18th Street are located within two separate zoning districts. The western half of the block is located within the P (Public) Zoning District and occupied by the International Studies Academy campus and the eastern half of the block is located within the UMU (Urban Mixed Use) Zoning District and occupied by a 3-story multi-family residential building designed in a more Contemporary architectural style that incorporates a massing and material palate that references the industrial heritage of the neighborhood. The grade along 18th Street is laterally sloping. From both Carolina and Arkansas Streets, 18th Street slopes downward to its lowest point which coincides with the Project's north-south, mid-block alley southern opening.

<u>To the East:</u> The properties to the west along Arkansas Street are located within the RH-3 (Residential-House, Three Family) Zoning District and composed of 25-foot wide by 100-foot deep lots (typical) developed with 2- to 4-story single and multi-family residential properties that vary in architectural style yet present a well-defined street wall that is articulated with variation in recessed at-grade and walk-up stair entrances, garage doors entries, roof heights and roof types, bay windows and side setback spacing between buildings. The grade along Arkansas Street slopes in an uphill direction from Mariposa Street toward 18th Street with approximately 21 feet in grade differential across the 300 feet of frontage, or 7% slope.

<u>To the West:</u> The properties to the west along Carolina Street are located within the PDR-1-G (Production, Distribution, Repair-1-General) Zoning District and occupied by two prominent buildings that span the Carolina Street frontage, these include the industrial 3- to 4-story Anchor Steam Brewery and a 3- to 4-story office building. The brewery has existing loading activities along their frontage (the northern half of Carolina Street opposite the Project). The grade along Carolina Street slopes in an uphill direction from Mariposa Street toward 18th Street with approximately 12 feet in grade differential across the 400-foot long block, or 3% slope.

* All surrounding properties around the subject property are located within a 40-X Height and Bulk District.

The Project organizes its massing into two separate buildings (an "East" and a "West" building) composed around interior open space which includes a 40-foot wide publicly-accessible north-south midblock alley that bisects the site (along a former natural creek contour) that intersects a secondary 25-foot wide publicly-accessible east-west pedestrian passageway, and two interior residential-only courtyards. Overall, the Project massing and building height is compatible with the neighborhood character summarized above by defining a strong street frontage along each of the four frontages, maintaining a consistent 40-foot tall building height throughout that is appropriately segmented and descends with the laterally sloping topography, framing appropriately sized publicly-accessible mid-block passageways and interior courtyards to serve both the neighborhood at large and the residents of the Project. The Project architecture successfully responds to the site's location as a transition between industrial, mixed-use, public and multi-family residential zones while being compatible with the Contemporary and traditional architecture of adjacent properties. The Project's architectural treatments, façade design and building materials express a Contemporary architectural style informed by the neighborhoods industrial heritage utilizing a palate of quality materials and finishes that include horizontal hardwood siding, smooth lap fiber cement board plank and standing seam zinc metal siding, colored cement plaster, vertical board form concrete, corten steel, aluminum storefront systems, and large rectangular aluminum framed windows. The fenestration pattern and bay dimensions are informed by the size, spacing and composition found in surrounding buildings. The Project is enhanced through the division of the building's street frontage into smaller distinct segments that relate the typical building width found in the neighborhood and are distinguished by changes in plane and materiality. Bay windows and vertical fin elements are also incorporated into the elevations to create a rhythm along the street. The ground floor elevations have been carefully considered along each frontage to relate to the design and operational needs of adjacent uses while adhering to active ground floor design standards of Planning Code Section 145.1, as well as, the Residential Ground Floor Design Guidelines which have informed the design of the ground floor residential raised entry stoops along the street frontage. The programming and design of the ground floor street frontages both along the street frontages and within the mid-block passageway aim to foster a sense of community through architectural design that uses features to promote community interaction such as visually transparent storefronts, raised residential entry stoops, landscaping, seating and plaza space.

The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks,

bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 4

PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.5

Require private usable outdoor open space in new residential development.

Policy 4.6

Assure the provision of adequate public open space to serve new residential development.

The 299 dwelling unit mixed-use Project provides opportunities for recreation and enjoyment of open space for neighbors and residents by providing a mixture of publicly-accessible and residential-only common and private open spaces. Specifically, the Project provides two interior residential courtyards, a 40-foot wide publically-accessible north-south mid-block alley, a 25-foot wide publicly-accessible east-west pedestrian passageway, and a number of private balconies. The publicly-accessible mid-block alley and passageways, in particular, will serve as important elements to significantly improve connectivity for residents, pedestrians and neighbors through the site. The north-south mid-block alley also connects Jackson Playground to 18th Street along which additional neighborhood-serving commercial uses occur further east.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24

IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2

Maintain and expand the planting of street trees and the infrastructure to support them.

Policy 24.3

Install pedestrian-serving street furniture where appropriate.

Policy 24.4

Preserve pedestrian-oriented building frontages.

The Project proposes comprehensive streetscape improvements along all street frontages, including Mariposa, 18th, Carolina and Arkansas Streets developed in accordance with the San Francisco Better Streets Plan. Streetscape improvements include corner bulb-outs, street plantings and furniture, street trees, bicycle parking racks and new paving treatments.

OBJECTIVE 28

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1

Provide secure bicycle parking in new governmental, commercial, and residential developments.

Policy 28.3

Provide parking facilities which are safe, secure, and convenient.

The Project provides 350 *Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces in secure, convenient locations.*

OBJECTIVE 34

RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.1

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

Policy 34.5

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

The Project provides 243 off-street parking spaces. These parking spaces located within a two-level subterranean garage accessed by two entrances with curb cuts measuring 22 feet wide on 18th and Arkansas Streets. The amount of parking is adequate for the Project and complies with the parking maximums prescribed by the Planning Code.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.
Policy 1.7

Recognize the natural boundaries of districts, and promote connections between districts.

OBJECTIVE 2

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.6

Respect the character of older development nearby in the design of new buildings.

Generally, the Project is located within the Potrero Hill neighborhood, which is characterized by a mix of residential and industrial uses. More specifically, the Project is located within the UMU District which lies between the more industrial area to the east and the more residential area to the west and south. Architecturally, the Project references the neighborhood's industrial heritage while embodying a Contemporary design that relates to the newer residential projects in the vicinity.

OBJECTIVE 4

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.

Policy 4.5

Design walkways and parking facilities to minimize danger to pedestrians.

Policy 4.13

Improve pedestrian areas by providing human scale and interest.

Although the Project site has four street frontages totaling 1065 linear feet, it only provides two vehicular access points for the entire site with curb cuts totaling 44 linear feet, thereby limiting conflicts with pedestrians and bicyclists. Streetscape improvements include the planting of numerous street trees, corner bulb-outs, landscaping, street furniture, bicycle racks and paving treatments that will greatly improve the pedestrian experience along the Project's entire street frontages.

SHOWPLACE SQUARE/POTRERO HILL AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1

ENCOURAGE THE TRANSITION OF PORTIONS OF SHOWPLACE/POTRERO TO A MORE MIXED USE AND NEIGHBORHOOD-SERVING CHARACTER, WHILE PROTECTING THE CORE OF DESIGN-RELATED PDR USES.

Policy 1.1.3

Allow for active ground floor uses and a more neighborhood commercial character in newly designated mixed use areas within Showplace Square.

The proposed mixed-use residential/commercial Project includes a "West" and an "East" Building that are composed in a manner that front along all four surrounding street frontages (Mariposa, 18th, Carolina, and Arkansas Streets) to better define the street edge and relate to the neighborhood context. Along each street frontage, the Project meets the active uses and design criteria of Planning Code Section 145. These active, street-fronting uses include, dwelling units with walk-up stoops, PDR uses with 17 foot tall floorto-floor height of 17 feet and retail uses that wrap the northwest and southeast corners of the site.

OBJECTIVE 1.2

IN AREAS OF SHOWPLACE/POTRERO WHERE HOUSING AND MIXED USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.

Policy 1.2.1

Ensure that in-fill housing development is compatible with its surroundings.

Policy 1.2.2

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

The proposed 299 dwelling unit in-fill mixed-use residential/commercial Project with 5,593 sf of retail and 3,962 sf of PDR is up to 40-feet in height within a 40-X Height and Bulk District on a 3.36 acre site; thereby, maximizing its development potential. The Project massing is compatible with its surrounding in that its height is consistent with typical building height in the surrounding neighborhood and the building height steps down in relation to the surrounding laterally sloping topography.

Housing

OBJECTIVE 2.1

ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE/POTRERO IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

Policy 2.1.1

Require developers in some formally industrial areas to contribute towards the City's very low, low, moderate and middle income needs as identified in the Housing Element of the General Plan.

The proposed 299 dwelling unit in-fill mixed-use residential/commercial Project, located within a formally industrial area in the Potrero Hill neighborhood, has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5. The Project provides a variety of dwelling unit types to accommodate a wide range of incomes including, (69) studios, (109) 1-bedrooms, (111) 2-bedrooms and (10) 3-berooms.

Built Form

OBJECTIVE 3.1

PROMOTE AN URBAN FORM THAT REFLECTS SHOWPLACE SQUARE AND POTRERO HILL'S DISTINCTIVE PALCE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

Policy 3.1.2

Development should respect the natural topography of Potrero Hill.

OBJECTIVE 3.2

PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM.

Policy 3.2.1 Require high quality design of street-facing building exteriors.

Policy 3.2.3 Minimize the visual impact of parking.

Policy 3.2.4 Strengthen the relationship between a building and its fronting sidewalk.

Policy 3.2.5 Building form should celebrate corner locations.

Policy 3.2.6

Sidewalks abutting new development should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.

Policy 3.2.7

Strengthen the pedestrian network by extending alleyways to adjacent streets or alleyways wherever possible, or by providing new publically accessible mid-block rights of way.

The Project organizes its massing into two separate buildings (an "East" and a "West" building) composed around interior open space which includes a 40-foot wide publicly-accessible north-south midblock alley that bisects the site (along a former natural creek contour) that intersects a secondary 25-foot wide publicly-accessible east-west pedestrian passageway, and two interior residential-only courtyards. Overall, the Project massing and building height is compatible with the neighborhood character summarized above by defining a strong street frontage along each of the four frontages, maintaining a consistent 40-foot tall building height throughout that is appropriately segmented and descends with the laterally sloping topography, framing appropriately sized publicly-accessible mid-block passageways and interior courtyards to serve both the neighborhood at large and the residents of the Project. The Project architecture successfully responds to the site's location as a transition between industrial, mixed-use, public and multi-family residential zones while being compatible with the Contemporary and traditional architecture of adjacent properties. The Project's architectural treatments, façade design and building materials express a Contemporary architectural style informed by the neighborhoods industrial heritage utilizing a palate of quality materials and finishes that include horizontal hardwood siding, smooth lap fiber cement board plank and standing seam zinc metal siding, colored cement plaster, vertical board form concrete, corten steel, aluminum storefront systems, and large rectangular aluminum framed windows. The fenestration pattern and bay dimensions are informed by the size, spacing and composition found in surrounding buildings. The Project is enhanced through the division of the building's street frontage into smaller distinct segments that relate the typical building width found in the neighborhood and are distinguished by changes in plane and materiality. Bay windows and vertical fin elements are also incorporated into the elevations to create a rhythm along the street. The ground floor elevations have been carefully considered along each frontage to relate to the design and operational needs of adjacent uses while adhering to active ground floor design standards of Planning Code Section 145.1, as well as, the Residential Ground Floor Design Guidelines which have informed the design of the ground floor residential raised entry stoops along the street frontage. The programming and design of the ground floor street frontages both along the street frontages and within the mid-block passageway aim to foster a sense of community through architectural design that uses features to promote community interaction such as visually transparent storefronts, raised residential entry stoops, landscaping, seating and plaza space.

The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks, bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

Transportation

OBJECTIVE 4.6

SUPPORT WALKING AS A KEY TRANSPORATION MODE BY IMPROVING PEDESTRIAN CIRCUALATION WITHIN SHOWPLACE SQUARE/POTRERO HILL AND TO OTHER PARTS OF THE CITY.

Policy 3.1.2

Development should respect the natural topography of Potrero Hill.

The Project promotes walking as a key transportation mode by providing two major mid-block passages through the site, including a 40-fot wide north-south mid-block alley that intersects with a 25-foot wide east-west pedestrian passageway. The mid-block passages provide design elements intended to better activate these circulation spaces. These elements include pedestrian pathways of varying widths, landscape planters and trees, street furniture, paving and gathering spaces. Also, because these passageways are located toward the center of each block, they will facilitate publicly-accessible pedestrian circulation though the site for the neighborhood residents and visitors. The Project massing respects the natural topography of Potrero Hill and is compatible with its surrounding in that its height is consistent with typical building height in the surrounding neighborhood and the building height meets the measurement of building height methodology of Planning Code Section 260 which establishes a maximum building length from which building height may be measures from a single point along laterally sloping streets in order to better relate building height to the natural topography. Building height compliance diagrams are provided within the plans on Sheet A.53.

Streets and Open Space

OBJECTIVE 5.1

PROVIDE PUBLIC PARKS AND OPEN SPACES THAT MEET THE NEEDS OF RESIDENTS, WORKERS AND VISITORS.

Policy 5.1.2

Require new residential development and commercial development to provide, or contribute to the creation of publically accessible open space.

The Project includes two mid-block alleys that will provide publicly-accessible open space. The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks, bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

- 10. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the Project does comply with said policies in that:
 - A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The Project does not displace any neighborhood-serving retail uses.

B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The Project does not displace any existing housing, nor would the existing units in the surrounding neighborhood be adversely affected. The Project will enhance the neighborhood character in that the proposed mass, scale and architectural design are compatible with the neighborhood context.

C. That the City's supply of affordable housing be preserved and enhanced,

The Project does not displace any existing affordable housing. The Project will provide 60 new affordable units representing 20% of the 299-unit building.

D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The site is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east, within two blocks of three SF MUNI bus lines including the 19, 22 and 10. The SFMTA T-Third rail line is located approximately $\frac{1}{2}$ a mile to the east of the Project site and runs north-south along Third Street connecting the Bayview Hunters Point neighborhood to Downtown. It is presumable that a number of residents would utilize public transit thereby mitigating possible effects on street parking.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project does not involve commercial office development, rather, the Project involves the replacement of an underutilized office/industrial site with a 299 dwelling unit mixed use project that includes approximately 5,593 gsf of retail and 3,962 gsf of PDR space thereby providing future opportunities for resident employment and ownership in these sectors.

F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project is designed and will be constructed to conform to the structural and seismic safety requirements of the City Building Code.

G. That landmarks and historic buildings be preserved.

A landmark or historic building does not occupy the Project site.

H. That our parks and open space and their access to sunlight and vistas be protected from development.

Pursuant to Planning Code Section 295(a)(1), the Project is not subject to Planning Code Section 295 since the building height does not exceed 40 feet.

11. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4) of the Administrative Code, and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.

- 12. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
- 13. The Commission hereby finds that approval of the Large Project Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Large Project Authorization Application No. 2012.1398**E<u>X</u> subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated October 5, 2015, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Large Project Authorization to the Board of Appeals within thirty (15) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1650 Mission Street, Suite 304, San Francisco, CA 94103.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the Project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on November 12, 2015.

Jonas P. Ionin Commission Secretary

AYES: NAYS:

ABSENT:

ADOPTED: November 12, 2015

EXHIBIT A

AUTHORIZATION

This authorization is for a Large Project Authorization to allow for the new construction of two four-story, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 331,534 sf with up to 299 dwelling units, 5,593 sf of retail space, 3,962 sf of PDR space, 249 parking spaces within a two-level subterranean garage and a total of 369 bicycle parking spaces with a modification to the requirements for rear yard, ground floor ceiling height, off-street loading, and horizontal mass reduction, located at 1601 Mariposa Street, Lots 001B and 004 in Assessor's Block 4005 and Lots 006, 010, 019 and 020 in Assessor's Block 4006 pursuant to Planning Code Section 329 within the UMU (Urban Mixed-Use) Zoning District, and a 40-X Height and Bulk District; in general conformance with plans, dated October 19, 2015, and stamped "EXHIBIT B" included in the docket for Case No. 2012.1398EX and subject to conditions of approval reviewed and approved by the Commission on November 12, 2015 under Motion No. XXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the Project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on November 12, 2015 under Motion No. XXXXX.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. **XXXXX** shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the Project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the Project Sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the Project Sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Diligent Pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Extension. All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the Project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf- planning.org</u>

Mitigation Measures. Mitigation measures described in the MMRP for the Draft Environmental Impact Report ("DEIR") for the Project (Case No. 2012.1398E) attached as Exhibit C are necessary to avoid potential significant effects of the proposed Project and have been agreed to by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

DESIGN – COMPLIANCE AT PLAN STAGE

Final Materials. The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, <u>www.sf-planning.org</u>

Street Trees. Pursuant to Planning Code Section 138.1 (formerly 143) and Article 16 of the Public Works Code, the Project Sponsor shall submit a site plan to the Planning Department prior to Planning approval of the building permit application indicating that street trees, at a ratio of one street tree of an approved species for every 20 feet of street frontage along public or private streets bounding the Project, with any remaining fraction of 10 feet or more of frontage requiring an extra tree, shall be provided. Therefore, the Project shall provide at least 9 street trees along Mariposa Street, 14 street trees along 18th Street, 15 street trees along Carolina Street, and 15 street trees along Arkansas Street. The street trees shall be evenly spaced along the street frontage except where proposed driveways or other street obstructions do not permit. The exact location, size and species of tree shall be as approved by the Department of Public Works (DPW). In any case in which DPW cannot grant approval for installation of a tree in the public right-of-way, on the basis of inadequate sidewalk width, interference with utilities or other reasons regarding the public welfare, and where installation of such tree on the lot itself is also impractical, the requirements of this Section 428 may be modified or waived by the Zoning Administrator to the extent necessary.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, <u>www.sf-planning.org</u>

Garbage, Composting and Recycling Storage. Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the architectural addenda. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, <u>www.sf-planning.org</u>

Rooftop Mechanical Equipment. Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application for each building. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building. *For information about compliance, contact the Case Planner, Planning Department at* 415-558-6378, <u>www.sf-</u>

<u>planning.org</u>

Transformer Vault. The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

- 1. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
- 2. On-site, in a driveway, underground;
- 3. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- 4. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
- 5. Public right-of-way, underground; and based on Better Streets Plan guidelines;
- 6. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- 7. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <u>http://sfdpw.org</u>

Noise, **Ambient**. Interior occupiable spaces shall be insulated from ambient noise levels. Specifically, in areas identified by the Environmental Protection Element, Map1, "Background Noise Levels," of the General Plan that exceed the thresholds of Article 29 in the Police Code, new developments shall install and maintain glazing rated to a level that insulate interior occupiable areas from Background Noise and comply with Title 24.

For information about compliance, contact the Environmental Health Section, Department of Public Health at (415) 252-3800,

www.sfdph.org

PARKING AND TRAFFIC

Unbundled Parking. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the Project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Parking Maximum. Pursuant to Planning Code Section 151.1, the Project shall provide no more than 243 off-street parking spaces for the 299 dwelling unit mixed-use Project.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Car Share. Pursuant to Planning Code Section 166, no fewer than two car share space shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Bicycle Parking. Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 349 Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

Managing Traffic During Construction. The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf- planning.org</u>

PROVISIONS

First Source Hiring. The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

For information about compliance, contact the First Source Hiring Manager at 415-581-2335, <u>www.onestopSF.org</u>

Eastern Neighborhoods Infrastructure Impact Fee. Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, <u>www.sf-planning.org</u>

Transit Impact Development Fee. Pursuant to Planning Code Section 411, the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) as required by and based on drawings submitted with the Building Permit Application. Prior to the issuance of a temporary certificate of occupancy, the Project Sponsor shall provide the Planning Director with certification that the fee has been paid.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, <u>www.sf-planning.org</u>

MONITORING

Enforcement. Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or

Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf- planning.org</u>

Revocation Due to Violation of Conditions. Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

OPERATION

Garbage, Recycling, and Composting Receptacles. Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, <u>http://sfdpw.org</u>

Sidewalk Maintenance. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <u>http://sfdpw.org</u>

Community Liaison. Prior to issuance of a building permit to construct the Project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf- planning.org</u>

Lighting. All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>

INCLUSIONARY HOUSING

Eastern Neighborhoods Affordable Housing Requirements for UMU. Pursuant to Planning Code Section 419.3, Project Sponsor shall meet the requirements set forth in Planning Code Section 419.3 in addition to the requirements set forth in the Inclusionary Affordable Housing Program, per Planning Code Section 415. Prior to issuance of first construction document, the Project Sponsor shall select one of the options described in Section 419.3 or the alternatives described in Planning Code Section 419.5 to fulfill the affordable housing requirements and notify the Department of their choice. Any fee required by Section 419.1 et seq. shall be paid to the Development Fee Collection Unit at DBI prior to issuance of the first construction document.

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, <u>www.sf-planning.org</u>

Affordable Units

1. Number of Required Units. The Project site is located within the UMU (Urban Mixed Use) Zoning District in which the on-site inclusionary housing requirement is 14.4% of the total units; however, the Project Sponsor has indicated that it will apply for and receive California Debt Limit Allocation Committee (CDLAC) tax-exempt bond financing. In order for the CDLAC restricted units to qualify for the Inclusionary Affordable Housing Program, under Planning Code Section 415.6(f), the Project is required to provide 20% of the proposed dwelling units onsite as affordable to households at 50 percent of Area Median Income. The income table to be used for such projects when the units are priced at 50 percent of Area Median Income is the income table used by MOHCD for the Inclusionary Affordable Housing Program, not that used by TCAC or CDLAC. Except as provided in this subsection, all units provided under this Section must meet all of the requirements of Section 415 et seq. and the Procedures Manual for on-site housing. In addition, Planning Director Bulletin #2 Planning Department Priority Application Processing Guidelines provides Priority Processing for Projects providing 20% of the proposed dwelling units as affordable to qualifying households. The Project contains 299 units; therefore, 60 affordable units are required. The Project Sponsor will fulfill this requirement by providing the 60 affordable units on-site. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, <u>www.sf-planning.org</u> or the Mayor's Office of Housing and Community Development at 415-701-5500, <u>www.sf-moh.org</u>.

2. Unit Mix. The Project contains (69) studio, (109) 1-bedroom, (111) 2-bedroom, and (10) 3bedroom units; therefore, the required affordable unit mix is satisfied through the provision of (14) studio, (22) 1- bedroom, (22) 2-bedroom, and (2) 3-bedroom units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOH.

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, <u>www.sf-planning.org</u> or the Mayor's Office of Housing and Community Development at 415-701-5500, <u>www.sf-moh.org</u>. 3. **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, <u>www.sf-planning.org</u> or the Mayor's Office of Housing and Community Development at 415-701-5500, <u>www.sf-moh.org</u>.

4. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than 14.4% of the each phase's total number of dwelling units as on-site affordable units.

For information about compliance, contact the Case Planner, Planning Department at 415-758-9195, <u>www.sf-planning.org</u> or the Mayor's Office of Housing and Community Development at 415-701-5500, <u>www.sf-moh.org</u>.

- 5. **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the Project. *For information about compliance, contact the Case Planner, Planning Department at* 415-575-9195, <u>www.sf-planning.org</u> or the Mayor's Office of Housing and Community Development at 415-701-5500, <u>www.sf-moh.org</u>.
- 6. Other Conditions. The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or Mayor's Office of Housing and Community Development's websites, including on the internet at:

http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451.

As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale. *For information about compliance, contact the Case Planner, Planning Department at* 415-575-9195, <u>www.sf-planning.org</u> or the Mayor's Office of Housing and Community Development at 415-701-5500, <u>www.sf-moh.org.</u>

a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal Project. The interior features in affordable units should be generally the same as those of the market units in the principal Project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with

then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.

- b. If the units in the building are offered for sale, the affordable unit(s) shall be sold to first time home buyer households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average of 90% of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco." The initial sales price of such units shall be calculated according to the Procedures Manual. Limitations on (i) reselling; (ii) renting; (iii) recouping capital improvements; (iv) refinancing; and (v) procedures for inheritance apply and are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOH shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.
- d. Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
- f. The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the Project.
- g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development Project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development Project and to pursue any and all available remedies at law.

h. If the Project becomes ineligible at any time for the On-Site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit or may seek a fee deferral as permitted under Ordinances 0107-10 and 0108-10. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee.

Attachment A

California Environmental Quality Act Findings

PREAMBLE

In determining to approve the project described in Section I, below, the ("Project"), the San Francisco Planning Commission (the "Commission") makes and adopts the following findings of fact and decisions regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. ("CEQA"), particularly Section 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Section 15000 et seq. ("CEQA Guidelines"), Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Commission adopts these findings in conjunction with the Approval Actions described in Section I(c), below, as required by CEQA.

These findings are organized as follows:

Section I provides a description of the proposed project at 1601 Mariposa Street, the environmental review process for the Project, the City approval actions to be taken, and the location and custodian of the record.

Section II lists the Project's less-than-significant impacts that do not require mitigation.

Section III identifies potentially significant impacts that can be avoided or reduced to less-thansignificant levels through mitigation and describes the disposition of the mitigation measures.

Section IV identifies significant project-specific or cumulative impacts that would not be eliminated or reduced to a less-than-significant level and describes any applicable mitigation measures as well as the disposition of the mitigation measures. The Final EIR identified mitigation measures to address these impacts, but implementation of the mitigation measures will not reduce the impacts to a less than significant level.

Sections III and IV set forth findings as to the mitigation measures proposed in the Final EIR. (The Draft EIR and the Comments and Responses document together comprise the Final EIR, or "FEIR.") Attachment B to the Planning Commission Motion contains the Mitigation Monitoring and Reporting Program ("MMRP"), which provides a table setting forth each mitigation measure listed in the Final Environmental Impact Report that is required to reduce a significant adverse impact.

Section V identifies the project alternatives that were analyzed in the EIR and discusses the reasons for their rejection.

Section VI sets forth the Planning Commission's Statement of Overriding Considerations pursuant to CEQA Guidelines Section 15093.

The MMRP for the mitigation measures that have been proposed for adoption is attached with these findings as **Attachment B** to this Motion. The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. Attachment B provides a table setting forth each mitigation measure listed in the FEIR that is required to reduce a significant adverse impact. Attachment B also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule. The full text of the mitigation measures is set forth in Attachment B.

These findings are based upon substantial evidence in the entire record before the Commission. The references set forth in these findings to certain pages or sections of the Draft Environmental Impact Report ("Draft EIR" or "DEIR") or the Comments and Responses document ("C&R") in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

I. PROJECT DESCRIPTION AND PROCEDURAL BACKGROUND

A. Project Description

The Project Sponsor proposes to demolish three existing one- and two-story commercial, office, and warehouse buildings and associated surface parking lots, and construct two four-story mixed-use buildings (referred to as the "East" and "West" Buildings) with below-grade parking on an approximately 3.36-acre project site located at 1601-1677 Mariposa Street and 485-497 Carolina Street in the Potrero Hill area of San Francisco. A maximum of 299 residential units and 9,555 square feet of ground floor commercial space would be distributed throughout both buildings. A two-level belowgrade parking garage under the East Building would contain approximately 249 parking spaces and would be accessible from Arkansas Street (upper garage level) and 18th Street (lower garage level). The proposed East and West Buildings would have heights ranging from 31 feet to 40 feet. A total of approximately 42,777 gsf of publicly accessible and private open space would be developed throughout the project site. In addition, the project includes excavation and remediation of hazardous materials in site soils and treatment of groundwater, pursuant to an approved Response Plan and with oversight from the California Department of Toxic Substances Control (DTSC). A Vapor Intrusion Mitigation System would also be installed and a Land Use Covenant would be established implementing Institutional Controls, requiring soil covers, and prohibiting groundwater extraction and use to protect future site users from residual contamination.

The project site is within the Urban Mixed-Use (UMU) Zoning District. Per the San Francisco General Plan (General Plan), UMU is a land use designation intended to promote a vibrant mix of uses while maintaining the characteristics of this formerly industrial-zoned area. The project site is irregularly shaped and comprised of three adjacent lots currently developed with three separate one- and two-story structures constructed between 1940 and 1992 (plus two sheds and a trailer), 100 surface parking spaces, 15 bus parking spaces, and 6 loading spaces. The existing buildings comprise a total of 74,696 gsf. The one-story, approximately 54,360 gsf building at 1601 Mariposa Street includes office, retail, and warehouse uses formerly occupied by MacKenzie Warehouse Auto Parts. The neighboring 1677 Mariposa Street property is occupied by a bus depot operated by Coach 21, and includes 5 staff parking spaces, 15 bus parking spaces, areas for bus maintenance activities, a one-story 960 gsf office trailer and a

two-story 2,378 gsf warehouse/maintenance building. The property at 485-497 Carolina Street is occupied by a 16,510 gsf one-story commercial building which is divided into six separate suites occupied by six tenants with storage, office space, personal services and (Production, Distribution, and Repair) PDR uses.

B. Project Objectives

The Project Sponsor has developed the following objectives for the proposed project:

- Redevelop a large underutilized site with a range of dwelling units, ground floor commercial and retail uses, and open space amenities.
- Create a mixed-use project consistent with the Urban Mixed Use (UMU) zoning and the objectives and policies of the Showplace Square/Potrero Area Plan.
- Build a substantial number of residential units on the site to contribute to the City's General Plan Housing Element goals, ABAG's Regional Housing Needs Allocation for the City and County of San Francisco, and to respond to the City's current shortage of housing.
- Provide affordable dwelling units on-site, pursuant to the City's Inclusionary Affordable Housing Program.
- Provide neighborhood services in the immediate vicinity for future residents and adjacent neighbors.
- Create a development that is generally consistent with the height and bulk limits and other development controls recently established for the site in the Eastern Neighborhoods rezoning.
- Incorporate private open space for the use by project residents and publically accessible open space maintained by the project sponsor in an amount equal to or greater than required by the UMU zoning.
- Develop a feasible project capable of providing an adequate return on investment sufficient to attract both equity and debt financing.
- Remediate existing hazardous substances on the project site to protect future site users.

C. Project Approvals

The Project requires the following Planning Commission approvals:

- Planning Commission Certification of the EIR
- Findings of General Plan and Priority Policies consistency
- Large Project Authorization, which includes exceptions to the following Planning Code standards:
 - Planning Code Section 134 for the required rear yard
 - Planning Code Section 152.1 for the required loading zones

- Planning Code Section 270.1 for the horizontal mass reduction
- Planning Code Section 145.1 for interior commercial floor-to-floor heights

Actions by Other City Departments and State Agencies

- Demolition and building permits (Department of Building Inspection)
- ➤ Approval of Color Curb Program for all proposed changes in loading zones and the reconfiguration/removal/addition of on-street parking spaces (San Francisco Municipal Transportation Agency)
- Approval of Lot Merger and Subdivision Map to merge and re-subdivide the separate lots that comprise the project site (San Francisco Department of Public Works and Board of Supervisors)
- Review of Dust Control Plan (San Francisco Department of Public Health)
- Review of California Land Use and Revitalization Act (CLRRA) Final Response Plan (California Department of Toxic Substances Control)
- Review of Asbestos Dust Mitigation Plan (Bay Area Air Quality Management District)

D. Environmental Review

The Project is within the Eastern Neighborhoods Area Plan area, the environmental impacts of which were examined in the Eastern Neighborhoods Program EIR (Eastern Neighborhoods PEIR). The Planning Commission (hereafter referred to as "Commission") certified the Eastern Neighborhoods PEIR on August 7, 2008.

Section 15183 of the CEQA Guidelines provides an exemption from environmental review for projects that are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR has been certified, except as may be necessary to examine whether an project-specific effects are peculiar to the project or project site. Under this exemption, examination of environmental effects shall be limited to those effects that: a) are peculiar to the project or parcel on which the project would be located; b) were not analyzed as significant effects in the prior EIR for the underlying zoning or plan; c) are potentially significant off-site or cumulative impacts that were not discussed in the underlying EIR; or d) were previously identified as significant effects in the underlying EIR, but that have been determined to have a more severe adverse impact than that discussed in the underlying EIR.

Because this Project is within the Eastern Neighborhoods Plan Area, a community plan exemption ("CPE") Checklist was prepared for the project to analyze whether it would result in peculiar, projectspecific environmental effects that were not sufficiently examined in the Eastern Neighborhoods PEIR. The CPE Checklist (Appendix A to the Draft EIR) concluded that, with the exception of transportation and circulation, hazards and hazardous materials, and shadow, the proposed project would not result in any new significant environmental impacts or impacts of greater severity than were analyzed in the Eastern Neighborhoods PEIR. Thus, the Department determined that a focused Environmental Impact Report (hereinafter "EIR") should be prepared and published a NOP with a CPE Checklist under the Eastern Neighborhoods PEIR on May 21, 2014. Topics analyzed in the EIR were Transportation and Circulation, Shadow, and Hazards Recreation, and Hazardous Materials. Additionally, while the CPE Checklist determined that impacts related to Recreation would be less than significant, that topic was also evaluated in the EIR.

On December 17, 2014, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.

Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site by the Project Sponsor on December 17, 2014.

On December 17, 2014, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.

Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on December 17, 2014.

The Commission held a duly advertised public hearing on the DEIR on January 22, 2015, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for commenting on the EIR ended on February 17, 2015.

The Department prepared responses to comments on environmental issues received during the 63 day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Responses to Comments document, published on October 15, 2015, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.

A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Responses to Comments document all as required by law. The CPE Checklist is included as Appendix A to the DEIR and is incorporated by reference thereto.

Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.

On November 12, 2015, the Commission reviewed and considered the FEIR and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. The FEIR was certified by the Commission on November 12, 2015 by adoption of its Motion No. XXXXX.

E. Content and Location of Record

The record upon which all findings and determinations related to the adoption of the proposed project are based include the following:

- The FEIR, and all documents referenced in or relied upon by the FEIR, including the CPE Checklist prepared under the Eastern Neighborhoods PEIR;
- All information (including written evidence and testimony) provided by City staff to the Planning Commission relating to the FEIR, the proposed approvals and entitlements, the Project, and the alternatives set forth in the FEIR;
- All information (including written evidence and testimony) presented to the Planning Commission by the environmental consultant and subconsultants who prepared the FEIR, or incorporated into reports presented to the Planning Commission;
- All information (including written evidence and testimony) presented to the City from other public agencies relating to the project or the FEIR;
- All applications, letters, testimony, and presentations presented to the City by the Project Sponsor and its consultants in connection with the project;
- All information (including written evidence and testimony) presented at any public hearing or workshop related to the project and the EIR;
- The MMRP; and,
- All other documents comprising the record pursuant to Public Resources Code Section 21167.6(e).

The public hearing transcripts and audio files, a copy of all letters regarding the FEIR received during the public review period, the administrative record, and background documentation for the FEIR are located at the Planning Department, 1650 Mission Street, 4th Floor, San Francisco. The Planning Department, Jonas P. Ionin, is the custodian of these documents and materials.

F. Findings about Environmental Impacts and Mitigation Measures

The following Sections II, III and IV set forth the Commission's findings about the FEIR's determinations regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide the written analysis and conclusions of the Commission regarding the environmental impacts of the Project and the mitigation measures included as part of the FEIR and adopted by the Commission as part of the Project. To avoid duplication and redundancy, and because the Commission agrees with, and hereby adopts, the conclusions in the FEIR, these findings will not repeat the analysis and conclusions in the FEIR but instead incorporate them by reference and rely upon them as substantial evidence supporting these findings.

In making these findings, the Commission has considered the opinions of staff and experts, other agencies, and members of the public. The Commission finds that (i) the determination of significance

thresholds is a judgment decision within the discretion of the City and County of San Francisco; (ii) the significance thresholds used in the FEIR are supported by substantial evidence in the record, including the expert opinion of the FEIR preparers and City staff; and (iii) the significance thresholds used in the FEIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the Project. Thus, although, as a legal matter, the Commission is not bound by the significance determinations in the FEIR (see Public Resources Code, Section 21082.2, subdivision (e)), the Commission finds them persuasive and hereby adopts them as its own.

These findings do not attempt to describe the full analysis of each environmental impact contained in the FEIR. Instead, a full explanation of these environmental findings and conclusions can be found in the FEIR, and these findings hereby incorporate by reference the discussion and analysis in the FEIR supporting the determination regarding the project impact and mitigation measures designed to address those impacts. In making these findings, the Commission ratifies, adopts and incorporates in these findings the determinations and conclusions of the FEIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings.

As set forth below, the Commission adopts and incorporates the applicable mitigation measures found in the Eastern Neighborhoods PEIR and all of the mitigation measures set forth in the Project FEIR, which are set forth in the attached MMRP, to reduce the significant and unavoidable impacts of the Project. The Commission intends to adopt the mitigation measures proposed in the FEIR as well as the applicable mitigation measures proposed in the Eastern Neighborhoods PEIR. Accordingly, in the event a mitigation measure recommended in the FEIR or Eastern Neighborhoods PEIR has inadvertently been omitted in these findings or the MMRP, such mitigation measure is hereby adopted and incorporated in the findings below by reference. In addition, in the event the language describing a mitigation measure set forth in these findings or the MMRP fails to accurately reflect the mitigation measures in the FEIR or Eastern Neighborhoods PEIR due to a clerical error, the language of the policies and implementation measures as set forth in the FEIR or Eastern Neighborhoods PEIR shall control. The impact numbers and mitigation measure numbers used in these findings reflect the information contained in the FEIR and Eastern Neighborhoods PEIR.

In Sections II, III and IV below, the same findings are made for a category of environmental impacts and mitigation measures. Rather than repeat the identical finding to address each and every significant effect and mitigation measure, the initial finding obviates the need for such repetition because in no instance is the Commission rejecting the conclusions of the FEIR or the Eastern Neighborhoods PEIR or the mitigation measures recommended in the FEIR or in the Eastern Neighborhoods PEIR for the Project.

These findings are based upon substantial evidence in the entire record before the Planning Commission. The references set forth in these findings to certain pages or sections of the EIR or responses to comments in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

II. LESS-THAN-SIGNIFICANT IMPACTS

The CPE Checklist (Appendix A to the DEIR) and the Final EIR found that implementation of the Project would result in less-than-significant impacts in the following environmental topic areas: Land Use and Land Use Planning; Aesthetics; Population and Housing; Cultural and Paleontological Resources; Noise;

Air Quality; Greenhouse Gas Emissions; Wind and Shadow; Recreation; Utilities and Service Systems; Public Services; Biological Resources; Geology and Soils; Hydrology and Water Quality; Mineral and Energy Resources; and Agriculture and Forest Resources.

Note: Senate Bill (SB) 743 became effective on January 1, 2014. Among other things, SB 743 added § 21099 to the Public Resources Code and eliminated the requirement to analyze aesthetics and parking impacts for certain urban infill projects under CEQA. The proposed project meets the definition of a mixed-use residential project on an infill site within a transit priority area as specified by Public Resources Code § 21099. Accordingly, the FEIR did not discuss the topic of Aesthetics, which are no longer considered in determining the significance of the proposed project's physical environmental effects under CEQA. The FEIR nonetheless provided visual simulations for informational purposes. Similarly, the FEIR included a discussion of parking for informational purposes. This information, however, did not relate to the significance determinations in the FEIR.

III. FINDINGS OF SIGNIFICANT IMPACTS THAT CAN BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT LEVEL THROUGH MITIGATION AND THE DISPOSITION OF THE MITIGATION MEASURES

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible. The findings in this section concern four potential impacts and mitigation measures proposed in the Eastern Neighborhoods PEIR and the CPE Checklist for this project and four potential impacts and mitigation measures proposed in the FEIR. These mitigation measures are included in the MMRP. A copy of the MMRP is included as Attachment B to the Planning Commission Motion adopting these findings. The CPE Checklist found that three mitigation measures identified in the Eastern Neighborhoods PEIR would be required for this project to eliminate or reduce to a less-than-significant level potential noise impacts of the Project, as set forth below. The CPE Checklist also found that one mitigation measure proposed in the Eastern Neighborhoods PEIR would be required for this project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a)(c). The FEIR found that four mitigation measures would be required for this project to reduce to a less than significant level hazards and hazardous materials impacts.

The Project Sponsor has agreed to implement the following mitigation measures to address a potential noise and archeological materials impacts identified in the CPE Checklist and FEIR. As authorized by CEQA Section 21081 and CEQA Guidelines Section 15091, 15092, and 15093, based on substantial evidence in the whole record of this proceeding, the Planning Commission finds that, unless otherwise stated, the Project will be required to incorporate mitigation measures identified in the FEIR and the Eastern Neighborhoods PEIR into the project to mitigate or to avoid significant or potentially significant environmental impacts. Except as otherwise noted, these mitigation measures will reduce or avoid the potentially significant impacts described in the Final EIR, and the Commission finds that these mitigation measures are feasible to implement and are within the responsibility and jurisdiction of the City and County of San Francisco to implement or enforce.

Additionally, the required mitigation measures are fully enforceable and are included as conditions of approval in the Planning Commission's Large Project Authorization under Planning Code Section 329 and also will be enforced through conditions of approval in any building permits issued for the Project by

the San Francisco Department of Building Inspection. With the required mitigation measures, these project impacts would be avoided or reduced to a less-than-significant level. The Planning Commission finds that the mitigation measures presented in the MMRP are feasible and shall be adopted as conditions of project approval.

The following mitigation measures would be required to reduce cultural and paleontological impacts, noise impacts, and hazards and hazardous materials impacts identified in the Eastern Neighborhoods PEIR and FEIR to a less-than-significant level:

Project Mitigation Measure 1: Archeological Testing (Implementing Eastern Neighborhoods PEIR Mitigation Measure J-2)

Impact CPE-1: Impacts to archaeological resources. The proposed project would include demolition of existing site buildings, excavation and soil disturbance, and construction activities; therefore, Eastern Neighborhoods PEIR Mitigation Measure J-2 Archeological Testing, addressing the potential impacts to archaeological resources, is required to reduce this impact to a less than significant level.

Project Mitigation Measure 2: Construction Noise (Implementing Eastern Neighborhoods PEIR Mitigation Measure F-2)

Impact CPE-2: Impacts associated with construction noise. The proposed project would include demolition, excavation and construction activities; therefore, Eastern Neighborhoods PEIR Mitigation Measure F-2 Construction Noise, addressing the potential impacts associated with construction noise, is required to reduce this impact to a less than significant level.

Project Mitigation Measure 3: Siting of Noise-Sensitive Uses (Implementing Eastern Neighborhoods PEIR Mitigation Measure F-4)

Impact CPE-3: Impacts associated with operation-period noise impacts to sensitive uses. The proposed project would include construction of new mixed-use buildings with residential and commercial uses; therefore, Eastern Neighborhoods PEIR Mitigation Measure F-4 Siting of Noise-Sensitive Uses, addressing the potential impacts to sensitive uses associated with operation-period noise, is required to reduce this impact to a less than significant level.

Project Mitigation Measure 4: Open Space in Noisy Environments (Implementing Eastern Neighborhoods PEIR Mitigation Measure F-6)

Impact CPE-4: Impacts associated with operation-period noise impacts to open space uses. The proposed project would include construction of new mixed-use buildings with residential and commercial uses; therefore, Eastern Neighborhoods PEIR Mitigation Measure F-6 Open Space in Noisy Environments, addressing the potential impacts to open space uses associated with operation-period noise, is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2a: Hazardous Building Materials (Implementing Eastern Neighborhoods PEIR Mitigation Measure L-1)

Impact HZ-2a: Potential release of hazardous materials during demolition. The proposed project would include demolition of existing site buildings; therefore, Eastern Neighborhoods PEIR Mitigation Measure

L-1 Hazardous Building Materials, addressing the removal of hazardous building materials prior to demolition, is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2b: Hazardous Remedial Excavation Materials (Implementing Remedial Measures)

Impact HZ-2b: Potential release of hazardous materials during remedial excavation. The proposed project would include remedial excavation activities; therefore, a Remedial Design and Implementation Plan is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2c: Hazardous Construction Materials (Implementing Remedial Measures)

Impact HZ-2c: Potential release of hazardous materials during construction. The proposed project would include construction of site improvements; therefore, a Vapor Intrusion Mitigation System Remedial Design and Implementation Plan is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2e: Hazardous Operation Materials (Implementing Remedial Measures)

Impact HZ-2e: Potential release of hazardous materials during operation. The proposed project would include operation activities; therefore, Response Plan Certification, a Covenant to Restrict Use of Property, and Operations and Maintenance Agreement, and an Operations and Maintenance Plan are required to reduce this impact to a less than significant level.

IV. SIGNIFICANT IMPACTS THAT CANNOT BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT LEVEL

Based on substantial evidence in the whole record of these proceedings, the Planning Commission finds that there are significant project-specific and cumulative impacts that would not be eliminated or reduced to an insignificant level by the mitigation measures listed in the MMRP. The FEIR identifies two significant and unavoidable impacts on transportation and circulation.

The Planning Commission further finds based on the analysis contained within the FEIR, other considerations in the record, and the significance criteria identified in the FEIR, that feasible mitigation measures are not available to reduce the significant Project impacts to less-than-significant levels, and thus those impacts remain significant and unavoidable. The Commission also finds that, although measures were considered in the FEIR that could reduce some significant impacts, certain measures, as described in this Section IV below, are infeasible for reasons set forth below, and therefore those impacts remain significant and unavoidable or potentially significant and unavoidable.

Thus, the following significant impacts on the environment, as reflected in the FEIR, are unavoidable. But, as more fully explained in Section VI, below, under Public Resources Code Section 21081(a)(3) and (b), and CEQA Guidelines 15091(a)(3), 15092(b)(2)(B), and 15093, the Planning Commission finds that these impacts are acceptable for the legal, environmental, economic, social, technological and other benefits of the Project. This finding is supported by substantial evidence in the record of this proceeding.

Under Existing Plus Project conditions, the project would contribute to the existing unacceptable operating conditions at one intersection (Mariposa Street and Mississippi Street) by five percent or more. In addition, the project (combined with past, present, and reasonably foreseeable future projects) would result in a considerable contribution to significant cumulative traffic impacts at two intersections (16th Street and Arkansas Street, and Mariposa Street and Mississippi Street) by five percent or more. These impacts have been identified as significant, and no feasible mitigation measures have been identified to reduce these impacts to a less than significant level.

The FEIR identifies the following impacts on transportation and circulation, for which no feasible mitigation measures were identified:

Impact TR-2: The proposed project would cause a substantial increase in traffic that would substantially affect traffic operations at one of the 13 study intersections – Mariposa Street and Mississippi Street. No feasible mitigation measures were identified after consideration of several potential mitigation measures. For instance, while signalization at this intersection would reduce the project's impacts to a less-thansignificant level, San Francisco Municipal Transportation Agency (SFMTA) did not recommend signalization because the intersection has not been identified as a candidate or priority for signalization. Additionally, while other improvements such as the installation of a right-turn pocket at the intersection were also considered, SFMTA indicated that proposed traffic calming and pedestrian improvement projects planned for implementation at the intersection would preclude the installation of a turn-pocket. In a Memorandum dated March 10, 2014, Planning Department and SFMTA staff concluded that "the traffic patterns at this particular intersection are more effectively served by an all-way STOP control than by a traffic signal. The existing STOP sign on westbound Mariposa Street slows traffic on westbound Mariposa Street as it approaches Mississippi Street, where the land uses change from generally commercial to mostly residential. SFMTA does not want to encourage a substantial amount of through westbound movements on Mariposa Street west of Mississippi Street, which a traffic signal could encourage." Therefore, no feasible mitigation measures were found to reduce the proposed project's significant impact at the intersection of Mariposa Street and Mississippi Street to less-than-significant levels, rendering Impact TR-2 significant and unavoidable.

Impact C-TR-2: The proposed project, combined with past, present, and reasonably foreseeable future projects, would contribute considerably to significant cumulative traffic impacts at two of the 13 study intersections – 16th Street and Arkansas Street and Mariposa Street and Mississippi Street. No feasible mitigation measures were identified after consideration of several potential mitigation measures. For instance, signalization of the intersection at 16th Street and Arkansas Street was considered, however due to its location on the 16th Street corridor and proposed improvements related to the SFMTA's Muni Forward project (which includes bus rapid transit improvements such as signal prioritization for buses along the 16th Street corridor), SFMTA did not recommend signalization of the intersection, which would not be consistent with the other proposed improvements along 16th Street. Additionally, the restriping the northbound approach and adding a right-turn pocket at the 16th Street and Arkansas Street Intersection was considered in order to increase lane capacity, however the uncontrolled eastbound and westbound approaches restrict the ability for vehicles traveling in the northbound direction to turn on to 16th Street, rendering this measure infeasible. Similarly, signalization and other improvement measures

at the Mariposa Street and Mississippi Street intersection were considered, but were deemed infeasible or otherwise incapable of improving operating conditions for the reasons stated above under Impact C-TR-2. Therefore, no feasible mitigation measures were found to reduce the proposed project's significant impact at the intersections of 16th Street and Arkansas Street and Mariposa Street and Mississippi Street to less-than-significant levels, rendering the Impact C-TR-2 significant and unavoidable.

V. EVALUATION OF PROJECT ALTERNATIVES

A. Alternatives Analyzed in the FEIR

This section describes the alternatives analyzed in the Project FEIR and the reasons for rejecting the alternatives as infeasible. CEQA mandates that an EIR evaluate a reasonable range of alternatives to the Project or the Project location that generally reduce or avoid potentially significant impacts of the Project. CEQA requires that every EIR also evaluate a "No Project" alternative. Alternatives provide a basis of comparison to the Project in terms of their significant impacts and their ability to meet project objectives. This comparative analysis is used to consider reasonable, potentially feasible options for minimizing environmental consequences of the Project.

The Planning Department considered a range of alternatives in Chapter 6 of the FEIR. The FEIR analyzed the No Project Alternative, the Reduced Density Alternative, and the Reduced Height on Mariposa Street Alternative. Each alternative is discussed and analyzed in these findings, in addition to being analyzed in Chapter 6 of the FEIR. The Planning Commission certifies that it has independently reviewed and considered the information on the alternatives provided in the FEIR and in the record. The FEIR reflects the Planning Commission's and the City's independent judgment as to the alternatives. The Planning Commission finds that the Project provides the best balance between satisfaction of Project objectives and mitigation of environmental impacts to the extent feasible, as described and analyzed in the FEIR.

B. Reasons for Approving the Project

- To increase the City's supply of housing in an area designated for higher density pursuant to the Eastern Neighborhoods Plan.
- To increase the City's supply of affordable dwelling units.
- To provide ground floor retail and PDR space.
- To construct a high-quality project with superior design and a sufficient number of dwelling units to produce a reasonable return on investment for the Project Sponsor and investors and attract investment capital and construction financing.
- To construct streetscape improvements that encourage and enliven pedestrian activity.
- To remediate the soil contamination present at the site.
- To improve the architectural and urban design character of the project site by replacing rundown structures with a high-quality residential project incorporating a superior design.

• To provide adequate parking and vehicular access to serve the needs of project residents and their visitors.

C. Evaluation of Project Alternatives

CEQA provides that alternatives analyzed in an EIR may be rejected if "specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible . . . the project alternatives identified in the EIR." (CEQA Guidelines § 15091(a)(3).) The Commission has reviewed each of the alternatives to the Project as described in the FEIR that would reduce or avoid the impacts of the Project and finds that there is substantial evidence of specific economic, legal, social, technological and other considerations that make these Alternatives infeasible, for the reasons set forth below.

In making these determinations, the Planning Commission is aware that CEQA defines "feasibility" to mean "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, legal, and technological factors." The Commission is also aware that under CEQA case law the concept of "feasibility" encompasses (i) the question of whether a particular alternative promotes the underlying goals and objectives of a project, and (ii) the question of whether an alternative is "desirable" from a policy standpoint to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, legal, and technological factors.

<u>1. No Project Alternative</u>

Under the No Project Alternative, the Project Site would remain in its existing condition. The existing buildings would likely continue to remain in their current condition for the foreseeable future. Baseline conditions described in detail for each environmental topic in Chapter 4, Environmental Setting, Impacts and Mitigation Measures, would remain and none of the impacts associated with the Project would occur.

The three existing one- and two-story structures (plus two sheds and a trailer), 100 surface parking spaces, 15 bus parking spaces, and 6 loading spaces would be retained, and the total 74,696 gsf occupied by commercial, office, warehouse, and automotive uses, including 68,570 gsf of production, distribution and repair (PDR) uses would continue operating at the site. Building heights on the site would not be increased. No open space would be developed within the site and no changes to surrounding loading or curb space would occur. The existing underground storage tanks (USTs) would not be removed and associated soil contamination would not be remediated and removed.

The Planning Commission rejects the No Project Alternative as infeasible because it would fail to meet the Project Objectives and the City's policy objectives for the following reasons:

- 1) The No Project Alternative would not meet any of the Project Sponsor's objectives;
- 2) The No Project Alternative would be inconsistent with key goals of the Eastern Neighborhood Plan with respect to housing production. With no new housing created here and no construction, the No Project Alternative would not increase the City's housing stock of both market rate and affordable housing, would not create new job opportunities for construction workers, and would not expand the City's property tax base.

3) The No Project Alternative would leave the Project Site physically unchanged, and thus would not achieve any of the objectives regarding the redevelopment of a large underutilized site (primarily consisting of parking lots and limited commercial and PDR uses), creation of a mixeduse project within the UMU District, contribution to regional housing needs, provision of affordable dwelling units, provision of publicly-accessible open space, and provision of new neighborhood services.

For the foregoing reasons, the Planning Commission rejects the No Project Alternative as infeasible.

2. Reduced Density Alternative

The FEIR identified both the No Project Alternative and the Reduced Density Alternative as the environmentally superior alternatives.

The Reduced Density Alternative (Alternative B) would result in two, two- or three-story buildings not exceeding 30 feet in height, including alternating two or three floors of residential uses over a one-level subterranean garage, as opposed to the proposed project's buildings with heights ranging from 31 to 40 feet over a two-level, below-grade parking garage. The Reduced Density Alternative would include a total of 114 dwelling units and 106 off-street vehicle parking spaces, compared to the proposed project's 299 dwelling units and 249 vehicle parking spaces. The Reduced Density Alternative also would include 3,510 square feet of ground floor commercial space and a total building area of 145,070 gross square feet of total residential area, compared to 9,555 square feet of ground floor commercial space and a total building area of 427,570 gross square feet under the proposed project.

This alternative would include demolition of existing buildings and construction of an East and West Building, but with a smaller overall footprint and lower height than the proposed project. Additionally, this alternative would eliminate all of the project-specific and cumulative traffic-related significant and unavoidable impacts of the proposed project, reducing futher the operational level of service impacts to all 13 study intersections to less-than-significant levels, and would further reduce less-than-significant shadow impacts.

The Planning Commission rejects the Reduced Density Alternative as infeasible because it would fail to meet the Project Objectives and City policy objections for the following reasons:

- 1) The Reduced Density Alternative would limit the project to 114 dwelling units; whereas the proposed project would provide 299 units to the City's housing stock and maximize the creation of new residential units. The City's important policy objective is to increase the housing stock whenever possible to address a shortage of housing in the City.
- 2) The proposed density would be consistent with other mixed-use residential developments in the vicinity, and the proposed project will enliven the surrounding streets, contribute to a safe, active neighborhood, while meeting the demands of the expanding San Francisco economy and growth in the project area.
- 3) The Reduced Density Alternative would create a project that would not fully utilize this site for housing production, thereby not fully satisfying General Plan policies such as Housing Element Policies 1.1 and 1.4, among others. While the Reduced Density Alternative would ameliorate

the significant unavoidable impacts of the proposed project, the alternative would not create a project that is consistent with and enhances the existing scale and urban design character of the area or furthers the City's housing policies to create more housing, particularly affordable housing opportunities.

4) The Reduced Density Alternative is also economically infeasible. Large development projects are capital-intensive and depend on obtaining financing from equity investors to cover a significant portion of the project's costs, obtain a construction loan for the bulk of construction costs, and provide significant costs out-of-pocket. Equity investors require a certain profit margin to finance development projects and must achieve established targets for their internal rate of return and return multiple on the investment. Because the Reduced Density Alternative would result in a project that is significantly smaller than the Project, and contains 185 fewer residential units, the total potential for generating revenue is lower while the construction costs associated with development. The reduced unit count would not generate a sufficient economic return to obtain financing and allow development of the proposed project and therefore would not be built.

The Project Sponsor had a memorandum entitled "Financial Feasibility Analysis of 1601 Mariposa Street Project" prepared by Seifel Consulting, Inc., which is included in the record. The memorandum concludes that the Reduced Density Alternative is not financially feasible because the development costs for the Reduced Density Alternative significantly exceed potential revenues, resulting in a negative developer margin or return. Specifically, implementation of the Reduced Density Alternative will result in total development costs of \$90 million for a total value of \$83 million, resulting in negative \$7 million developer margin or return. In addition, the Reduced Density Alternative does not meet either of the return thresholds as measured by either Yield On Cost or Return on Cost. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in the Reduced Density Alternative negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Project.

5) The Reduced Density Alternative would create a project with fewer housing units in an area well-served by transit, services and shopping and adjacent to employment opportunities which would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Reduced Density Alternative not meeting, to the same degree as the Project, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the Bay Area Air Quality Management District's ("BAAQMD") requirements for a GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options.

For the foregoing reasons, the Planning Commission rejects the Reduced Density Alternative as infeasible.

3. Reduced Height on Mariposa Street Alternative

The Reduced Height on Mariposa Street Alternative (Alternative C) would result in demolition of all existing buildings and surface pavements on the Project Site and development of residential, commercial, and light industrial uses within two buildings ranging from 20 to 40 feet in height, as opposed to the proposed project's buildings with heights ranging from 31 to 40 feet. The Reduced Height on Mariposa Street Alternative would include a total of 289 dwelling units and 254 off-street vehicle parking spaces, compared to the proposed project's 299 dwelling units and 249 vehicle parking spaces. The Reduced Height on Mariposa Street Alternative also would include 9,000 square feet of ground floor commercial space, 5,000 square feet of light industrial space for a total building area of 410,616 gross square feet, compared to 9,555 square feet of ground floor commercial space and a total building area of 427,570 gross square feet under the proposed project. This Alternative would further reduce the less-than-significant unavoidable transportation impacts of the project.

The Planning Commission rejects the Reduced Height on Mariposa Street Alternative because it would not reduce any of the significant unavoidable impacts of the proposed project and would not meet the Project Objectives or City policy objectives as well as the proposed project, for reasons including, but not limited to, the following:

- 1) The Reduced Height on Mariposa Street Alternative would limit the project to 289 dwelling units; whereas the proposed project would provide 299 units to the City's housing stock. The proposed density would be consistent with other mixed-use residential developments in the vicinity, and the proposed project will maximize the creation of new residential units, enliven the surrounding streets, contribute to a safe, active neighborhood, while meeting the demands of the expanding San Francisco economy and growth in the project area.
- 2) The Reduced Height on Mariposa Street Alternative would not successfully address any of the significant and unavoidable traffic-related project- and cumulative-level impacts of the proposed project, which are the only "significant and unavoidable" impacts of the project. The potential reduction of shadow impacts as a result of the Reduced Height on Mariposa Street Alternative would not avoid a significant impact because shadow impacts related to the proposed project were found to be less than significant.
- 3) The Reduced Height on Mariposa Street Alternative would create a project with fewer housing units in an area well-served by transit, services and shopping adjacent to employment opportunities which would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Reduced Height Alternative not meeting, to the same degree, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the BAAQMD requirements for a GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options. Any benefits that might be associated with this Alternative are not outweighed by the reduction in housing units.
- (4) The Reduced Height on Mariposa Street Alternative would create an awkward design along Mariposa Street where the building height would be limited to one story, which is inconsistent with the height of the buildings to the east and west and would not enclose Jackson Playground with a consistent street wall on its southern boundary.

For the foregoing reasons, the Planning Commission rejects the Reduced Height on Mariposa Street Alternative as infeasible.

VI. STATEMENT OF OVERRIDING CONSIDERATIONS

The Planning Commission finds that, notwithstanding the imposition of all feasible mitigation measures and alternatives, significant impacts related to Transportation and Circulation will remain significant and unavoidable. Pursuant to CEQA section 21081 and CEQA Guideline Section 15093, the Planning Commission hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the Project as set forth below independently and collectively outweighs these significant and unavoidable impacts and is an overriding consideration warranting approval of the Project. Any one of the reasons for approval cited below is sufficient to justify approval of the Project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission will stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this Section, and in the documents found in the record, as defined in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, the Planning Commission specifically finds that there are significant benefits of the Project to support approval of the Project in spite of the unavoidable significant impacts, and therefore makes this Statement of Overriding Considerations. The Commission further finds that, as part of the process of obtaining Project approval, significant effects on the environment from implementation of the Project have been eliminated or substantially lessened where feasible. All mitigation measures proposed in the FEIR and MMRP are adopted as part of the Approval Actions described in Section I, above.

Furthermore, the Commission has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following specific overriding economic, technological, legal, social and other considerations.

The Project will have the following benefits:

- 1. The Project would add up to 299 dwelling units to the City's housing stock.
- 2. The Project would increase the stock of permanently affordable housing by creating approximately 60 units affordable to low-income households on-site, a total exceeding the percentage required by the City's Affordable Inclusionary Housing Ordinance.
- 3. The project site is currently underused and the construction of up to 299 new housing units at this underutilized site will directly help to alleviate the City's housing shortage and lead to more affordable housing. A primary objective of the Eastern Neighborhood Area Plan is to increase housing locally through the build out of the plan area. The Project develops the project site in a manner envisioned by the Plan in its density and design.
- 4. The Project promotes a number of General Plan Objectives and Policies, including Housing Element Policy 1.1, which provides that "Future housing policy and planning efforts must take into account the diverse needs for housing;" and Policies 11.1, 11.3 and 11.6, which "Support

and respect the diverse and distinct character of San Francisco's Neighborhoods." San Francisco's housing policies and programs should provide strategies that promote housing at each income level, and furthermore identify sub-groups, such as middle income and extremely low income households that require specific housing policy. In addition to planning for affordability, the City should plan for housing that serves a variety of household types and sizes." The Project will provide a mix of housing types at this location, including 69 studio units, 109 one-bedroom units, 111 two-bedroom units, and 10 three-bedroom units, increasing the diversity of housing types in this area of the City.

- 4. The Project meets the City's *Strategies to Address Greenhouse Gas Emissions* and the BAAQMD requirements for a GHG reductions by maximizing development on an infill site that is well-served by transit, services and shopping and is suited for dense residential development, where residents can commute and satisfy convenience needs without frequent use of a private automobile and is adjacent to employment opportunities, in an area with abundant local and region-serving transit options. The Project would leverage the site's location and proximity to transit by building a dense mixed use project that allows people to live and work close to transit sources.
- 5. The Project's innovative design furthers Housing Element Policy 11.1, which provides that "The City should continue to improve design review to ensure that the review process results in good design that complements existing character."
- 6. The Project promotes a number of Showplace Square/Potrero Area Plan Objectives and Policies, including Policies 1.2.1 and 1.2.2, which "In areas of Showplace/Potrero where housing and mixed use in encouraged, maximize development potential in keeping with neighborhood character;" Policies 2.1.1 and 2.1.3, which "Ensure that a significant percentage of new housing created in the Showplace/Potrero is affordable to people with a wide range of incomes;" and Policies 2.3.1 and 2.3.3, which "Require that a significant number of units in new developments have two or more bedrooms []." As discussed in Paragraphs 2 and 4 above, the Project includes a mix of housing types, a substantial number of two-plus bedroom units, and creates 60 affordable housing units that will benefit low-income households.
- 7. The Project would construct a development that is in keeping with the scale, massing and density of other structures in the immediate vicinity.
- 8. The Conditions of Approval for the Project include all the mitigation and improvement measures that would mitigate the Project's potentially significant impact to insignificant levels, except for its impact on Transportation and Circulation.
- 9. The Project will create temporary construction jobs and permanent jobs in the retail and PDR sector. These jobs will provide employment opportunities for San Francisco residents, promote the City's role as a commercial center, and provide additional payroll tax revenue to the City, providing direct and indirect economic benefits to the City .
- 10. The Project will substantially increase the assessed value of the Project Site, resulting in corresponding increases in tax revenue to the City.

Having considered the above, the Planning Commission finds that the benefits of the Project outweigh the unavoidable adverse environmental effects identified in the FEIR, and that those adverse environmental effects are therefore acceptable.
Free Recording Requested Pursuant to Government Code Section 27383

When recorded, mail to:

San Francisco Planning Department 1650 Mission Street, Room 400 San Francisco, California 94103 Attn: Director

Lots 001B & 004 in Assessor's Block 4005 Lots 006, 010, 019 & 020 in Assessor's Block 4006

AGREEMENT TO PROVIDE ON-SITE AFFORDABLE HOUSING UNITS BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO AND RELATED/MARIPOSA DEVELOPMENT CO., LLC, RELATIVE TO THE DEVELOPMENT KNOWN AS 1601 MARIPOSA STREET

THIS AGREEMENT TO PROVIDE ON-SITE AFFORDABLE HOUSING UNITS ("Agreement") dated for reference purposes only as of this <u>day of</u>, 2015, is by and between the CITY AND COUNTY OF SAN FRANCISCO, a political subdivision of the State of California (the "City"), acting by and through its Planning Department, and Related/Mariposa Development Co., LLC, a California limited liability company ("Developer") with respect to the project approved for 1601 Mariposa Street (the "Project"). City and Developer are also sometimes referred to individually as a "Party" and together as the "Parties."

RECITALS

This Agreement is made with reference to the following facts:

A. <u>Code Authorization</u>. Chapter 4.3 of the California Government Code directs public agencies to grant concessions and incentives to private developers for the production of housing for lower income households. The Costa-Hawkins Rental Housing Act (California Civil Code Sections 1954.50 et seq., hereafter the "Costa-Hawkins Act") imposes limitations on the establishment of the initial and all subsequent rental rates for a dwelling unit with a certificate of occupancy issued after February 1, 1995, with exceptions, including an exception for dwelling units constructed pursuant to a contract with a public entity in consideration for a direct financial contribution or any other form of assistance specified in Chapter 4.3 of the California Government Code (Section 1954.52(b)). Pursuant to Civil Code Section 1954.52(b), the City's Board of Supervisors has enacted as part of the Inclusionary Affordable Housing Program, Planning Code Section 415 et seq, procedures and requirements for entering into an agreement with a private developer to memorialize the concessions and incentives granted to the developer and to provide an exception to the Costa-Hawkins Act for the inclusionary units included in Developer's project.

B. <u>Property Subject to this Agreement</u>. The property that is the subject of this Agreement consists of the real property in the City and County of San Francisco, California, at 1601 Mariposa Street, Lots 001B & 004 in Assessor's Block 4005, and Lots 006, 010, 019 & 020 in Assessor's Block 4006, and located on portions of two blocks bounded by Mariposa Street, Arkansas

Street, 18th Street, and Carolina Street (the "Property"). The Property is more particularly described in <u>Exhibit A</u> attached hereto. The Property is or will be owned in fee by Developer.

C. <u>Development Proposal; Intent of the Parties</u>. The Developer proposes to demolish three existing one- and two-story commercial, office, and warehouse buildings and associated surface parking lots and construct two four-story mixed use buildings comprising approximately 299 dwelling units and approximately 10,000 square feet of commercial space on the Property. The dwelling units would be offered as rental units and the inclusionary affordable housing would be provided on-site. The Project would fulfill its inclusionary affordable housing requirement by providing a minimum of 14.4% of the dwelling units, or 44 below-market rate (BMR) units, on-site, assuming that 299 residential units are constructed.

On November 12, 2015, pursuant to Motion No. ______ the Planning Commission approved Section 329 Review (for Large Project Authorization in Eastern Neighborhoods Mixed Use District) ("LPA Approval") with exceptions from Planning Code requirements related to rear yard location, horizontal mass reduction waiver, off-street loading waiver, and interior commercial floor-to-floor heights.

The dwelling units that are the subject of this Agreement are the Project's on-site inclusionary units representing a minimum of fourteen and four-tenths percent (14.4%) of the Project's dwelling units, which, assuming that 299 dwelling are constructed, would total 43 inclusionary units (the "Inclusionary Units"). The dwelling units in the Project that are not Inclusionary Units, representing eighty-five and six-tenths percent (85.6%) of the Project's dwelling units, which, assuming that 299 units are constructed, would total 256 units, are referred to herein as the "Market Rate Units". This Agreement is not intended to impose restrictions on the Market Rate Units or any portions of the Project other than the Inclusionary Units. The Parties acknowledge that this Agreement is entered into in consideration of the respective burdens and benefits of the Parties contained in this Agreement and in reliance on their agreements, representations and warranties.

D. <u>Inclusionary Affordable Housing Program</u>. The Inclusionary Affordable Housing Program, San Francisco Planning Code Section 415 et seq. (the "Affordable Housing Program") provides that developers of any housing project consisting of ten or more units to pay an Affordable Housing Fee, as defined therein. The Affordable Housing Program provides that developers may be eligible to meet the requirements of the program through the alternative means of entering into an agreement with the City and County of San Francisco pursuant to Chapter 4.3 of the California Government Code for concessions and incentives, pursuant to which the developer covenants to provide affordable on-site units as an alternative to payment of the Affordable Housing Fee to satisfy the requirements of the Affordable Housing Program and in consideration of the City's concessions and incentives.

E. <u>Developer's Election to Provide On-Site Units</u>. Developer has elected to enter into this Agreement to provide the Inclusionary Units on-site in lieu of payment of the Affordable Housing Fee in satisfaction of its obligation under the Affordable Housing Program, and to provide for an exception to the rent restrictions of the Costa-Hawkins Act for the Inclusionary Units only.

F. <u>Compliance with All Legal Requirements</u>. It is the intent of the Parties that all acts referred to in this Agreement shall be accomplished in such a way as to fully comply with the

California Environmental Quality Act (Public Resources Code Section 21000 et seq., "CEQA"), Chapter 4.3 of the California Government Code, the Costa-Hawkins Act, the San Francisco Planning Code, and all other applicable laws and regulations.

G. <u>Project's Compliance with CEQA</u>. Pursuant to CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code, the significant environmental impacts associated with the Project were described and analyzed, and alternatives and mitigation measures that could avoid or reduce those impacts were discussed in the 1601 Mariposa Street Mixed Use Project Final Environmental Impact Report certified by the Planning Commission on November 12, 2015 (Motion No. _____) (the "FEIR"). The information in the FEIR was considered by all entities with review and approval authority over the Project prior to the approval of the Project.

H. <u>General Plan Findings</u>. This Agreement is consistent with the objectives, policies, general land uses and programs specified in the General Plan and any applicable area or specific plan, and the Priority Policies enumerated in Planning Code Section 101.1, as set forth in Planning Commission Motion No. _____.

AGREEMENT

The Parties acknowledge the receipt and sufficiency of good and valuable consideration and agree as follows:

1. GENERAL PROVISIONS

1.1 <u>Incorporation of Recitals and Exhibits</u>. The preamble paragraph, Recitals, and Exhibits, and all defined terms contained therein, are hereby incorporated into this Agreement as if set forth in full.

2. CITY'S DENSITY BONUS AND CONCESSIONS AND INCENTIVES FOR THE INCLUSIONARY UNITS.

2.1 <u>Exceptions, Concessions and Incentives</u>. The Developer has received the following concessions and incentives for the production of the Inclusionary Units on-site.

2.1.1 <u>Rear Yard</u>. The LPA Approval provided an exception to the rear yard requirements set forth in Section 134(a)(1). Prior to adoption of the LPA Approval, Section 134(a)(1) would have required a rear yard with a minimum depth equal to 25 percent of the total depth of the lot. The LPA Approval allowed the Project to meet the rear yard requirement through a series of courtyards and a mid-block, publicly-accessible pedestrian passage, for a total of approximately 42,777 gsf of publicly accessible and private open space on the Property. As a result of the LPA Approval, the Project was approved with a superior site plan and massing composition that would not have otherwise been possible under the Planning Code.

2.1.2 <u>Horizontal Mass Waiver</u>. The LPA Approval provided for an exception to the horizontal mass requirements set forth in Section 270.1. Prior to the adoption of the LPA Approval, Section 270.1 would have required building mass reduction breaks along the Arkansas Street, Carolina Street, and 18th Street frontages, each of which exceed the 200 foot limit set forth in the Code. As a result of the LPA Approval, the Project was able to provide a more efficient plan

resulting in a greater number of building square feet than would have otherwise been possible under the Planning Code.

2.1.3 <u>Off-Street Loading</u>. The LPA Approval provided for an exception to the Off-Street Loading requirements set forth in Planning Code Section 152.1. Prior to the adoption of the LPA Approval, Section 152.1 would have required the Project to provide two off-street loading spaces. As a result of the LPA Approval, the Project was able to provide a more efficient plan resulting in a greater number of building square feet than would have otherwise been possible under the Planning Code.

2.1.4 Interior Commercial Floor-to-Floor Heights. The LPA Approval provided for an exception to the commercial floor-to-floor heights set forth in Section 145.1(c)(4)(A). Prior to adoption of the LPA Approval, Section 145.1(c)(4)(A) would have required the Project to provide minimum floor-to-floor heights of 17 feet in the ground floor non-residential uses of the Project along Carolina Street and 18th Street. As a result of the LPA Approval, the Project is able to provide lower ceiling heights that allow for an additional floor of housing along Carolina Street and 18th Street.

2.2 <u>Waiver of Affordable Housing Fee</u>. City hereby determines that the Developer has satisfied the requirements of the Affordable Housing Program by covenanting to provide the Inclusionary Units on-site, as provided in Section 3.1, and accordingly hereby waives the obligation of the Developer to pay the Affordable Housing Fee. City would not be willing to enter into this Agreement and waive the Affordable Housing Fee without the understanding and agreement that Costa-Hawkins Act provisions set forth in California Civil Code section 1954.52(a) do not apply to the Inclusionary Units as a result of the exemption set forth in California Civil Code section 1954.52(b). Upon completion of the Project and identification of the Inclusionary Units, Developer agrees to record a notice of restriction against the Inclusionary Units in the form required by the Affordable Housing Program.

2.3 Costa-Hawkins Act Inapplicable to Inclusionary Units Only.

2.3.1 <u>Inclusionary Units</u>. The parties acknowledge that, under Section 1954.52(b) of the Costa-Hawkins Act, the Inclusionary Units are not subject to the Costa-Hawkins Act. Through this Agreement, Developer hereby enters into an agreement with a public entity in consideration for forms of concessions and incentives specified in California Government Code Sections 65915 et seq. The concessions and incentives are comprised of, but not limited to, the concessions and incentives set forth in Section 2.1.

2.3.2 <u>Market Rate Units</u>. The Parties hereby agree and acknowledge that this Agreement does not alter in any manner the way that the Costa-Hawkins Act or any other law, including the City's Rent Stabilization and Arbitration Ordinance (Chapter 37 of the San Francisco Administrative Code) apply to the Market Rate Units.

3. COVENANTS OF DEVELOPER

3.1 <u>On-Site Inclusionary Affordable Units</u>. In consideration of the concessions and incentives set forth in Section 2.1 and in accordance with the terms and conditions set forth in the Affordable Housing Program and the Project Approvals, upon Developer obtaining its first

certificate of occupancy for the Project, Developer shall provide a minimum of fourteen and fourtenths percent (14.4%) of the dwelling units as on-site Inclusionary Units in lieu of payment of the Affordable Housing Fee. For example, based on the contemplated total of 299 units comprising the Project, a total of 43 Inclusionary Units would be required in lieu of payment of the Affordable Housing Fee.

3.2 Developer's Waiver of Rights Under the Costa-Hawkins Act Only as to the Inclusionary Units. The Parties acknowledge that under the Costa-Hawkins Act, the owner of newly constructed residential real property may establish the initial and all subsequent rental rates for dwelling units in the property without regard to the City's Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the San Francisco Administrative Code). The Parties also understand and agree that the Costa-Hawkins Act does not and in no way shall limit or otherwise affect the restriction of rental charges for the Inclusionary Units because this Agreement falls within an express exception to the Costa-Hawkins Act as a contract with a public entity in consideration for a direct financial contribution or other forms of assistance specified in Chapter 4.3 (commencing with section 65915) of Division 1 of Title 7 of the California Government Code including but not limited to the density bonus, concessions and incentives specified in Section 2. Developer acknowledges that the density bonus and concessions and incentives result in identifiable and actual cost reductions to the Project. Should the Inclusionary Units be deemed subject to the Costa-Hawkins Act, as a material part of the consideration for entering into this Agreement, Developer, on behalf of itself and all its successors and assigns to this Agreement, hereby expressly waives, now and forever, any and all rights it may have under the Costa-Hawkins Act with respect only to the Inclusionary Units (but only the Inclusionary Units and not as to the Market Rate Units) consistent with Section 3.1 of this Agreement. Without limiting the foregoing, Developer, on behalf of itself and all successors and assigns to this Agreement, agrees not to bring any legal or other action against City seeking application of the Costa-Hawkins Act to the Inclusionary Units for so long as the Inclusionary Units are subject to the restriction on rental rates pursuant to the Affordable Housing Program. The Parties understand and agree that the City would not be willing to enter into this Agreement without the waivers and agreements set forth in this Section 3.2.

3.3 <u>Developer's Waiver of Right to Seek Waiver of Affordable Housing Program</u>. Developer specifically agrees to be bound by all of the provisions of the Affordable Housing Program applicable to on-site inclusionary units with respect to the Inclusionary Units. Developer covenants and agrees that it will not seek a waiver of the provisions of the Affordable Housing Program applicable to the Inclusionary Units.

4. MUTUAL OBLIGATIONS

4.1 <u>Good Faith and Fair Dealing</u>. The Parties shall cooperate with each other and act in good faith in complying with the provisions of this Agreement and implementing the Project Approvals.

4.2 <u>Other Necessary Acts</u>. Each Party shall execute and deliver to the other all further instruments and documents as may be reasonably necessary to carry out this Agreement, the Project Approvals, the Affordable Housing Program (as applied to the Inclusionary Units) and applicable law in order to provide and secure to each Party the full and complete enjoyment of its rights and privileges hereunder.

4.3 <u>Effect of Future Changes to Affordable Housing Program</u>. The City hereby acknowledges and agrees that, in the event that the City adopts changes to the Affordable Housing Program after the date this Agreement is executed by both Parties, nothing in this Agreement shall be construed to limit or prohibit any rights Developer may have to modify Project requirements with respect to the Inclusionary Units to the extent permitted by such changes to the Affordable Housing Program.

5. DEVELOPER REPRESENTATIONS, WARRANTIES AND COVENANTS.

5.1 <u>Interest of Developer</u>. Developer represents that it is or will be the legal and equitable fee owner of the Property, that it has the power and authority to bind all other persons with legal or equitable interest in the Inclusionary Units to the terms of this Agreement, and that all other persons holding legal or equitable interest in the Inclusionary Units are to be bound by this Agreement. Developer is a limited liability company, duly organized and validly existing and in good standing under the laws of the State of California. Developer has all requisite power and authority to own property and conduct business as presently conducted. Developer has made all filings and is in good standing in the State of California.

5.2 No Conflict With Other Agreements; No Further Approvals; No Suits. Developer warrants and represents that it is not a party to any other agreement that would conflict with the Developer's obligations under this Agreement. Neither Developer's articles of organization, bylaws, or operating agreement, as applicable, nor any other agreement or law in any way prohibits, limits or otherwise affects the right or power of Developer to enter into and perform all of the terms and covenants of this Agreement. No consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other person is required for the due execution, delivery and performance by Developer of this Agreement or any of the terms and covenants contained in this Agreement. To Developer's knowledge, there are no pending or threatened suits or proceedings or undischarged judgments affecting Developer or any of its members before any court, governmental agency, or arbitrator which might materially adversely affect Developer's business, operations, or assets or Developer's ability to perform under this Agreement.

5.3 <u>No Inability to Perform; Valid Execution</u>. Developer warrants and represents that it has no knowledge of any inability to perform its obligations under this Agreement. The execution and delivery of this Agreement and the agreements contemplated hereby by Developer have been duly and validly authorized by all necessary action. This Agreement will be a legal, valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.

5.4 <u>Conflict of Interest</u>. Through its execution of this Agreement, the Developer acknowledges that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the California Government Code, and certifies that it does not know of any facts which constitute a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

5.5 <u>Notification of Limitations on Contributions</u>. Through execution of this Agreement, the Developer acknowledges that it is familiar with Section 1.126 of City's Campaign and

Governmental Conduct Code, which prohibits any person who contracts with the City, whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for the contract until three (3) months after the date the contract is approved by the City elective officer or the board on which that City elective officer serves. San Francisco Ethics Commission Regulation 1.126-1 provides that negotiations are commenced when a prospective contractor first communicates with a City officer or employee about the possibility of obtaining a specific contract. This communication may occur in person, by telephone or in writing, and may be initiated by the prospective contractor or a City officer or employee. Negotiations are completed when a contract is finalized and signed by the City and the contractor. Negotiations are terminated when the City and/or the prospective contractor end the negotiation process before a final decision is made to award the contract.

5.6 <u>Nondiscrimination</u>. In the performance of this Agreement, Developer agrees not to discriminate on the basis of the fact or perception of a person's, race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes, against any City employee, employee of or applicant for employment with the Developer, or against any bidder or contractor for public works or improvements, or for a franchise, concession or lease of property, or for goods or services or supplies to be purchased by the Developer. A similar provision shall be included in all subordinate agreements let, awarded, negotiated or entered into by the Developer for the purpose of implementing this Agreement.

6. AMENDMENT; TERMINATION

6.1 <u>Amendment or Termination</u>. Except as provided in Sections 6.2 (Automatic Termination) and 8.3 (Remedies for Default), this Agreement may only be amended or terminated with the mutual written consent of the Parties.

6.1.1 <u>Amendment Exemptions</u>. No amendment of a Project Approval shall require an amendment to this Agreement. Upon approval, any such matter shall be deemed to be incorporated automatically into the Project and this Agreement (subject to any conditions set forth in the amendment). Notwithstanding the foregoing, in the event of any direct conflict between the terms of this Agreement and any amendment to a Project Approval, then the terms of this Agreement shall prevail and any amendment to this Agreement shall be accomplished as set forth in Section 6.1 above.

6.2 <u>Automatic Termination</u>. This Agreement shall automatically terminate in the event that the Inclusionary Units are no longer subject to regulation as to the rental rates of the Inclusionary Units and/or the income level of households eligible to rent the Inclusionary Units under the Affordable Housing Program, or successor program.

7. TRANSFER OR ASSIGNMENT; RELEASE; RIGHTS OF MORTGAGEES; CONSTRUCTIVE NOTICE

7.1 <u>Agreement Runs With The Land</u>. Developer may assign or transfer its duties and obligations under this Agreement to another entity, provided such entity is the legal and equitable fee owner of the Property ("Transferee"). As provided in Section 9.2, this Agreement runs with the land and any Transferee will be bound by all of the terms and conditions of this Agreement.

7.2 <u>Rights of Developer</u>. The provisions in this Section 7 shall not be deemed to prohibit or otherwise restrict Developer from (i) granting easements or licenses to facilitate development of the Property, (ii) encumbering the Property or any portion of the improvements thereon by any mortgage, deed of trust, or other device securing financing with respect to the Property or Project, (iii) granting a leasehold interest in all or any portion of the Property, or (iv) transferring all or a portion of the Property pursuant to a sale, transfer pursuant to foreclosure, conveyance in lieu of foreclosure, or other remedial action in connection with a mortgage. None of the terms, covenants, conditions, or restrictions of this Agreement or the other Project Approvals shall be deemed waived by City by reason of the rights given to the Developer pursuant to this Section 7.2. Furthermore, although the Developer initially intends to operate the Project on a rental basis, nothing in this Agreement shall prevent Developer from later selling all or part of the Project on a condominium basis, provided that such sale is permitted by, and complies with, all applicable City and State laws including, but not limited to that, with respect to any inclusionary units, those shall only be sold pursuant to the City Procedures for sale of inclusionary units under the Affordable Housing Program.

7.3 Developer's Responsibility for Performance. If Developer transfers or assigns all or any portion of the Property or any interest therein to any other person or entity, Developer shall continue to be responsible for performing the obligations under this Agreement as to the transferred property interest until such time as there is delivered to the City a legally binding agreement pursuant to which the Transferee assumes and agrees to perform Developer's obligations under this Agreement from and after the date of transfer of the Property (or an interest therein) to the Transferee (an "Assignment and Assumption Agreement"). The City is entitled to enforce each and every such obligation assumed by the Transferee directly against the Transferee as if the Transferee were an original signatory to this Agreement with respect to such obligation. Accordingly, in any action by the City against a Transferee to enforce an obligation assumed by the Transferee, the Transferee shall not assert any defense against the City's enforcement of performance of such obligation that is attributable to Developer's breach of any duty or obligation to the Transferee arising out of the transfer or assignment, the Assignment and Assumption Agreement, the purchase and sale agreement, or any other agreement or transaction between the Developer and the Transferee. The transferor Developer shall remain responsible for the performance of all of its obligations under the Agreement prior to the date of transfer, and shall remain liable to the City for any failure to perform such obligations prior to the date of the transfer.

7.4 <u>Release Upon Transfer or Assignment</u>. Upon the Developer's transfer or assignment of all or a portion of the Property or any interest therein, including the Developer's rights and interests under this Agreement, the Developer shall be released from any obligations required to be performed from and after the date of transfer under this Agreement with respect to the portion of the Property so transferred; provided, however, that (i) the Developer is not then in default under this Agreement and (ii) the Transferee executes and delivers to the City the legally binding Assignment and Assumption Agreement. Following any transfer, in accordance with the terms of this Section 7, a default under this Agreement by the Transferee shall not constitute a default by the Developer under this Agreement and shall have no effect upon the Developer's rights under this Agreement as to the remaining portions of the Property owned by the Developer. Further, a default under this Agreement by the Developer as to any portion of the Property not transferred or a default under this agreement by the Developer prior to the date of transfer shall not constitute a default by the Transferee and shall not affect any of Transferee's rights under this Agreement.

7.5 Rights of Mortgagees; Not Obligated to Construct; Right to Cure Default.

7.5.1 Notwithstanding anything to the contrary contained in this Agreement (including without limitation those provisions that are or are intended to be covenants running with the land), a mortgagee or beneficiary under a deed of trust, including any mortgagee or beneficiary who obtains title to the Property or any portion thereof as a result of foreclosure proceedings or conveyance or other action in lieu thereof, or other remedial action, ("Mortgagee") shall not be obligated under this Agreement to construct or complete the Inclusionary Units required by this Agreement or to guarantee their construction or completion solely because the Mortgagee holds a mortgage or other interest in the Property or this Agreement. The foregoing provisions shall not be applicable to any other party who, after such foreclosure, conveyance, or other action in lieu thereof, or other remedial action, obtains title to the Property or a portion thereof from or through the Mortgagee or any other purchaser at a foreclosure sale other than the Mortgagee itself. A breach of any obligation secured by any mortgage or other lien against the mortgaged interest or a foreclosure under any mortgage or other lien shall not by itself defeat, diminish, render invalid or unenforceable, or otherwise impair the obligations or rights of the Developer under this Agreement.

7.5.2 Subject to the provisions of the first sentence of Section 7.5.1, any person, including a Mortgagee, who acquires title to all or any portion of the mortgaged property by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise shall succeed to all of the rights and obligations of the Developer under this Agreement and shall take title subject to all of the terms and conditions of this Agreement. Nothing in this Agreement shall be deemed or construct to permit or authorize any such holder to devote any portion of the Property to any uses, or to construct any improvements, other than the uses and improvements provided for or authorized by the Project Approvals and this Agreement.

7.5.3 If City receives a written notice from a Mortgagee or from Developer requesting a copy of any Notice of Default delivered to Developer and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Developer, any Notice of Default delivered to Developer under this Agreement. In accordance with Section 2924 of the California Civil Code, City hereby requests that a copy of any notice of default and a copy of any notice of sale under any mortgage or deed of trust be mailed to City at the address shown on the first page of this Agreement for recording, provided that no Mortgagee or trustee under a deed of trust shall incur any liability to the City for any failure to give any such notice of default or notice of sale except to the extent the City records a request for notice of default and notice of sale in compliance with Section 2924b of the California Civil Code (a "Request for Special Notice") with respect to a specific mortgage or deed of trust and the Mortgagee or trustee fails to give any notice required under Section 2924b of the California Civil Code as a result of the recordation of a Request for Special Notice.

7.5.4 A Mortgagee shall have the right, at its option, to cure any default or breach by the Developer under this Agreement within the same time period as Developer has to remedy or

cause to be remedied any default or breach, plus an additional period of (i) thirty (30) calendar days to cure a default or breach by the Developer to pay any sum of money required to be paid hereunder and (ii) ninety (90) days to cure or commence to cure a non-monetary default or breach and thereafter to pursue such cure diligently to completion; provided that if the Mortgagee cannot cure a non-monetary default or breach without acquiring title to the Property, then so long as Mortgagee is diligently pursuing foreclosure of its mortgage or deed of trust, Mortgagee shall have until ninety (90) days after completion of such foreclosure to cure such non-monetary default or breach. Mortgagee may add the cost of such cure to the indebtedness or other obligation evidenced by its mortgage, provided that if the breach or default is with respect to the construction of the improvements on the Property, nothing contained in this Section or elsewhere in this Agreement shall be deemed to permit or authorize such Mortgagee, either before or after foreclosure or action in lieu thereof or other remedial measure, to undertake or continue the construction or completion of the improvements (beyond the extent necessary to conserve or protect improvements or construction already made) without first having expressly assumed the obligation to the City, by written agreement reasonably satisfactory to the City, to complete in the manner provided in this Agreement the improvements on the Property or the part thereof to which the lien or title of such Mortgagee relates. Notwithstanding a Mortgagee's agreement to assume the obligation to complete in the manner provided in this Agreement the improvements on the Property or the part thereof acquired by such Mortgagee, the Mortgagee shall have the right to abandon completion of the improvement at any time thereafter.

7.5.5 If at any time there is more than one mortgage constituting a lien on any portion of the Property, the lien of the Mortgagee prior in lien to all others on that portion of the mortgaged property shall be vested with the rights under this Section 7.5 to the exclusion of the holder of any junior mortgage; provided that if the holder of the senior mortgage notifies the City that it elects not to exercise the rights sets forth in this Section 7.5, then each holder of a mortgage junior in lien in the order of priority of their respective liens shall have the right to exercise those rights to the exclusion of junior lien holders. Neither any failure by the senior Mortgagee to exercise its rights under this Agreement nor any delay in the response of a Mortgagee to any notice by the City shall extend Developer's or any Mortgagee's rights under this Section 7.5. For purposes of this Section 7.5, in the absence of an order of a court of competent jurisdiction that is served on the City, a then current title report of a title company licensed to do business in the State of California and having an office in the City setting forth the order of priority of lien of the mortgage shall be reasonably relied upon by the City as evidence of priority.

7.6 <u>Constructive Notice</u>. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Project or the Property is and shall be constructively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Project or the Property.

8. ENFORCEMENT OF AGREEMENT; REMEDIES FOR DEFAULT; DISPUTE RESOLUTION

8.1 <u>Enforcement</u>. The only parties to this Agreement are the City and the Developer. This Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person or entity whatsoever.

8.2 <u>Default</u>. For purposes of this Agreement, the following shall constitute a default under this Agreement: the failure to perform or fulfill any material term, provision, obligation, or covenant hereunder and the continuation of such failure for a period of thirty (30) calendar days following a written notice of default and demand for compliance; provided, however, if a cure cannot reasonably be completed within thirty (30) days, then it shall not be considered a default if a cure is commenced within said 30-day period and diligently prosecuted to completion thereafter, but in no event later than one hundred twenty (120) days.

8.3 <u>Remedies for Default</u>. In the event of an uncured default under this Agreement, the remedies available to a Party shall include specific performance of the Agreement in addition to any other remedy available at law or in equity. In addition, the non-defaulting Party may terminate this Agreement subject to the provisions of this Section 8 by sending a Notice of Intent to Terminate to the other Party setting forth the basis for the termination. The Agreement will be considered terminated effective upon receipt of a Notice of Termination. The Party receiving the Notice of Termination may take legal action available at law or in equity if it believes the other Party's decision to terminate was not legally supportable.

8.4 <u>No Waiver</u>. Failure or delay in giving notice of default shall not constitute a waiver of default, nor shall it change the time of default. Except as otherwise expressly provided in this Agreement, any failure or delay by a Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies; nor shall it deprive any such Party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any such rights or remedies.

9. MISCELLANEOUS PROVISIONS

9.1 <u>Entire Agreement</u>. This Agreement, including the preamble paragraph, Recitals and Exhibits, constitute the entire understanding and agreement between the Parties with respect to the subject matter contained herein.

9.2 <u>Binding Covenants; Run With the Land</u>. From and after recordation of this Agreement, all of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the Parties, and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, and all persons or entities acquiring the Property, any lot, parcel or any portion thereof, or any interest therein, whether by sale, operation of law, or in any manner whatsoever, and shall inure to the benefit of the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns. Regardless of whether the procedures in Section 7 are followed, all provisions of this Agreement shall be enforceable during the term hereof as equitable servitudes and constitute covenants and benefits running with the land pursuant to applicable law, including but not limited to California Civil Code Section 1468.

9.3 <u>Applicable Law and Venue</u>. This Agreement has been executed and delivered in and shall be interpreted, construed, and enforced in accordance with the laws of the State of California. All rights and obligations of the Parties under this Agreement are to be performed in the City and County of San Francisco, and such City and County shall be the venue for any legal action or proceeding that may be brought, or arise out of, in connection with or by reason of this Agreement.

9.4 <u>Construction of Agreement</u>. The Parties have mutually negotiated the terms and conditions of this Agreement and its terms and provisions have been reviewed and revised by legal counsel for both City and Developer. Accordingly, no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement. Language in this Agreement shall be construed as a whole and in accordance with its true meaning. The captions of the paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of construction. Each reference in this Agreement to this Agreement or any of the Project Approvals shall be deemed to refer to the Agreement or the Project Approval as it may be amended from time to time pursuant to the provisions of the Agreement, whether or not the particular reference refers to such possible amendment.

9.5 Project Is a Private Undertaking; No Joint Venture or Partnership.

9.5.1 The development proposed to be undertaken by Developer on the Property is a private development. The City has no interest in, responsibility for, or duty to third persons concerning any of said improvements. The Developer shall exercise full dominion and control over the Property, subject only to the limitations and obligations of the Developer contained in this Agreement or in the Project Approvals.

9.5.2 Nothing contained in this Agreement, or in any document executed in connection with this Agreement, shall be construed as creating a joint venture or partnership between the City and the Developer. Neither Party is acting as the agent of the other Party in any respect hereunder. The Developer is not a state or governmental actor with respect to any activity conducted by the Developer hereunder.

9.6 <u>Signature in Counterparts</u>. This Agreement may be executed in duplicate counterpart originals, each of which is deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

9.7 <u>Time of the Essence</u>. Time is of the essence in the performance of each and every covenant and obligation to be performed by the Parties under this Agreement.

9.8 <u>Notices</u>. Any notice or communication required or authorized by this Agreement shall be in writing and may be delivered personally or by registered mail, return receipt requested. Notice, whether given by personal delivery or registered mail, shall be deemed to have been given and received upon the actual receipt by any of the addressees designated below as the person to whom notices are to be sent. Either Party to this Agreement may at any time, upon written notice to the other Party, designate any other person or address in substitution of the person and address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

To City:

John Rahaim Director of Planning San Francisco Planning Department 1650 Mission Street San Francisco, California 94102

with a copy to:

Dennis J. Herrera, Esq. City Attorney City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Evan A. Gross, Dep. City Attorney

To Developer:

Related/Mariposa Development Co., LLC Attn: Susan Smartt 44 Montgomery Street, Ste 1050 San Francisco, CA 94104

and a copy to:

Steven L. Vettel Farella Braun + Martel LLP 235 Montgomery Street San Francisco, CA 94104

9.9 <u>Severability</u>. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect unless enforcement of the remaining portions of the Agreement would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement.

9.10 <u>MacBride Principles</u>. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. The City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Developer acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

9.11 <u>Tropical Hardwood and Virgin Redwood</u>. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product.

9.12 <u>Sunshine</u>. The Developer understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov't Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder are public records subject to public disclosure.

9.13 <u>Effective Date</u>. This Agreement will become effective on the date that the last Party duly executes and delivers this Agreement.

9.14 <u>Effect of Tax-Exempt Bond Financing</u>. Notwithstanding anything to the contrary contained herein, if, in accordance with Planning Code Section 415.6(f), the Project: (i) uses California Debt Limit Allocation Committee (CDLAC) tax-exempt bond financing; and (ii) provides twenty percent (20%) of all of the Project's on-site residential dwelling units as affordable units to be occupied only to households whose incomes do not exceed fifty percent (50%) of area median income, then the provisions of this Agreement shall not apply to the Project for so long as all of the conditions set forth in Planning Code Section 415.6(f) are satisfied.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

CITY

CITY AND COUNTY OF SAN FRANCISCO, Approved as to form: a municipal corporation

Dennis J. Herrera, City Attorney

By: ____

By: _____

John Rahaim Director of Planning Evan A. Gross Deputy City Attorney

DEVELOPER

Related/Mariposa Development Co.; LLC, a California limited liability company

By: The Nicholas Company, Inc., a Delaware corporation

By:

William A. Witte President

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

| | | JURAT | | |
|-------------------------|---|-------|--|--|
| | | | | |
| State of California |) | | | |
| County of <u>Orange</u> |) | | | |

Subscribed and sworn to (or affirmed) before me on this 27^{th} day of <u>October</u>, by <u>William A. Wille</u>, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

| GAIL P. FEE |
|-------------------------------|
| Commission # 2093501 |
| Notary Public - California |
| Orange County |
| Ay Comm. Expires Jan 10, 2019 |

(Seal)

LA Signature ____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA COUNTY OF _____

Subscribed and sworn to (or affirmed) before me on this ______, by _____, who proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

)

)

| (seal) |
|--------|
| |

EXHIBIT A

Legal Description of Property

27449\4976672.3

EXHIBIT A

LEGAL DESCRIPTION – 1601 Mariposa

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

BEGINNING AT A POINT OF INTERSECTION OF THE NORTHERLY LINE OF 18TH STREET AND THE WESTERLY LINE OF ARKANSAS STREET; RUNNING THENCE WESTERLY ALONG SAID NORTHERLY LINE OF 18TH STREET 200 FEET TO THE FORMER EASTERLY LINE OF WISCONSIN STREET, NOW CLOSED; THENCE AT A RIGHT ANGLE NORTHERLY ALONG SAID FORMER EASTERLY LINE OF WISCONSIN STREET 300 FEET TO A POINT PERPENDICULARLY DISTANT 100 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF MARIPOSA STREET; THENCE AT A RIGHT ANGLE EASTERLY 200 FEET TO THE WESTERLY LINE OF ARKANSAS STREET; THENCE AT A RIGHT ANGLE SOUTHERLY ALONG SAID LINE OF ARKANSAS STREET 300 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NO. 208. PARCEL TWO: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF MARIPOSA STREET, DISTANT THEREON 200 FEET

WESTERLY FROM THE WESTERLY LINE OF ARKANSAS STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF MARIPOSA STREET 80 FEET TO A POINT DISTANT THEREON 200 FEET EASTERLY FROM THE EASTERLY LINE OF CAROLINA STREET; THENCE AT A RIGHT ANGLE SOUTHERLY 270.689 FEET TO THE NORTHEASTERLY BOUNDARY OF THE WESTERN PACIFIC RAILROAD COMPANY RIGHT OF WAY; THENCE SOUTHEASTERLY ALONG LAST NAMED LINE 150.704 FEET, MORE OR LESS, TO THE NORTHEASTERLY LINE OF 18TH STREET; THENCE EASTERLY ALONG SAID LINE OF 18TH STREET, 2.661 FEET TO A POINT DISTANT THEREON 200 FEET WESTERLY FROM THE WESTERLY LINE OF ARKANSAS STREET; THENCE AT A RIGHT ANGLE NORTHERLY 400 FEET TO THE POINT OF COMMENCEMENT.

BEING A PART OF WISCONSIN STREET CLOSED AND ABANDONED BY RESOLUTION NO. 2285 OF THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, APPROVED DECEMBER 11, 1941, AND AMENDED BY RESOLUTION NO. 9727, SERIES OF 1939.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN THE PARCEL OF LAND DESCRIBED AS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF MARIPOSA STREET WITH THE FORMER EASTERLY LINE OF WISCONSIN STREET; THENCE SOUTHERLY ALONG SAID EASTERLY LINE OF WISCONSIN STREET 100 FEET; THENCE AT A RIGHT ANGLE WESTERLY 66.045 FEET; THENCE DEFLECTING 70 40' TO THE RIGHT AND RUNNING NORTHWESTERLY 85.194 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND PERPENDICULARLY DISTANT 185.600 FEET EASTERLY FROM THE EASTERLY LINE OF CAROLINA STREET; THENCE DEFLECTING 19 DEGREES 20' TO THE RIGHT AND RUNNING NORTHERLY ALONG SAID PARALLEL LINE SO DRAWN 19.890 FEET TO SAID SOUTHERLY LINE OF MARIPOSA STREET; THENCE EASTERLY ALONG SAID SOUTHERLY LINE OF MARIPOSA STREET 14.40 FEET TO ITS INTERSECTION WITH THE FORMER WESTERLY LINE OF WISCONSIN STREET; THENCE CONTINUING EASTERLY ALONG SAID SOUTHERLY LINE OF MARIPOSA STREET 79.85 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NO. 199, AND A PORTION OF FORMER WISCONSIN STREET LYING BETWEEN MARIPOSA AND 18TH STREET.

PARCEL THREE:

BEGINNING AT A POINT ON THE WESTERLY LINE OF WISCONSIN STREET, AS IT EXISTED PRIOR TO THE CLOSING OF ANY PORTION THEREOF, DISTANT THEREON 129.31 FEET NORTHERLY FROM THE NORTHERLY LINE OF 18TH STREET; RUNNING THENCE NORTHERLY ALONG SAID LINE OF WISCONSIN STREET 270.689 FEET TO THE SOUTHERLY LINE OF MARIPOSA STREET; THENCE WESTERLY ALONG SAID LINE OF MARIPOSA STREET 162.022 FEET TO A POINT DISTANT THEREON 37.978 FEET EASTERLY FROM THE EASTERLY LINE OF CAROLINA STREET; THENCE SOUTHEASTERLY 315.474 FEET TO THE POINT OF BEGINNING.

BEING A PART OF POTRERO NUEVO BLOCK NO. 199. EXCEPTING THEREFROM, THAT PORTION THEREOF LYING WITHIN THE PARCEL OF LAND DESCRIBED AS: BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF MARIPOSA STREET WITH THE

FORMER EASTERLY LINE OF WISCONSIN STREET; THENCE SOUTHERLY ALONG SAID FORMER EASTERLY LINE OF WISCONSIN STREET 100 FEET; THENCE AT A RIGHT ANGLE WESTERLY 66.045 FEET; THENCE DEFLECTING 70 DEGREES 40' TO THE RIGHT AND RUNNING NORTHWESTERLY 85.194 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND PERPENDICULARLY DISTANT 185.600 FEET EASTERLY FROM THE EASTERLY LINE OF CAROLINA STREET; THENCE DEFLECTING 19 DEGREES 20' TO THE RIGHT AND RUNNING NORTHERLY ALONG SAID PARALLEL LINE SO DRAWN 19.890 FEET TO SAID SOUTHERLY LINE OF MARIPOSA STREET; THENCE EASTERLY ALONG SAID LINE OF MARIPOSA STREET 14.40 FEET TO ITS INTERSECTION WITH THE FORMER WESTERLY LINE OF WISCONSIN STREET; THENCE CONTINUING EASTERLY ALONG SAID SOUTHERLY LINE OF MARIPOSA STREET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NO. 199 AND A PORTION OF FORMER WISCONSIN STREET LYING BETWEEN MARIPOSA AND 18TH STREET.

APN: 4005-001B, 4005-004, 4006-006

LEGAL DESCRIPTION – 1677 Mariposa

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL I:

LOT 8, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "PARCEL MAP OF A PORTION OF POTRERO NUEVO BLOCK NO. 199, ALSO BEING A PORTION OF ASSESSOR'S BLOCK 4006, SAN FRANCISCO, CALIFORNIA," FILED JULY 25, 1977, IN BOOK 6 OF PARCEL MAPS, AT PAGE 69, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THAT PORTION OF FORMER WISCONSIN STREET, AS SAID STREET EXISTED PRIOR TO THE VACATION THEREOF BY RESOLUTION NO. 2285 (SERIES OF 1939) ADOPTED DECEMBER 8,1941 BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, AS AMENDED BY RESOLUTION NO. 9272 ADOPTED APRIL 10,1950, LYING BETWEEN MARIPOSA STREET AND 18TH STREET AND LOCATED WITHIN THE BOUNDARY OF THE ABOVE DESCRIBED LOT 8.

ALSO EXCEPTING THEREFROM, ALL MINERALS AND MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE ARID*PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE SAID LANDS, AND IN SUCH A MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY GRANTEE, ITS SUCCESSORS OR ASSIGNS; PROVIDED, HOWEVER, THAT GRANTOR, ITS SUCCESSORS AND ASSIGNS, WITHOUT PRIOR WRITTEN PERMISSION OF GRANTEE, ITS SUCCESSORS AND ASSIGNS, SHALL NOT CONDUCT ANY MINING ACTIVITIES ABOVE A PLANE FIFTY FEET BELOW THE SURFACE OF THE SAID LANDS, AS PROVIDED IN GRANT DEED DATED MARCH 8, 1988, FROM UNION PACIFIC RAILROAD COMPANY, A CORPORATION, TO KALMAN STEEL PRODUCTS CO., A CALIFORNIA CORPORATION, RECORDED FEBRUARY 28, 1989, IN BOOK E816, OFFICIAL RECORDS, PAGE 1229.

PARCEL II:

ALL THAT PORTION OF FORMER WISCONSIN STREET, BETWEEN MARIPOSA STREET AND 18TH STREET, AS SAID WISCONSIN STREET EXISTED PRIOR TO THE VACATION OF A PORTION THEREOF BY RESOLUTION NO. 2285 (SERIES OF 1939), APPROVED DECEMBER 11,1941.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE QUITCLAIM DEED FROM CITY AND COUNTY OF SAN FRANCISCO, A MUNICIPAL CORPORATION, TO SAFEWAY STORES INC., A CALIFORNIA CORPORATION, RECORDED AUGUST 9,1950, IN BOOK 5510, PAGE 410, SERIES NO. Z9264, OFFICIAL RECORDS, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTHERLY LINE OF MARIPOSA STREET, DISTANT THEREON 200 FEET WESTERLY FROM THE WESTERLY LINE OF ARKANSAS STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF MARIPOSA STREET 80 FEET TO A POINT DISTANT THEREON 200 FEET EASTERLY FROM THE EASTERLY LINE OF CAROLINA STREET; THENCE AT A RIGHT ANGLE SOUTHERLY 270.689 FEET TO THE NORTHEASTERLY BOUNDARY LINE OF THE WESTERN PACIFIC RAILROAD COMPANY RIGHT OF WAY; THENCE SOUTHEASTERLY ALONG LAST NAMED LINE 150.704 FEET, MORE OR LESS, TO THE NORTHERLY LINE OF 18TH STREET; THENCE EASTERLY ALONG SAID LINE OF 18TH STREET 2.661 FEET TO A POINT DISTANT THEREON 200 FEET WESTERLY FROM THE WESTERLY LINE OF ARKANSAS STREET; THENCE AT A RIGHT ANGLE NORTHERLY 400 FEET TO THE POINT OF COMMENCEMENT. APN: LOTS 19 AND 20, BLOCK 4006

APN: 4006-019, 4006-020

LEGAL DESCRIPTION – 485 Carolina St

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 10, AS SHOWN ON THAT CERTAIN PARCEL MAP ENTITLED, "PARCEL MAP OF A RESUBDIVISION OF LOT 7, AS SHOWN UPON THAT CERTAIN PARCEL MAP ENTITLED, "PARCEL MAP OF A PORTION OF POTRERO NUEVO, BLOCK NO. 199, ALSO BEING A PORTION OF ASSESSORS BLOCK 4006, SAN FRANCISCO, CALIFORNIA", FILED JULY 25, 1977 IN BOOK 6 OF PARCEL MAPS, PAGE 69, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA", FILED OCTOBER 26, 1977 IN BOOK 7 OF PARCEL MAPS, PAGE 3, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

EXCEPTING THEREFROM:

RIGHTS TO ALL SUBSURFACE OIL, GAS AND MINERALS, LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID PROPERTY, BUT WITHOUT ANY RIGHT OF SURFACE ENTRY, AS RESERVED IN THE DEED DATED SEPTEMBER 16, 1977, FROM THE WESTERN PACIFIC RAILROAD COMPANY, A CALIFORNIA CORPORATION, TO VICTOR CRESPI AND DOLORES CRESPI, HIS WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/3 INTEREST, ALDO BRONDELLO AND MARY BRONDELLO, HIS WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/3 INTEREST, AND MARIO BRONDELLO AND EMMA BRONDELLO, HIS WIFE, AS JOINT TENANTS, AS TO AN UNDIVIDED 1/3 INTEREST, RECORDED SEPTEMBER 21, 1977 IN BOOK C440 PAGE 605 OF OFFICIAL RECORDS.

APN: 4006-010



STEVEN L. VETTEL svettel@fbm.com D 415.954,4902

November 4, 2015

Hon. Rodney Fong, President San Francisco Planning Commission 1650 Mission Street, 4th Floor San Francisco, CA 94104

> Re: 1601 Mariposa Street Case No. 2012.1398X

Dear President Fong and Commissioners:

I am writing on behalf of Related/Mariposa Development Co., LLC, the sponsor of the 1601 Mariposa project that will be before the Commission for certificate of its Final EIR, adoption of CEQA Findings, and a Large Project Authorization on November 12, 2015. As you are aware, the EIR analyzed the environmental impacts of the proposed 299-unit project and a 114-unit Reduced Density Alternative (Alternative B) that would avoid the significant unavoidable transportation impacts of the proposed project. The significant unavoidable traffic impacts associated with the proposed 299-unit project are as follows:

- 1. The project would cause a substantial increase in traffic that would substantially affect traffic operations at one of the 13 study intersections Mariposa Street and Mississippi Street.
- The project, combined with past, present, and reasonably foreseeable future projects, would contribute considerably to significant cumulative traffic impacts at two of the 13 study intersections – 16th Street and Arkansas Street and Mariposa Street and Mississippi Street.

The EIR determined that all other environmental impacts of the project would be less than significant with the imposition of the mitigation measures set forth in the EIR. The EIR also determined that the other alternative, the Reduced Height on Mariposa Street Alternative (Alternative C), would not reduce any of the significant unavoidable impacts to less than significant.

In order for the Commission to evaluate the financial feasibility of the Reduced Density Alternative, Related/Mariposa Development Co. retained Seifel Consulting Inc. to undertake a financial feasibility analysis of the proposed project and the Reduced Density Alternative. Enclosed herewith is the final Seifel Consulting Inc. report, dated September 30, 2015. It concludes that the proposed 299-unit project is financially feasible, but that the Reduced Density

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Hon. Rodney Fong, President November 4, 2015 Page 2



Alternative is not financially feasible because its development costs significantly exceed potential revenues, resulting in a negative developer margin or return.

On the basis of the Seifel Consulting report and for the other reasons set forth in the draft CEQA Findings prepared by Planning staff (primarily, that the Reduced Density Alternative fails to implement City policy to increase the supply of housing on site zoned for higher density development), we request that the Commission adopt the staff's draft CEQA Findings and reject both the Reduced Density Alternative and the Reduced Height on Mariposa Street Alternative as infeasible.

Sincere Steven L.

cc: Related/Mariposa Development Co. Chris Townes, Planner

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Memorandum

Date September 30, 2015

To: Related/Mariposa Development Co., LLC

CC: Steven Vettel, Farella Braun + Martel LLP

From: Seifel Consulting Inc.

Subject: Financial Feasibility Analysis of 1601 Mariposa Street Project

Related/Mariposa Development Co., LLC (Project Sponsor) retained Seifel Consulting Inc. (Seifel) to provide real estate advisory services in connection with the environmental review process for the Project Sponsor's proposed mixed-use development located on Mariposa Street in the Potrero neighborhood of San Francisco. Seifel performed an independent review of development assumptions and the financial feasibility for the proposed 299-unit project (1601 Mariposa Project) and the Environmental Impact Report's Reduced Density Alternative (EIR Alternative B) that would only allow 114 units to be developed on the site.

This memorandum summarizes the findings of our financial analysis and is organized as follows:

- A. Description of 1601 Mariposa Project
- B. Description of EIR Alternative B Reduced Density Alternative
- C. Review of Pro Forma Assumptions and Methodology
- D. Financial Feasibility Findings
- E. Conclusion
- F. Appendix EIR Alternative B Modeled as Condominium Alternative

The financial analysis presented in this memorandum clearly indicates that the Reduced Density Alternative (EIR Alternative B) is not financially feasible because many of the development costs are fixed, and this alternative would not generate sufficient revenues to cover the development costs and provide sufficient developer margin in order for development to proceed.

A. Description of Proposed Project (1601 Mariposa Project)

Related/Mariposa Development proposes to develop residential and ground-floor commercial uses on an approximately 3.36-acre site located at 1601-1677 Mariposa Street and 485-497 Carolina Street.¹ The site is located within the Showplace Square/Potrero Subarea of the Eastern Neighborhoods Rezoning and Area Plan (Eastern Neighborhoods Plan).²

The Proposed Project, also referred to as the 1601 Mariposa Project, consists of 299 residential apartments and about 10,000 square feet of ground floor non-residential space that would be distributed between two buildings.³ The two East and West Buildings would have heights ranging from 31 to 40 feet. A two-level, below-grade parking garage under the East Building would contain 249 parking spaces (6 of which would be rent-free, carshare spaces) and would be accessible from Arkansas Street (upper garage level) and 18th Street (lower garage level).

Twenty percent of the residential units (or 60 units) would be designated as affordable, below-market rate (BMR) rental units that would provide homes for households earning 40% or 50% of Areawide Median Income (AMI), or \$32,600 and \$40,750 per year for a two-person household.⁴ The development would also provide about 5,600 square feet of local-serving retail (such as a café) and about 4,000 square feet of Production, Distribution and Repair (PDR) space that would be rented to San Francisco manufacturers and artisans, facilitated through a cooperation agreement with SFMade. The development would also provide about 42,777 square feet of publicly accessible and private open space, a portion of which would be located above the parking.

To accomplish the development, significant site improvements must occur, including the excavation and remediation of hazardous materials on site, pursuant to an approved Response Plan and with oversight from the Department of Toxic Substances Control (DTSC). A Vapor Intrusion Mitigation System would also be installed, and a Land Use Covenant would be established to protect future site users from residual contamination. In addition, three existing 1- and 2-story commercial, office and warehouse buildings would need to be demolished.

B. Description of EIR Alternative B – Reduced Density Alternative

The California Environmental Quality Act (CEQA) Guidelines require that an EIR describe a reasonable range of potentially feasible alternatives to the proposed project that could attain most of the basic project objectives while reducing the adverse impacts caused by the proposed project. The project EIR considered three alternatives:

- Alternative A No Project Alternative
- Alternative B Reduced Density Alternative
- Alternative C Reduced Height on Mariposa Street Alternative

⁴ Including a portion of the BMR units at 40% AMI supports CDLAC affordable housing financing objectives.



¹ The project site is located on portions of two blocks bounded by Mariposa Street to the north, Arkansas Street to the east, 18th Street to the south and Carolina Street to the west (Assessor's Block 4005/Lots 001B and 004 and Block 4006/Lots 006, 010, 019 and 020).

² Proposed and EIR Alternative B project descriptions are taken from both the December 2014 Draft Environmental Impact Report (http://sfmea.sfplanning.org/2012.1398E_DEIR.pdf) and information provided by the Project Sponsor.

³ Project description per December 2014 EIR includes 325 residential units, while the proposed project has been reduced to 299 residential units, based on the current LPA as revised.

The EIR concluded that Alternative B - Reduced Density Alternative (EIR Alternative B) would be the environmentally superior alternative to the proposed Project because it would meet the project sponsor's basic objectives to some extent, while avoiding traffic-related, significant and unavoidable impacts of the proposed project.⁵ EIR Alternative B would alternatively develop the site with 114 slightly larger residential units, 3,510 square feet of commercial space, 106 off-street parking spaces within a partially below-grade garage, and associated improvements. The total building area would be 145,070 gross square feet, and building heights would not exceed 30 feet (two to three stories). As with the proposed project, the EIR Alternative is proposed to provide rental housing, including 20% of units made available at BMR rents affordable to households at 40% or 50% of AMI.⁶

C. Review of Pro Forma Assumptions and Methodology

The financial analysis is based on information from the Project Sponsor and builds upon Seifel's recent work for the San Francisco Planning Department, Mayor's Office of Housing and Community Development and Municipal Transportation Agency to analyze the financial feasibility of similar mixeduse developments. During the performance of these assignments for the City of San Francisco, Seifel met with and interviewed City staff and members of the real estate community (including developers, contractors, residential and commercial market specialists and architects) to obtain current development revenue, cost and financial performance data and assumptions, as well as reviewed a broad range of development pro formas for projects recently constructed or in the development pipeline in San Francisco.

This section describes the project assumptions, development costs, revenues, expenses, and return metrics used in the financial analysis. Except where noted, the same assumptions apply to both EIR Alternative B and the Proposed Project for this financial evaluation.

1. Development Program Assumptions

The residential units in the Proposed Project and EIR Alternative B include a mix of studios to threebedroom apartments, ranging from 460 to over 1,300 square feet. For this financial analysis, Seifel assumes an average size of 760 square-foot residences for the Proposed Project, which is an approximate midpoint for the proposed unit sizes and is consistent with comparable new apartment buildings in San Francisco. The EIR Alternative B analysis assumes 869 square-foot residences, to reflect the fact that a developer would likely increase unit sizes to maximize the revenue from the project. The Project Sponsor intends to provide 20% of the total units as affordable BMR rental units, and the analysis assumes that 20% of total residential square feet is dedicated to these units.

As described above, the 1601 Mariposa Project includes 299 units, approximately 4,000 square feet of PDR and 5,600 square feet of retail space, while EIR Alternative B includes 114 units, no PDR space and approximately 3,500 square feet of retail.

See Table 1 for a summary of the development programs for the Proposed Project and EIR Alternative B.

⁶ Another alternative was also modeled, with 114 condominium units (14.4% BMR units affordable at 90% AMI). That analysis is contained in the Appendix.



⁵ This impact reduction would be achieved because this alternative would have fewer residential units and commercial space compared to the proposed project, and would therefore see reductions in associated vehicle traffic. In addition, EIR Alternative B would avoid or further reduce the less-than-significant but mitigable impacts for other environmental topics, including those related to the transit/pedestrian/bicycle environment, shadow and recreation due to the decrease in the residential and commercial population on the site and to reduced building heights.

| | 1601 Mariposa Proposed Project | EIR Alternative B |
|---|--------------------------------------|----------------------|
| Property Description Site Area (Estimated SF) Site Area (Acres) | 146,285 3.36 | 146,285 3.36 |
| Residential Total Residential Units Below Market Rate Units | 299 | 114 |
| Very Low (40% AMI) | 9 | 4 |
| Very Low (50% AMI) | 51 | 19 |
| Moderate (90% AMI) | 0 | 0 |
| Total Residential Gross SF (GSF) | 325,896 | 141,560 |
| Total Residential Net SF (NSF) | 227,240 | 99,092 |
| Average Unit Size (NSF) | 760 | 869 |
| PDR (LSF) | 3,965 | 0 |
| Retail (LSF) | 5,628 | 3,510 |
| Parking Structure (GSF) | 85,900 | 36,600 |
| Average Parking Space Size (GSF) | 345 | 345 |
| Residential Parking Spaces | 233 | 97 |
| Car Share Spaces | 6 | 2 |
| Commercial Spaces | 10 | 7 |
| Total Parking | 249 | 106 |

Table 1Summary of Development Programs

Source: City of San Francisco, Related, Seifel Consulting Inc.

2. Development Costs

Development costs consist of the following key categories: land, hard construction costs, site improvements, government fees, financing and other soft costs, such as development costs from project design. Some of these development costs are driven primarily by the size of the development (such as hard construction costs) while others have a significant fixed-cost component (such as property acquisition). Total development costs are approximately \$177 million and \$99 million for the Proposed Project and EIR Alternative B, respectively.

a. **Property Acquisition**

The Project Sponsor purchased the property in January 2015 for \$23,770,000.⁷ Additional acquisition costs include transfer taxes and the cost to buy out an existing tenant. Total land costs are based on the purchase price plus other acquisition costs and total \$24.8 million.

⁷ These acquisition costs were independently verified by Seifel based on a review of confidential closing documents for the purchase provided by Related, as the City had not yet updated assessed property values to reflect the sale.



b. Predevelopment and Land Carrying Costs

Before construction begins, land acquisition and other project costs are incurred, and must be funded until construction financing is in place. In Seifel's recent work for the City, predevelopment carrying costs have been assumed to average 12% per year based on interviews with developers and other real estate professionals.⁸ To make the feasibility testing even more aggressive, this analysis assumes a reduced predevelopment carrying cost rate of 10%, which in effect assumes the Project Sponsor (Related) has a strong financial balance sheet and would have access to less expensive equity during the entitlement period than the typical developer.

This carrying cost rate is applied to the both predevelopment costs (such as preliminary site evaluations, planning work, market studies and environmental evaluations) and to the land acquisition costs incurred, both factored by time. The estimated predevelopment costs are \$7.7 million, with spending distributed over the course of the 4-year pre-construction project timeline.⁹ The land acquisition costs are carried for 2 years.¹⁰ These costs apply equally to either alternative.¹¹

c. Hard Construction Costs

Hard construction costs include direct construction costs related to building, parking and site work (including general contractor overhead, profit and general conditions). The hard construction costs are based on typical building construction costs for wood frame construction over partially below-grade parking for projects with heights of 55 feet or less, and are calculated based on the gross square feet (GSF) of building area for the applicable use: \$240/GSF for Residential, \$200/GSF for Retail/PDR and \$140/GSF for below-grade parking.¹² A standard 10% was added for Hard Construction Cost contingency.

d. Site Improvements

Site improvement costs consist of all of the costs needed to ready the site for development, including the demolition of existing structures, completion of the environmental remediation work and the provision of public and private pathways and landscaped areas of the project. As indicated in the EIR, this site requires environmental remediation in order for it to be developed for residential uses, so the site improvement costs for this analysis are based on specific construction cost estimates provided by Nibbi.¹³ The analysis uses \$45/square foot of site area for the Proposed Project and EIR Alternative B, as the same set of site improvements would be required to accomplish either development.

e. Community Benefit

The Project Sponsor has committed to a \$2 million donation to be held in trust for improvements to Jackson Playground.¹⁴

¹⁴ Related public correspondence, September 2015. Donation is contingent on project approval without legal challenges. Funds to be administered by the non-profit San Francisco Parks Alliance, in cooperation with the community.



⁸ Annual equity carrying costs could be significantly higher as the cost of equity during entitlement period often requires a higher return threshold, as indicated in Seifel's recent analysis done for the San Francisco Planning Department and SFMTA.

⁹ Estimate based on timeframe from January 2013 through to a projected construction start in December 2016 (4 years).

¹⁰ Estimate based on timeframe from January 2015 through to a projected construction start in December 2016 (2 years).

¹¹ The effect of delays in starting construction can be significant, as carrying costs are estimated to be over \$270,000 per month in this analysis.

¹² These hard construction costs are consistent with cost assumptions used by Seifel in recent work for the City of San Francisco, as described earlier. The Project Sponsor is currently seeing much higher cost estimates for the Proposed Project.

¹³ Seifel reviewed confidential construction estimates for site improvement work for the project.

f. Permits and Development Fees

The Project Sponsor will be required to pay City permits and development impact fees, including the Eastern Neighborhoods Infrastructure Impact Fee, Transit Impact Development Fee (which is proposed to be replaced by the Transportation Sustainability Fee), water and wastewater capacity fees, school fees, building permit fees, conditional use permit, and subdivision fee. Given the need for environmental remediation, the Project Sponsor would also need to pay fees associated with the toxic substances cleanup. Seifel reviewed fee estimates provided by the Project Sponsor and prepared an estimate of \$23,000 per unit for permits and development fees based on Seifel's review of the Project Sponsor's fee calculations and prior analyses that Seifel performed with the San Francisco Planning Department in analyzing comparable prototypical projects in the Eastern Neighborhoods. This assumption is applied to both the Proposed Project and EIR Alternative B, though likely understates costs for the smaller project as per-unit fees are typically lower for larger projects, since only a portion of the City's fees vary by gross building square feet, and several fee categories would remain the same cost regardless of project size.

g. Construction Financing

Construction financing typically represents the major source of capital that pays for development costs during construction. The construction financing assumptions used in this analysis are based on discussions with construction lenders, and are intended to be generally representative of construction financing terms for similar projects over the near term.

For this project, the developer is proposing to use 4% low income housing tax credits (LIHTC)¹⁵ and to obtain both construction and permanent financing through tax-exempt debt authorized by the California Debt Limit Allocation Committee (CDLAC). The project is anticipated to generate LIHTC based on project milestones and eligible cost items (based on the 20% affordable housing units). The Project Sponsor intends to sell the tax credits to investors, which would provide an equity funding source for the project. Virtually all of the proceeds from the sale of tax credits would be paid upon the closing of the permanent loan, with a small portion payable during construction, as is typically the case with LIHTC projects that seek to maximize the LIHTC equity pay-in rate.

The construction interest rate, based on tax-exempt bond financing, is assumed at $4\%^{16}$ with a loan fee of 1.25%. The loan amount is based on a $100\%^{17}$ loan to total development value at an average outstanding balance of 60% of development cost.

The term of the construction loan is directly related to project timing, as the construction loan is the primary source of capital during the construction of the project. The Proposed Project is anticipated to have a 24-month construction period, with an 18-month construction period for EIR Alternative B, until the permanent bond financing will be in place. The absorption periods for the Proposed Project and EIR Alternative B are assumed to be 15 months and 6 months respectively (reflecting their respective sizes),

¹⁷ Typically, lenders will not lend beyond a 60-70% loan-to-value or development cost ratio, but a letter of credit from the developer offsets the risk to the bondholders.



¹⁵ The Low Income Housing Tax Credit program (LIHTC) finances the construction, rehabilitation and preservation of housing affordable to lower-income households. The LIHTC program encourages private investment by providing a tax credit: a dollar-for-dollar reduction in federal taxes owed on other income. Although housing tax credits are federal, each state has an independent agency that decides how to allocate the state's share of federal housing tax credits within a framework formed by the Internal Revenue Code.

¹⁶ This reflects the anticipated rate on a tax-exempt bond financing structure, rather than the more typical 5.5% rate for a construction loan.

until the units are occupied.¹⁸ The absorption time periods were used to estimate operating costs that must be capitalized until rental revenues begin.

In addition to the construction financing costs, the Project Sponsor would also have to pay bond issuance costs to secure tax-exempt bond financing for the project. The debt issuance includes a mix of fixed costs that do not change between EIR Alternative B and Proposed Project, and variable costs that shrink based on the lower EIR Alternative B development costs. Bond issuance costs consist of the following fixed costs: Bond Counsel, Advisor, Trustee and Inducement fees, as well as the CDLAC Issuance fee and Performance Deposit. Costs that are scaled based on the project size (and bond sizing) include the San Francisco MOHCD and Bond Monitoring fees as well as CDLAC installment fees.

h. Other Soft Costs

Other soft costs include all other indirect construction costs, such as architectural design, engineering, legal fees, marketing and other professional fees paid by the developer (excluding sales expenses for the City's transfer tax and brokerage fees for buyer representation and other transaction related expenses, which are considered separately). These other soft costs are calculated as a percentage of hard construction costs based on a review of pro formas and interviews with developers and real estate professionals. Other soft costs are assumed at 13% of hard construction costs.¹⁹

3. Revenues

Revenues for the project come primarily from rental of the residential units, parking spaces and the retail space, all of which vary between the EIR Alternative and Proposed projects.

- Residential market rate units were assumed at approximately \$4,100 per month for a 760 square foot, 1- to 2-bedroom unit, inclusive of all other revenues that a landlord might receive, such as income from the use of laundry facilities and other apartment services.
- Twenty percent of the residential units are designated for rental at below-market rates. Rents for BMR units are assumed at approximately \$870 per month for 40% AMI and \$1,000 per month for 50% AMI affordable units, which represent the average rents affordable to households at these income levels according to the City of San Francisco.²⁰
- Monthly residential parking rates for market rate units are assumed to be \$350 per space, and parking rates for BMR units and commercial spaces are assumed at \$175 per space, consistent with comparable developments in the Eastern Neighborhoods. No revenue is assumed from car sharing spaces.
- The monthly rental rate for storage units is \$75.
- Retail space rental is assumed at a rate of \$3 per square foot per month (or \$36 per square foot annually), and PDR space at \$2.50 per square foot per month (or \$30 per square foot annually), both on a triple net basis.

²⁰ The BMR rents are based on the affordable rents, including utilities, published by the 2015 City of San Francisco Mayor's Office of Housing and Community Development for households at these income levels and assuming an average of BMR rents for 1- and 2-bedroom units. For the EIR Alternative B units, the rents are based on 2-bedroom units, given the larger average unit size. This resulted in a BMR rent of approximately \$920 and \$1,100 per month for the 40% and 50% AMI units, respectively.



¹⁸ The Proposed and EIR Alternative B projects assume an absorption rate of 20 units/month, which is typical for projects of this size.

¹⁹ Based on recent work for the City of San Francisco, other soft costs for rental developments are typically 18% of hard construction costs, inclusive of predevelopment expenses, but were reduced for this analysis to reflect the fact that predevelopment and land carrying costs are estimated separately.

Revenues from residential units assume a 5% vacancy rate, while a 10% vacancy rate is assumed for commercial and PDR space rental, based on typical underwriting assumptions.

4. Sales Value and Expenses

The potential value of the property is determined by applying a capitalization rate to the net annual income from the property using a 4.5% capitalization rate for residential and 6% for non-residential.²¹ Sales expenses include brokerage fees and City transfer taxes that are in addition to the marketing and sales costs included within soft costs. These expenses are deducted from the rental revenue proceeds in order to generate net development revenues for the financial analysis.

The analysis assumes sales expenses equal to 3.5% of sales price, representing an allowance of 2% for brokerage fees and 1.5% for San Francisco transfer tax. Transfer taxes are based on the City's transfer tax schedule, which is calculated according to building value, and are assumed to be paid by the developer.

5. Return Metrics

Developers, lenders and investors evaluate and measure returns in several ways. Based on input from real estate developers, equity investors and lenders, development returns are based on two key measures typically used by the real estate community.

a. Developer Margin and Margin on Cost

Developer margin is equal to the difference between net potential revenues and total development costs (before consideration of developer return or profit).²² A developer will not proceed to build a project unless the project generates sufficient developer margin to warrant the risk and private investment needed to undertake the project.

In this case, because the developer plans to use 4% low income housing tax credits, the value of the tax credits is deducted from the development costs when calculating the developer margin, as private investors provide an upfront infusion of equity funding to the project in exchange for receiving federal and/or state tax credits.

Developers and investors use different target margin on cost thresholds depending on the level of complexity of the project, construction types, construction schedule, sales/rental absorption timeline and potential equity sources. Projects with longer timelines have higher risk and as a result require a higher margin on cost. This type of apartment development (wood frame construction at or below 55 feet) would likely have a margin on cost threshold that ranges between 18 to 25%, as measured by developer margin divided by development cost.²³

b. Yield on Cost

Yield on cost (YOC) is used to evaluate development feasibility for apartment buildings.²⁴ YOC is measured based on Net Operating Income (NOI) divided by development costs.²⁵ NOI is equal to projected rental revenues less vacancy allowance less operating expenses. Due to the use of tax credits,

²⁵ These return metrics are considered the typical "back of the envelope" way of determining real estate feasibility and are typically based on current rent and cost assumptions (not trended upward to reflect potential future increases).



²¹ Based on 2015 capitalization rate survey by Integra Realty Resources (Viewpoint, 2015 Real Estate Value Trends) with 0.5% upward adjustment to "going in" cap rate for San Francisco Class A multifamily apartments and retail.

²² Net project revenue equals gross revenue less brokerage expenses minus total development costs.

²³ This is equivalent to a return on cost threshold range of 15 to 20% when measured by return on net revenues.

²⁴ This return metric may also be referred to as "return on cost" by investors in rental property.

the value of tax credits is deducted from development costs in this calculation, as it represents an infusion of funding in exchange for the provision of affordable housing units.

The target yield on cost for apartments in San Francisco over the past decade has ranged from 5 to 7% based on a review of project pro formas and discussions with developers and equity investors. Currently, developers and investors are using a 5.5 to 6% threshold in San Francisco, which is considered to be a very desirable rental market, with 5.5% considered a minimum threshold.²⁶

D. Financial Feasibility Findings

The financial analysis compares the anticipated development costs with the potential revenues that could be generated by the 1601 Mariposa Proposed Project and EIR Alternative B in order to test the overall financial feasibility using typical return measures of developer margin, margin on cost and yield on cost (YOC). The financial pro forma analysis shown in Table 2 is based on the development assumptions previously described in Section C, and it compares the financial feasibility of the Proposed Project and EIR Alternative B.

Based on the projected development revenues and costs described earlier, this analysis indicates that the EIR Alternative B is not financially feasible. Total net development costs of \$93 million (\$99 million in development costs less \$6 million in revenue from the sale of tax credits) exceed total value of \$85 million, resulting in negative developer margin (negative \$8 million). EIR Alternative B generates a YOC in the 4% range, well below the minimum threshold of 5.5%.

To validate the pro forma model and test the key development assumptions, EIR Alternative B is compared to the Proposed Project, using the assumptions described in Section C. In reviewing the differences in costs and revenues on the Proposed Project vs. EIR Alternative B, Table 2 illustrates how revenues drop in direct proportion to the size of the development, while costs on a per unit basis increase in EIR Alternative B.

The analysis also tested for sensitivity of the financial analysis to moving from below-grade to abovegrade parking, which might be done in the lower-density development of EIR Alternative B. Even with this change, the Developer Margin remained negative, and YOC did not reach 5%.

As an additional check for feasibility of the lower-density project, a 114-unit for-sale condominium development with the basic onsite affordable housing requirement of 14.4% BMR units was also analyzed. This Condominium Alternative did not achieve a positive developer margin, only achieving a 0% margin, well below the 18-25% target for margin on development costs. (Please refer to the Appendix for a description of the financial analysis that was performed on this Condominium Alternative. The Appendix summarizes the financial model assumptions that differ from those described in Section C above and compares the financial results for this Condominium Alternative with the Proposed Project and EIR Alternative B.)

In comparison, the Proposed Project is feasible as it yields a positive developer margin, and its returns (as measured by margin on cost and YOC) are within the target return thresholds for development feasibility.

²⁶ These YOC thresholds are consistent with the return thresholds used in the financial analysis on housing development performed for the San Francisco Mayor's Office of Housing and Community Development. These are based on input from a Technical Advisory Committee and City staff, interviews with developers and real estate professionals and key assumptions from more than 40 development pro formas for projects constructed or in the development pipeline over the past decade.



E. Conclusion

This memorandum summarizes the results of an independent review of development assumptions and financial feasibility for EIR Alternative B and the Proposed Project for 1601 Mariposa based on data provided by the Project Sponsor and Seifel's recent work in San Francisco.

As this analysis clearly demonstrates, EIR Alternative B is not a financially feasible alternative to the Proposed 1601 Mariposa Project.²⁷ The development costs for EIR Alternative B significantly exceed potential revenues, resulting in a negative developer margin or return. In addition, EIR Alternative B does not meet either of the return thresholds as measured by either Yield On Cost or Margin on Cost. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in EIR Alternative B negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Proposed Project.

²⁷ Even when modeled as a condominium project, the 114-unit project did not achieve financial feasibility.



| | 1601 Mariposa Proposed | | | | | |
|---|------------------------|-------------------|----------------------|-------------------|--|--|
| | Project | | EIR Alternative B | | | |
| Development Value | Total | Per Res. Unit | Total | Per Res. Unit | | |
| Residential - Rental | | | | | | |
| Annual MR Rent Revenue | \$11,988,000 | \$50,000 | \$5,221,000 | \$57,000 | | |
| Annual BMR Rent Revenue | \$756,000 | \$13,000 | \$330,000 | \$14,000 | | |
| Other Revenue (Parking, Storage, etc.) | \$992,000 | \$3,000 | \$408,000 | \$4,000 | | |
| Less Vacancy | (\$687,000) | (\$2,000) | (\$298,000) | (\$3,000) | | |
| Less Operating Expenses | <u>(\$4,121,000)</u> | <u>(\$14,000)</u> | <u>(\$1,788,000)</u> | <u>(\$16,000)</u> | | |
| Net Revenues (NOI) | \$8,928,000 | \$30,000 | \$3,873,000 | \$34,000 | | |
| Sales Value | \$198,400,000 | \$664,000 | \$86,067,000 | \$755,000 | | |
| Less Sales Expense | <u>(\$6,944,000)</u> | <u>(\$23,000)</u> | <u>(\$3,012,000)</u> | <u>(\$26,000)</u> | | |
| Net Proceeds | \$191,456,000 | \$640,000 | \$83,055,000 | \$729,000 | | |
| PDR | | | | | | |
| Annual Rent Revenue | \$119,000 | | \$0 | | | |
| Less Vacancy | (\$12,000) | | \$0 | | | |
| Less Operating Expenses | <u>(\$6,000)</u> | | <u>\$0</u> | | | |
| Net Revenues | \$101,000 | | \$0 | | | |
| Sales Value | \$1,683,000 | | \$0 | | | |
| Less Sales Expense | <u>(\$59,000)</u> | | <u>\$0</u> | | | |
| Net Proceeds | \$1,624,000 | | \$0 | | | |
| Retail | | | | | | |
| Annual Rent Revenue | \$203,000 | | \$126,000 | | | |
| Annual Commercial Parking Revenue | \$21,000 | | \$15,000 | | | |
| Less Vacancy | (\$22,000) | | (\$14,000) | | | |
| Less Operating Expenses | (\$10,000) | | (\$6,000) | | | |
| Net Revenues (NOI) | \$192,000 | | \$121,000 | | | |
| Sales Value | \$3,200,000 | | \$2,017,000 | | | |
| Less Sales Expense | <u>(\$176,000)</u> | | (\$111,000) | | | |
| Net Proceeds | <u>\$3,024,000</u> | | \$1,906,000 | | | |
| Total Value | \$196,104,000 | \$656,000 | \$84,961,000 | \$745,000 | | |
| Development Cost | | | | | | |
| Land Purchase and Predevelopment Soft Costs | \$24,800,000 | \$83,000 | \$24,800,000 | \$218,000 | | |
| Land Carry and Predevelopment Soft Costs | <u>\$5,730,000</u> | \$19,000 | \$5,730,000 | \$50,000 | | |
| Subtotal: Purchase and Predevelopment | \$30,530,000 | \$102,000 | \$30,530,000 | \$268,000 | | |
| Hard Construction Costs | | | | | | |
| Site Improvements ^a | \$6,583,000 | \$22,000 | \$6,583,000 | \$58,000 | | |
| Residential | \$78,215,000 | \$262,000 | \$33,974,000 | \$298,000 | | |
| PDR | \$793,000 | \$3,000 | \$0 | \$0 | | |
| Retail | \$1,126,000 | \$4,000 | \$702,000 | \$6,000 | | |
| Structured Parking | \$11,737,000 | \$39,000 | \$5,023,000 | \$44,000 | | |
| Hard Cost Contingency | <u>\$9,845,000</u> | <u>\$33,000</u> | <u>\$4,628,000</u> | <u>\$41,000</u> | | |
| Subtotal: Hard Construction Costs | \$108,299,000 | \$362,000 | \$50,910,000 | \$447,000 | | |
| Tenant Improvements | ***** | | ** | | | |
| PDR | \$198,000 | | \$0 | | | |
| Retail | <u>\$563,000</u> | | <u>\$351,000</u> | | | |
| Subtotal: Tenant Improvement Costs | \$761,000 | | \$351,000 | | | |
| Community Benefit | \$2,000,000 | | \$2,000,000 | | | |
| Development Soft Costs ^D | | | | | | |
| Permit and Development Fees | \$6,877,000 | | \$2,622,000 | | | |
| Construction Financing Costs | \$14,367,000 | | \$5,943,000 | | | |
| Loan Interest | \$11,410,000 | | \$4,001,000 | | | |
| Loan Fees (Points) | \$1,831,000 | | \$1,055,000 | | | |
| Bond Issuance Costs | \$1,126,000 | | \$887,000 | | | |
| Other Soft Costs | <u>\$14,079,000</u> | | <u>\$6,618,000</u> | | | |
| Total Development Cost / Per Res Unit | \$176,913,000 | \$592,000 | \$98,974,000 | \$868,000 | | |
| Revenue from Sale of Tax Credits | \$12,585,000 | | \$6,043,000 | | | |
| Developer Margin ^c | \$31,776,000 | | (\$7,970,000) | | | |
| As Percent of Total Development Cost | 18% | | -8% | | | |
| Target Return on Total Development Cost | | 18% t | 0 25% | | | |
| Return (Yield) on Cost ^c | 5.6% | | 4.3% | | | |
| Target Return (Yield) on Cost | 5.0% | 5 5% | 4.3 % to 6% | | | |
| Note: Values rounded to nearest 1 000 | | 5.570 | 10 070 | | | |

Table 2 Financial Feasibility Analysis

Note: Values rounded to nearest 1,000

a. Includes costs of site work, demolition of existing buildings, environmental remediation, pathways and landscaping.

b. Excludes soft costs associated with land acquisition and pre-development carry, which are included above. c. If EIR Alternative B is modified to assume above-grade parking, the Developer Margin is negative \$6 million. Source: City of San Francisco, Related, Seifel Consulting Inc.



Appendix: EIR Alternative B Modeled as Condominium Alternative

As an additional check for financial feasibility of the lower-density project, a 114-unit for-sale condominium development with 14.4% BMR units was also modeled (referred to as Condominium Alternative). The Condominium Alternative did not achieve a positive developer margin, and yielded only a 0% margin on cost, well below the 18%-25% target for return on development cost. The following describes the model assumptions that differ from those described in Section C above, and compares the results to the Proposed and EIR Alternative B projects.

a. Development Program Assumptions

The Condominium Alternative assumes a redesign to accommodate larger for-sale units within the same gross residential square foot area as EIR Alternative B, in effect assuming that common areas would be smaller, and the layout of condominium units could be more efficient.²⁸

This scenario also assumes the baseline required on-site affordable housing percentage of BMR units of 14.4% (16 units) according to the requirements for this subarea within the Eastern Neighborhoods Plan. As a condominium for-sale project, these BMR units would be required to be affordable to households at 90% of AMI, and this is what is modeled. The gross square feet of both retail and parking uses are unchanged from EIR Alternative B.

Appendix Table 1 compares the development program of the Condominium Alternative to the two models described in the memorandum.

²⁸ A residential efficiency ratio of 80% was assumed, rather than the 70% used in the rental projects modeled.


| | 1601 Mariposa Proposed Project | EIR Alternative B | Condominium Alternative |
|---|--------------------------------------|----------------------|----------------------------|
| Property Description Site Area (Estimated SF) Site Area (Acres) | 146,285 3.36 | 146,285 3.36 | 146,285 3.36 |
| Residential Total Residential Units Below Market Rate Units | 299 | 114 | 114 |
| Very Low (40% AMI) | 9 | 4 | 0 |
| Very Low (50% AMI) | 51 | 19 | 0 |
| Moderate (90% AMI) | 0 | 0 | 16 |
| Total Residential Gross SF (GSF) | 325,896 | 141,560 | 141,560 |
| Total Residential Net SF (NSF) | 227,240 | 99,092 | 113,248 |
| Average Unit Size (NSF) PDR (LSF) Detail (LSF) | 760 | 869 | 993 |
| | 3,965 | 0 | 0 |
| Retail (LSF) | 5,628 | 3,510 | 3,510 |
| Parking Structure (GSF) | 85,900 | 36,600 | 36,600 |
| Average Parking Space Size (GSF) | 345 | 345 | 345 |
| Residential Parking Spaces | 233 | 97 | 97 |
| Car Share Spaces | 6 | 2 | 2 |
| Commercial Spaces | 10 | 7 | 7 |
| Total Parking | 249 | 106 | 106 |

Appendix Table 1 Summary of Development Programs (including Condominium Alternative)

Source: City of San Francisco, Related, Seifel Consulting Inc.

b. Development Costs

Hard Construction Costs

Hard construction cost assumptions remain the same for the Condominium Alternative, except that \$15,000 per unit was added to reflect the cost of enhanced finish work that is generally needed on condominium properties.²⁹

Construction Financing

Because the Condominium Alternative would not be suitable for tax-exempt bond financing, the bond issuance costs were eliminated for this scenario, and the favorable tax-exempt bond construction financing rate was returned to a standard 5.5% for a condominium project. The loan amount was reduced to a standard 60% Loan to Value ratio. The Loan Draw ratio of 60% remained consistent with the other alternatives.

The Condominium Alternative is assumed to have the same construction period as for EIR Alternative B, despite the potential additional time needed to complete condominium finishes. As condominiums take

²⁹ Based on interviews with contractors, condominium finish costs are at least \$15,000 to \$20,000 per unit higher as compared to rental units.



much longer to sell than apartments take to lease, a slower absorption rate of 8 units per month is assumed (typical of comparable new condominium buildings), for a period of 20 months until fully sold.

Other Soft Costs

Other Soft Costs were increased for the Condominium Alternative by 7% of Hard Construction Costs to account for the additional soft costs related to condominium insurance and for the substantial marketing and sales costs associated with condominiums.³⁰

C. Revenues

Revenues for the project come primarily from sale of the residential units, along with rental income from parking and the retail space. A price of \$1,100 per net square foot was assumed for the sale of market rate units, based on recently sold properties in the Potrero/Dogpatch neighborhood.³¹ A price of approximately \$303,000 was used for BMR units sold.³²

The rental income was assumed the same as in EIR Alternative B.

d. Sales Value and Expenses

For the sales value of the Condominium Alternative, the Sales/Marketing Expense rate was increased to 5.5% to reflect the additional cost of sales related to the broker costs for individual condominiums and for the property transfer tax, consistent with standard assumptions for San Francisco projects of this type.³³

e. **Return Metrics**

Developer Margin and Margin on Cost

For the Condominium Alternative, there are no tax credits to offset against development costs, due to the difference in financing structure. As described in Section C.5, developers and investors use different target margin on cost thresholds depending on the level of complexity of the project, construction types, construction schedule, sales/rental absorption timeline and potential equity sources. Projects with longer timelines have higher risk and as a result require a higher margin on cost. This type of condominium development (wood frame construction at or below 55 feet) would likely have a margin on cost threshold between 18% and 25% on development costs (developer margin/development cost) or 15% and 20% on net sales revenues (developer margin/net sales revenues).

Yield on Cost

Yield on cost (YOC) is used to evaluate development feasibility for apartment buildings, and not applicable to the Condominium Alternative.

³³ Based on information gathered by Seifel Consulting from developers and real estate professionals during its work for the City of San Francisco, as described in Section C.



³⁰ Based on recent work for the City of San Francisco, other soft costs for condominium developments are typically 25% of hard construction costs, inclusive of predevelopment expenses, but were reduced for this analysis to reflect the fact that predevelopment and land carrying costs are estimated separately.

³¹ Polaris Pacific Report, San Francisco, August 2015 <u>San Francisco Report Download</u>

³² Per City of San Francisco MOH affordable purchase price for 3-person household at 90% AMI (\$82,550), with 33% of income spent on housing expenses. Assumes a 2-bedroom unit.

2. Financial Feasibility Findings

Appendix Table 2 presents the Condominium Alternative model pro forma along with the Proposed and EIR Alternative B projects. Like EIR Alternative B, the Condominium Alternative also yields a negative Developer Margin, and only a 0% Margin on Cost for the Condominium Alternative (as measured by developer margin on total development cost) is well below the target return threshold of 18-25% required to be financially feasible.³⁴

In conclusion, this analysis demonstrates that EIR Alternative B is not feasible as either an apartment or condominium development.

³⁴ In addition, the Margin on Cost as measured by return on net sales revenues is also significantly below the developer threshold of 15 to 20%, as the Condominium Alternative also yields 0% return on that measure. It is also likely that for a relatively complex condominium project, with a long timeframe from predevelopment through to occupancy, the threshold could be 20% or even higher.



Appendix Table 2 Financial Feasibility Analysis 1601 Mariposa EIR Alternative Feasibility

| Project IPR Alternative B Condominum Alterative Residential - For Sale Total Per Res. Unit Total Per Res. Unit Total Per Res. Unit MS Sales Proceeds Total Sales Proceeds Sales Proce | [| 1601 Maripos | | | | | |
|--|---------------------------------------|-------------------|---------------|--|---------------|--------------------|-----------------|
| Residential - For Sale 5106,634.000 \$473,635.Proceds Aff Sales Proceds 5111,637.000 \$5111,637.000 Total Sales Proceds 5108,638.000 \$5221.000 \$5223.000 Residential - Rental 5119,80.000 \$5220.000 \$52.2000 \$52.000 Annual NK Frankersun 3792.000 \$33.000 \$37.000 \$34.000 Annual NK Frankersun 3792.000 \$52.2000 \$52.000 \$52.000 Annual NK Frankersun 3792.000 \$33.000 \$34.000 \$44.000 Less Value \$198.0000 \$46.000 \$12.0000 \$12.0000 \$12.0000 Less Value \$199.450.000 \$66.40.000 \$36.067.000 \$36.067.000 \$36.067.000 Less Stells Expanse \$199.450.000 \$30 \$30 \$30 \$30 Nef Proceeds \$199.450.000 \$38.055.000 \$32.000 \$31.000 \$38.055.000 Less Value \$199.450.000 \$30 \$30 \$30 \$30 Less Value \$199.450.000 \$31.000 \$30 \$30 | | | ect | EIR Alter | | | |
| MR Sales Proceeds 5106 57000 \$106 53000 \$117167000 Total Sales Proceeds 511980.000 \$517000 \$117167000 Net Proceeds \$11980.000 \$5221.000 \$10000 Annual BKR ent Revenue \$11980.000 \$5221.000 \$10000 Other Revenue (Paring, Strage, etc.) \$972.000 \$310.000 \$10000 Less Vacarey (\$487.000) \$5221.000 \$10000 \$10000 Less Vacarey (\$487.000) \$522.000 \$100000 \$10000 \$10000 Less Vacarey \$199.0000 \$483.000 \$30000 \$10000 \$10000 \$10000 \$10000 Less Vacarey \$199.0000 \$83.005.000 \$220.000 \$10000 <t< td=""><td>Development Value</td><td>Total</td><td>Per Res. Unit</td><td>Total</td><td>Per Res. Unit</td><td>Total</td><td>Per Res. Unit</td></t<> | Development Value | Total | Per Res. Unit | Total | Per Res. Unit | Total | Per Res. Unit |
| Att 3548: Proceeds 54973000 5517000 557000 Total Sales Proceeds 5117.667000 5330.000 557.000 Residential - Rental 576.000 5330.000 5340.000 Annual RNR Ret Revenue 575.000 5330.000 5340.000 Cher Residential - Rental 576.000 5330.000 540.000 Annual RNR Ret Revenue 576.000 530.000 5340.000 Less Operating Expenses (54.12.000) (57.88.000) (53.000) Net Revenues (NO) 58.923.000 530.000 53.000 534.000 Safes Value 516.944.000 50.000 53.000 50 PDR 511.080.001 50 50 50 PDR 510.000 50 50 50 State Value 51.640.000 50 50 50 State Value 51.640.000 50 50 50 PROR 510.000 510 50 50 State Value 51.640.000 532.000 50 50 < | | | | | | **** | |
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| Less Sales Expense Net Proceeds Si07,701,000 \$945,000 Annual KR Revenue \$11,968,000 \$50,000 \$512,000 \$57,000 Annual KR Rent Revenue \$756,000 \$330,000 \$340,000 \$44,000 Less Operating Expenses \$54,121,000 \$320,000 \$32,000 \$340,000 Less Operating Expenses \$54,421,000 \$320,000 \$32,000 \$34,000 Net Proceeds \$197,460,000 \$30,000 \$32,000 \$34,000 Net Proceeds \$197,460,000 \$30,000 \$32,000 \$30,000 PDR \$197,460,000 \$30,000 \$30,000 \$30,000 Less Sales Expense \$19,460,000 \$30 \$30 \$30 Net Revenues \$110,000 \$30 \$30 \$30 Less Sales Expense \$16,240,000 \$30 \$30 \$30 Less Sales Expense \$16,240,000 \$30 \$30 \$30 Less Sales Expense \$32,000 \$31,2000 \$31,2000 \$31,2000 Less Sales Expense \$32, | | | | | | | |
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| Residential - Rental S1 98000 S5 221 000 S5 7.000 S1 7.000 Annual KMR Rent Revenue S15,000 S5 7.000 S1 7.000 S1 7.000 S1 7.000 Other Revenue (Parking, Storage, etc.) S992.000 S3 7.000 S3 7.000 S3 7.000 S3 7.000 Less Optrating Expenses (S 44.121.000) S1 7.000 S3 7.000 S3 7.000 Less Optrating Expenses (S 44.121.000) S3 7.000 S3 7.000 S3 7.000 Net Proceeds S191.460.001 (S 23.000) S3 7.000 S3 0.00 PDR S191.460.001 S5 0 S0 S0 Annual Rent Revenue S119.000 S1 0 S0 S0 Less Optrating Expenses S60.000 S0 S0 S0 Less Optrating Expenses S10.000 S0 S0 S0 Net Proceeds S1 4.22.000 S1 2.600 S1 2.600 S1 2.600 Annual Rent Revenue S2 0.000 S1 2.600 S1 2.600 S1 2.600 Annual Rent Revenue S2 0.000 S1 2.6000 | | | | | | | ¢045.000 |
| Annala Mik Rent Revenue \$11,986,000 \$5,200,00 \$57,000 \$57,000 Annala Mik Rent Revenue \$75,000 \$33,000 \$14,000 \$44,000 Other Revenue (Parking, Storage, etc.) \$99,200 \$33,000 \$14,000 \$44,000 Less Valence \$199,400,000 \$64,000 \$54,000 \$34,000 \$34,000 State | | | | | | \$107,701,000 | \$945,000 |
| Annual BMR Rent Revenue \$75,000 \$13,000 \$34,000 \$14,000 Uers Operating Expenses (\$447,000) (\$200,00) (\$34,000) \$34,000 Less Operating Expenses (\$44,121,000) (\$3240,000) \$34,000) \$34,000 Net Proceeds \$19,94,000 \$30,000 \$33,000 \$34,000 Sales Value \$19,94,000 \$64,000 \$65,000 \$755,000 Less Operating Expenses (\$56,94,000) \$50,000 \$729,000 \$50 PDR \$19,146,000 \$50 \$50 \$50 Annual Rent Revenue \$119,000 \$50 \$50 \$50 Less Operating Expenses (\$50,000) \$50 \$50 \$50 Sales Value \$11,4000 \$50 \$50 \$50 Less Operating Expenses (\$52,000) \$50 \$50 \$50 Net Proceeds \$12,4000 \$51,000 \$51,000 \$51,000 Less Varancy (\$22,000) \$12,000 \$12,000 \$12,000 Sales Value \$1,424,000 | | ¢11.000.000 | ¢50.000 | ¢F 221 000 | ¢57.000 | | |
| Other Revenue (Paking, Storage, etc.) \$992,000 \$3,000 \$40,000 \$40,000 Less Vacancy (\$3,000) \$220,000 \$3,2000 \$3,2000 \$3,2000 Net Revenues (N01) \$392,8000 \$3,217,3000 \$34,000 \$36,007,000 \$755,000 Less Sales Expense \$6,647,4000 \$56,400,000 \$56,007,000 \$755,000 \$729,000 PDR Annual Rent Revenue \$119,000 \$0 \$0 \$0 \$0 Less Sales Expense \$65,000 \$0 \$0 \$0 \$0 \$0 Less Value \$110,000 \$0 \$0 \$0 \$0 \$0 Less Sales Expense \$163,000 \$0 \$0 \$0 \$0 \$0 Less Sales Expense \$164,000 \$0 \$0 \$0 \$0 \$0 Annual Rent Revenue \$20,000 \$12,6000 \$12,6000 \$12,6000 \$12,6000 \$12,6000 \$12,6000 \$12,6000 \$12,6000 \$12,6000 \$12,6000 \$12,1000 \$12,1000 \$12,1000 | | | | | | | |
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| Sales Value \$199,400,000 \$64,640,000 \$86,667,000 \$755,000 Less Sales Expense \$60,944,000 \$83,055,000 \$725,000 Met Proceeds \$191,456,000 \$83,055,000 \$729,000 Annual Ren Revenue \$119,000 \$0 \$0 \$0 Less Value \$119,000 \$0 \$0 \$0 Met Revenue \$110,000 \$0 \$0 \$0 Met Revenue \$11,630,00 \$0 \$0 \$0 Annual Ren Revenue \$11,630,00 \$0 \$0 \$0 Annual Commercial Parking Revenue \$21,000 \$126,000 \$126,000 Annual Commercial Parking Revenue \$231,000 \$121,000 \$121,000 Less Value \$32,00,00 \$2,017,000 \$2,017,000 Less Sales Expense \$100,000 \$14,0000 \$14,0000 Less Value \$32,000,00 \$2,017,000 \$2,017,000 Less Value \$32,000,00 \$2,017,000 \$2,017,000 Less Value \$30,50,000 \$2,017,000 < | | | | | | | |
| Less Sales Expense (56,944,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (522,000) (500,000) (510,000) (510,000) (512,000) <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | | | | | | | |
| Net Proceeds \$191,456,000 \$640,000 \$83,055,000 \$729,000 Annual Rent Revenue \$119,000 \$0 \$0 \$0 Less Vacancy \$119,000 \$0 \$0 \$0 States Value \$116,000 \$0 \$0 \$0 Net Proceeds \$163,000 \$0 \$0 \$0 Annual Rent Revenue \$21,000 \$0 \$0 \$0 Annual Rent Revenue \$21,000 \$0 \$0 \$0 Annual Rent Revenue \$221,000 \$126,000 \$126,000 \$126,000 Annual Commercial Parking Revenue \$221,000 \$121,000 \$126,000 \$126,000 Less Vacancy \$192,000 \$120,000 \$120,000 \$120,000 \$120,000 Less Vacancy \$192,000 \$121,000 \$124,000 \$120,000 \$120,000 Less Vacancy \$192,000 \$121,000 \$24,000,000 \$121,000 \$124,000 Less Vacancy \$100,000 \$512,000 \$210,000 \$210,000 \$210,000 | | | | | | | |
| PDR Image: Solution of the second state of the | | | | | | | |
| Less Vacancy (\$12,000) \$0 \$0 \$0 Less Operating Expenses (\$6,000) \$0 \$0 \$0 Soles Value \$1,683,000 \$0 \$0 \$0 Less Sales Expense \$59,000 \$0 \$0 \$0 Net Proceeds \$1,624,000 \$0 \$0 \$0 Annual Rent Revenue \$203,000 \$126,000 \$156,000 \$164,000 Annual Rent Revenue \$203,000 \$126,000 \$151,000 \$151,000 Less Sales Superating Expenses \$10,000 \$151,000 \$121,000 \$121,000 Less Sales Expense \$117,000 \$121,000 \$121,000 \$121,000 Less Sales Expense \$117,6000 \$111,000) \$121,000 \$22,017,000 Less Sales Expense \$130,60,000 \$124,000 \$24,800,000 \$21,906,000 \$21,906,000 \$21,906,000 \$21,906,000 \$21,906,000 \$21,900,000 \$21,900,000 \$21,900,000 \$21,900,000 \$21,900,000 \$21,900,000 \$21,900,000 \$21,900,000 \$21,900,000 | PDR | | , | , | | | |
| Less Vacancy (\$12.000) \$0 \$0 \$0 Less Operating Expenses (\$5.000) \$0 \$0 \$0 Sales Value \$1,683,000 \$0 \$0 \$0 Less Sales Expense \$55,000 \$0 \$0 \$0 Net Proceeds \$1,624,000 \$0 \$0 \$0 Annual Rent Revenue \$203,000 \$126,000 \$156,000 Annual Rent Revenue \$203,000 \$126,000 \$156,000 Annual Commercial Parking Revenue \$203,000 \$126,000 \$151,000 Less Vacancy \$200,000 \$120,000 \$151,000 \$121,000 Less Sales Superses \$151,0000 \$121,000 \$212,000 \$121,000 Less Sales Superses \$151,0000 \$111,0000 \$121,000 \$22,017,000 Less Sales Expenses \$151,0000 \$121,000 \$21,000,000 \$121,000 Less Sales Expense \$120,000 \$24,800,000 \$22,800 \$24,800,000 \$21,80,000 \$22,80,000 \$32,95,000 \$24,800,000 \$24,800,000 | Annual Rent Revenue | \$119,000 | | \$0 | | \$0 | |
| Net Revenues \$101,000 \$30 \$30 Sales Value \$1,633,000 \$50 \$30 Net Proceeds \$31,624,000 \$30 \$30 Net Proceeds \$31,624,000 \$30 \$30 Annual Rent Revenue \$203,000 \$126,000 \$126,000 Annual Rent Revenue \$203,000 \$150,000 \$150,000 Less Vacancy \$32,000,000 \$121,000 \$151,000 Less Sales Expense \$100,000 \$121,000 \$2,017,000 Less Sales Expense \$176,0000 \$111,0000 \$199,60,000 Net Revenues (NOI) \$192,000 \$24,800,000 \$2,017,000 \$2,017,000 Less Sales Expense \$176,0000 \$111,0000 \$199,60,000 \$199,60,000 \$199,60,000 Total Value \$190,61,000 \$24,800,000 \$2,18,000 \$2,18,000 \$2,18,000 Land Purchase and Predevelopment Soft Costs \$5,730,000 \$102,000 \$33,530,000 \$26,800 \$30,530,000 \$26,800 Site Improvements \$6,583,000 \$33,000 <t< td=""><td>Less Vacancy</td><td>(\$12,000)</td><td></td><td>\$0</td><td></td><td>\$0</td><td></td></t<> | Less Vacancy | (\$12,000) | | \$0 | | \$0 | |
| Sales Value \$1,633,000 \$0 \$0 Less Sales Expense (\$59,000) \$0 \$0 Retail \$1,624,000 \$0 \$0 Annual Rent Revenue \$20,000 \$126,000 \$15,000 Annual Rent Revenue \$21,000 \$15,000 \$15,000 Less Vacarcy (\$22,000) (\$14,000) (\$14,000) Less Vacarcy \$22,000 \$121,000 \$121,000 Sales Value \$32,000 \$2,017,000 \$2,017,000 Less Sales Expense \$1,16,000 \$111,000 \$111,000 Net Proceeds \$3,22,000 \$2,017,000 \$2,017,000 Total Value \$196,104,000 \$656,000 \$19,96,000 \$218,000 Development Cost Land Purchase and Predevelopment Soft Costs \$24,800,000 \$233,974,000 \$248,000 \$33,3700 Stile Improvements* \$6,583,000 \$22,000 \$6,583,000 \$24,800,000 \$33,3700 Stile Improvements* \$6,583,000 \$32,000 \$33,974,000 \$24,800,000 \$33,3700 | | (\$6,000) | | <u>\$0</u> | | | |
| Less Sales Expense (\$\$9,000) \$0 \$0 \$0 Net Proceeds \$1,624,000 \$0 \$0 \$0 Annual Rent Revenue \$203,000 \$126,000 \$126,000 \$126,000 Annual Commercial Parking Revenue \$221,000 \$150,000 \$150,000 \$150,000 Less Vacancy \$22,000 \$121,000 \$151,000 \$121,000 \$121,000 Less Sales Expense \$100,0000 \$121,000 \$121,000 \$121,000 \$121,000 Less Sales Expense \$32,020,000 \$2,017,000 \$121,000 \$199,000 \$199,000 \$199,000 \$199,000 \$199,000 \$199,000 \$199,000 \$199,000 \$199,000 \$218,000 \$219,000 \$219,000 \$219,000 | Net Revenues | \$101,000 | | \$0 | | \$0 | |
| Net Proceeds \$1,624,000 \$0 \$0 \$0 Retail Annual Rent Revenue \$203,000 \$126,000 \$126,000 Annual Commercial Parking Revenue \$21,000 \$15,000 \$15,000 Less Vacarcy \$22,000 \$14,000 \$14,000 Less Vacarcy \$22,000 \$14,000 \$121,000 Sates Value \$32,000 \$2,017,000 \$2,017,000 Less Sates Expense \$1176,000 \$1190,6000 \$1190,6000 Total Value \$196,104,000 \$65,000 \$24,800,000 \$218,000 Development Cost \$24,800,000 \$31,906,000 \$218,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$24,800,000 \$30,530,000 \$24,800,000 \$30,530,000 \$24,800,000 \$30,530,000 \$24,800,000 \$30,530,000 \$24,800,000 \$30,530,000 \$24,800,000 \$30,530,000 \$30,530,000 \$30,530,000 \$30,530,000 \$30,530,000 \$30,530,000 <td>Sales Value</td> <td>\$1,683,000</td> <td></td> <td></td> <td></td> <td></td> <td></td> | Sales Value | \$1,683,000 | | | | | |
| Retail Status Status Annual Commercial Parking Revenue \$203,000 \$126,000 \$126,000 Annual Commercial Parking Revenue \$21,000 \$155,000 \$126,000 Less Operating Expenses \$(\$10,000) \$(\$14,000) \$(\$14,000) Less Operating Expenses \$(\$10,000) \$(\$14,000) \$(\$14,000) Less Sates Expense \$(\$17,6000) \$(\$2,017,000) \$2,017,000 Sates Sates Expense \$(\$17,6000) \$\$196,000 \$\$196,000 \$\$190,000 Net Proceeds \$3,202,000 \$\$2,4800,000 \$\$199,607,000 \$961,000 Development Cost \$2,4800,000 \$\$218,000 \$218,000 \$218,000 Land Carry and Predevelopment Soft Costs \$5,730,000 \$50,000 \$30,530,000 \$228,000 Subtotal: Purchase and Predevelopment \$172,000 \$30,530,000 \$228,000 \$30,530,000 \$28,000 Site improvements ⁴ \$78,215,000 \$22,000 \$33,974,000 \$28,000 \$33,530,000 \$22,000 Situetured Parking \$11,26,000 \$4,628,000 \$50,23,000 | Less Sales Expense | <u>(\$59,000)</u> | | <u>\$0</u> | | | |
| Annual Rent Revenue \$203,000 \$126,000 \$126,000 Annual Commercial Parking Revenue \$21,000 \$15,000 \$15,000 Less Vacancy (\$22,000) (\$14,000) (\$6,000) Net Revenues (NOI) \$192,000 \$2121,000 \$2121,000 Sales Value \$3,200,000 \$2,017,000 \$2,017,000 Less Sales Expense (\$176,000) (\$111,000) (\$111,000) Net Proceeds \$3,202,000 \$24,800,000 \$19,906,000 Total Value \$196,104,000 \$656,000 \$19,906,000 \$109,607,000 Development Cost Land Purchase and Predevelopment Soft Costs \$24,800,000 \$218,000 \$24,800,000 \$218,000 Subtotal: Purchase and Predevelopment \$30,530,000 \$24,800,000 \$24,800,000 \$24,800,000 \$248,000 \$30,530,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 < | | \$1,624,000 | | \$0 | | \$0 | |
| Annual Commercial Parking Revenue \$21,000 \$15,000 \$15,000 Less Vacancy (\$22,000) (\$14,000) (\$14,000) Less Operating Expenses (\$10,000) (\$14,000) (\$14,000) Sales Value \$3,200,000 \$2017,000 \$121,000 \$121,000 Sales Value \$3,200,000 \$2,017,000 \$2,017,000 \$111,000) Less Sperating Expense (\$111,000) \$111,000 \$111,000 \$111,000 Net Proceeds \$3,202,000 \$65,000 \$84,961,000 \$745,000 \$961,000 Development Cost Land Carry and Predevelopment Soft Costs \$5,730,000 \$20,000 \$2,800,000 \$24,800,000 | Retail | | | | | | |
| Less Vacancy (\$22,000) (\$14,000) (\$14,000) Less Operating Expenses (\$10,000) (\$14,000) (\$12,100) Net Revenues (NOI) \$122,000 \$2,017,000 \$2,217,000 Less Sales Value \$3,200,000 \$2,017,000 \$2,017,000 Net Revenues (NOI) \$129,06,000 \$2,017,000 \$129,06,000 Total Value \$19,06,000 \$66,000 \$19,060,000 \$19,060,000 Development Cost \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$266,000 Subtotal: Purchase and Predevelopment \$50,530,000 \$22,000 \$33,974,000 \$258,000 \$33,530,000 \$268,000 \$33,530,000 \$268,000 \$33,530,000 \$50,000 \$33,530,000 \$268,000 \$33,548,000 \$33,583,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$51,000 \$268,000 \$33,548,000 \$33,503,000 \$52,000 \$33,548,000 \$33,503,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 | Annual Rent Revenue | \$203,000 | | \$126,000 | | \$126,000 | |
| Less Operating Expenses (\$10,000) (\$6,000) (\$6,000) (\$6,000) (\$6,000) (\$6,000) (\$6,000) (\$6,000) \$121,000 \$101,000 \$101,000 \$101,000 \$101,000 \$102,000 \$218,000 \$224,800,000 \$218,000 \$224,800,000 \$218,000 \$224,800,000 \$218,000 \$224,800,000 \$218,000 \$224,800,000 \$218,000 \$224,800,000 \$218,000 \$224,800,000 \$218,000 \$224,800,000 \$218,000 \$238,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 </td <td>Annual Commercial Parking Revenue</td> <td>\$21,000</td> <td></td> <td>\$15,000</td> <td></td> <td>\$15,000</td> <td></td> | Annual Commercial Parking Revenue | \$21,000 | | \$15,000 | | \$15,000 | |
| Net Revenues (NO) \$192,000 \$121,000 \$121,000 Sales Value \$3,200,000 \$2,017,000 \$2,017,000 Less Sales Expense (\$176,000) \$1,906,000 \$1,906,000 Net Proceeds \$3,024,000 \$1,906,000 \$1,906,000 \$109,607,000 Development Cost \$1,96,104,000 \$656,000 \$84,961,000 \$24,800,000 \$218,000 Land Carry and Predevelopment Soft Costs \$24,800,000 | Less Vacancy | (\$22,000) | | (\$14,000) | | (\$14,000) | |
| Sales Value \$3,200,000 \$2,017,000 \$2,017,000 \$2,017,000 Less Sales Expense \$3,024,000 \$11,0000 \$11,0000 \$11,0000 Total Value \$196,104,000 \$656,000 \$84,961,000 \$745,000 \$199,607,000 \$90,607,000 \$90,607,000 \$90,607,000 \$90,607,000 \$90,607,000 \$90,607,000 \$90,607,000 \$90,607,000 \$90,607,000 \$21,906,000 \$21,906,000 \$21,906,000 \$21,80,000 \$21,80,000 \$21,80,000 \$24,800,000 \$55,20,000 \$55,20,000 \$55,000 \$50,000 \$56,80,000 \$24,800,000 \$56,80,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$31,30,00 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$31,30,00 \$31,40,000 \$31,40,000 \$33,974,000 \$36,64,0,000 \$36,64,0,000 \$30,500,000 \$36,64,0,000 \$36,64,0,000 \$36,64,0,000 <td></td> <td>(\$10,000)</td> <td></td> <td>(\$6,000)</td> <td></td> <td>(\$6,000)</td> <td></td> | | (\$10,000) | | (\$6,000) | | (\$6,000) | |
| Less Sales Expense (\$117,000) (\$111,000) (\$111,000) (\$111,000) Net Proceeds \$3,024,000 \$4,060,000 \$1,96,060,000 \$19,604,000 \$96,1,000 Development Cost \$19,6104,000 \$84,961,000 \$24,800,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$33,000 \$268,000 \$33,000 \$288,000 \$33,974,000 \$288,000 \$35,684,000 \$33,000 \$44,000 \$44,000 \$44,000 \$44,000 \$5,023,000 \$44,000 \$44,000 \$44,000 \$5,023,000 \$44,000 \$5,023,000 \$44,000 \$44,000 \$5,023,000 | Net Revenues (NOI) | \$192,000 | | \$121,000 | | \$121,000 | |
| Net Proceeds \$3,024,000 \$566,000 \$24,960,000 \$19,060,000 \$19,060,000 \$961,000 Total Value \$196,104,000 \$664,961,000 \$745,000 \$10,960,000 \$961,000 \$961,000 \$961,000 \$961,000 \$961,000 \$961,000 \$961,000 \$961,000 \$961,000 \$961,000 \$9218,000 \$248,00,000 \$248,00,000 \$248,00,000 \$248,000 \$248,000 \$248,000 \$248,000 \$248,000 \$248,000 \$248,000 \$248,000 \$248,000 \$248,000 \$248,000 \$208,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$31,300 \$268,000 \$31,300 \$268,000 \$31,300 \$268,000 \$31,300 \$268,000 \$31,300 \$268,000 \$31,300 \$268,000 \$31,3000 \$31,300 \$31,000 \$31,300 \$31,000 \$31,000 \$31,000 \$31,000 \$31,000 \$31,000 \$31,000 \$31,000 \$32,000 \$34,000 \$34,000 \$34,000 \$34,000 \$34,000 | Sales Value | | | \$2,017,000 | | \$2,017,000 | |
| Total Value \$196,104,000 \$656,000 \$84,961,000 \$745,000 \$109,607,000 \$9961,000 Development Cost 24,800,000 \$26,80,000 \$26,80,000 \$26,80,000 \$26,80,000 \$26,80,000 \$26,80,00 \$26,90,00 \$26,90,00 \$26,90,00 \$26,90,00 \$26,90,00 \$26,90,00 \$26,90,00 \$26,90,00 | | | | | | <u>(\$111,000)</u> | |
| Development Cost \$24,800,00 \$83,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$218,000 \$24,800,000 \$218,000 \$24,800,000 \$218,000 \$24,800,000 \$218,000 \$24,800,000 \$218,000 \$24,800,000 \$218,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$55,730,000 \$26,000 \$55,730,000 \$26,000 \$56,730,000 \$26,000 \$56,730,000 \$26,000 \$30,530,000 \$26,000 \$30,530,000 \$26,000 \$30,530,000 \$26,000 \$30,530,000 \$26,000 \$30,530,000 \$26,000 \$33,974,000 \$298,000 \$33,684,000 \$31,000 \$30,000 \$50,000 \$30,000 \$50,000 \$32,000 \$33,000 \$50,000 \$32,000 \$33,000 \$33,000 \$33,000 \$50,000 \$32,000 \$34,000 \$50,20,000 \$34,000 \$50,20,000 \$34,000 \$50,20,000 \$34,000 \$50,20,000 \$34,000 \$50,20,000 \$34,000 \$351,000 | | | | | | | |
| Land Purchase and Predevelopment Soft Costs \$24,800,000 \$83,000 \$24,800,000 \$218,000 \$24,800,000 \$218,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$24,800,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 \$31,3000 Retail \$78,215,000 \$226,000 \$33,974,000 \$298,000 \$35,702,000 \$50,2000 | Total Value | \$196,104,000 | \$656,000 | \$84,961,000 | \$745,000 | \$109,607,000 | \$961,000 |
| Land Carry and Predevelopment Soft Costs \$5,730,000 \$5,730,000 \$5,730,000 \$50,00 | Development Cost | | | | | | |
| Subtotal: Purchase and Predevelopment Hard Construction Costs \$30,530,000 \$30,530,000 \$268,000 \$30,530,000 \$268,000 Bite Improvements ^a \$6,583,000 \$262,000 \$33,974,000 \$29,8000 \$35,684,000 \$313,000 PDR \$79,3000 \$262,000 \$33,974,000 \$29,8000 \$35,684,000 \$313,000 Stite Improvements ^a \$78,215,000 \$262,000 \$33,974,000 \$29,8000 \$33,684,000 \$313,000 PDR \$793,000 \$\$262,000 \$33,974,000 \$\$26,000 \$30,530,000 \$\$0 \$\$0 \$\$0 \$\$0 \$\$0 \$\$0 \$\$11,26,000 \$\$11,27,000 \$\$11,27,000 \$\$11,27,000 \$\$10,290,000 \$\$14,400 \$\$1,22,000 \$\$14,4000 \$\$1,22,000 \$\$14,4000 \$\$14,2000 \$\$14,2000 \$\$14,2000 \$\$10,840,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000 \$\$22,000,000< | | | | | | | \$218,000 |
| Hard Construction Costs Site Improvements ⁶ \$6,583,000 \$22,000 \$56,583,000 \$56,80,000 \$58,000 \$35,684,000 \$513,000 Residential \$78,215,000 \$22,000 \$33,974,000 \$298,000 \$35,684,000 \$313,000 PDR \$793,000 \$33,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$35,684,000 \$513,000 \$313,000 \$106,000 \$106,000 \$106,000 \$106,000 \$50,23,000 \$44,000 \$6,000 \$44,000 \$44,000 \$44,000 \$44,000 \$44,000 \$44,000 \$44,000 \$44,000 \$52,791,000 \$463,000 \$44,000 \$52,791,000 \$463,000 \$60,000 \$351,000 \$52,000,000 \$52 | | | | | | | <u>\$50,000</u> |
| Site Improvements ^a \$6,583,000 \$22,000 \$6,583,000 \$58,000 \$58,000 \$58,000 Residential \$78,215,000 \$262,000 \$33,974,000 \$298,000 \$33,568,000 \$313,000 PDR \$79,300 \$4,000 \$702,000 \$6,000 \$702,000 \$6,000 Structured Parking \$11,737,000 \$39,000 \$5,023,000 \$44,000 \$5,023,000 \$44,000 Hard Cost Contingency \$9,845,000 \$33,000 \$4,628,000 \$41,000 \$42,000 Subtotal: Hard Construction Costs \$108,299,000 \$362,000 \$447,000 \$52,791,000 \$463,000 Tenant Improvements \$198,000 \$362,000 \$351,000 \$443,000 \$351,000 \$4351,000 Subtotal: Tenant Improvement Costs \$761,000 \$351,000 \$351,000 \$351,000 \$351,000 \$351,000 Community Benefit \$2,000,000 \$2,622,000 \$2,622,000 \$2,622,000 \$2,622,000 \$36,000 \$10,843,000 \$10,843,000 \$10,979,000 \$40,01,000 \$10,979,000 \$40,01,000 \$10,979,000 \$00 \$00 \$10,079,000 \$10,079,000 | | \$30,530,000 | \$102,000 | \$30,530,000 | \$268,000 | \$30,530,000 | \$268,000 |
| Residential \$78,215,000 \$262,000 \$33,974,000 \$298,000 \$33,684,000 \$313,000 PDR \$793,000 \$3000 \$0 | | | | | | | |
| PDR \$793,000 \$3,000 \$00 <th< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<> | | | | | | | |
| Retail \$1,126,000 \$4,000 \$702,000 \$6,000 \$702,000 \$6,000 Structured Parking \$11,737,000 \$39,000 \$5,023,000 \$44,000 \$5,023,000 \$44,000 Hard Cost Contingency \$9,845,000 \$33,000 \$44,000 \$5,023,000 \$44,000 \$44,000 Subtotal: Hard Construction Costs \$108,299,000 \$362,000 \$50,910,000 \$447,000 \$52,791,000 \$463,000 Tenant Improvements \$198,000 \$0 \$0 \$0 \$0 \$60 PDR \$198,000 \$351,000 \$3351,000 \$351,000 \$351,000 \$2,000,000 | | | | | | | |
| Structured Parking \$11,737,000 \$39,000 \$5,023,000 \$44,000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 \$46,3000 | | | | | | | |
| Hard Cost Contingency \$9,845,000 \$33,000 \$44,000 \$41,000 \$47,799,000 \$42,000 Subtotal: Hard Construction Costs \$108,299,000 \$362,000 \$50,910,000 \$447,000 \$52,791,000 \$463,000 PDR \$198,000 \$0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | | | | | | | |
| Subtotal: Hard Construction Costs \$108,299,000 \$362,000 \$447,000 \$447,000 \$52,791,000 \$463,000 Tenant Improvements \$198,000 \$0 | | | | | | | |
| Tenant Improvements PDR \$198,000 \$0 \$0 Retail \$563,000 \$351,000 \$351,000 Subtotal: Tenant Improvement Costs \$761,000 \$351,000 \$351,000 Subtotal: Tenant Improvement Costs \$761,000 \$325,000 \$351,000 Community Benefit \$2,000,000 \$2,000,000 \$32,000,000 Development Soft Costs ^b Permit and Development Fees \$6,877,000 \$2,622,000 \$2,622,000 Construction Financing Costs \$14,367,000 \$5,943,000 \$10,843,000 \$10,843,000 Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 \$10,558,000 \$0 Other Soft Costs \$1,831,000 \$1,055,000 \$10,558,000 \$0 \$0 Other Soft Costs \$14,079,000 \$66,043,000 \$10,558,000 \$10,558,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$66,043,000 \$10,558,000 \$962,000 As Percent of Total Development Cost 18% -8% 0% \$10,558,000 Target Return on Total Development Cost 18% to 2 | | | | | | | |
| PDR \$198,000 \$0 \$0 Retail \$563,000 \$351,000 \$351,000 Subtotal: Tenant Improvement Costs \$761,000 \$3351,000 \$351,000 Community Benefit \$2,000,000 \$2,000,000 \$2,000,000 Development Soft Costs ^b - - - Permit and Development Fees \$6,877,000 \$2,622,000 \$2,622,000 Construction Financing Costs \$14,367,000 \$5,943,000 \$10,843,000 Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 Loan Fees (Points) \$1,831,000 \$1,055,000 \$10,558,000 Bond Issuance Costs \$1,126,000 \$887,000 \$868,000 \$10,955,000 Other Soft Costs \$14,079,000 \$6,618,000 \$10,558,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,6043,000 \$109,695,000 \$962,000 As Percent of Total Development Cost \$31,776,000 \$6,043,000 \$10,558,000 \$10,558,000 As Percent of Total Development Cost 18% -8% 0% < | | \$100,277,000 | \$302,000 | \$30,710,000 | ψτη,000 | \$52,771,000 | \$405,000 |
| Retail \$563,000 \$351,000 \$351,000 Subtotal: Tenant Improvement Costs \$761,000 \$351,000 \$351,000 Community Benefit \$2,000,000 \$2,000,000 \$351,000 Development Soft Costs ^b | | \$198.000 | | \$0 | | \$0 | |
| Subtotal: Tenant Improvement Costs \$761,000 \$3351,000 \$3351,000 Community Benefit \$2,000,000 \$2,000,000 \$2,000,000 \$2,000,000 Development Soft Costs ^b \$6,877,000 \$2,622,000 \$2,622,000 \$2,622,000 Construction Financing Costs \$14,367,000 \$5,943,000 \$10,843,000 \$00 Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 \$10,970,000 \$00 Bond Issuance Costs \$11,26,000 \$887,000 \$00 | | | | | | | |
| Community Benefit \$2,000,000 \$2,000,000 \$2,000,000 Development Soft Costs ^b - - - - Permit and Development Fees \$6,877,000 \$2,622,000 \$2,622,000 - Construction Financing Costs \$14,367,000 \$5,943,000 \$10,843,000 - Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 - Loan Interest \$11,831,000 \$1,055,000 \$1,079,000 - Bond Issuance Costs \$11,26,000 \$887,000 \$0 - Other Soft Costs \$14,079,000 \$98,974,000 \$868,000 \$109,695,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$98,974,000 \$868,000 \$109,695,000 \$962,000 As Percent of Total Development Cost \$12,585,000 \$962,000 \$868,000 \$109,695,000 \$962,000 As Percent of Total Development Cost \$12,585,000 \$962,000 \$868,000 \$109,695,000 \$962,000 As Percent of Total Development Cost \$18,1776,000 \$86,013,000 \$108,000 | | | | | | | |
| Development Soft Costs ^b \$6,877,000 \$2,622,000 \$2,622,000 Construction Financing Costs \$14,367,000 \$5,943,000 \$10,843,000 Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 Loan Fees (Points) \$1,831,000 \$1,055,000 \$1,079,000 Bond Issuance Costs \$11,7126,000 \$887,000 \$0 Other Soft Costs \$1176,913,000 \$592,000 \$868,000 \$109,695,000 Total Development Cost / Per Res Unit \$12,585,000 \$6,043,000 N/A Developer Margin ^c \$31,776,000 \$6,043,000 N/A Target Return on Total Development Cost 18% to 25% 0% Return (Yield) on Cost ^c 5.6% 4.3% N/A | | | | | | | |
| Permit and Development Fees \$6,877,000 \$2,622,000 \$2,622,000 Construction Financing Costs \$14,367,000 \$5,943,000 \$10,843,000 Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 Loan Fees (Points) \$1,831,000 \$1,055,000 \$1,079,000 Bond Issuance Costs \$11,126,000 \$887,000 \$0 Other Soft Costs \$1176,913,000 \$592,000 \$868,000 \$109,695,000 Total Development Cost / Per Res Unit \$12,585,000 \$86,043,000 \$109,695,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,6143,000 \$1/4 \$109,695,000 \$962,000 As Percent of Total Development Cost \$12,585,000 \$6,043,000 \$1/4 \$109,695,000 \$962,000 As Percent of Total Development Cost \$12,585,000 \$6,043,000 \$1/4 \$109,695,000 \$962,000 As Percent of Total Development Cost \$12,585,000 \$6,043,000 \$1/4 \$109,695,000 \$962,000 As Percent of Total Development Cost \$18,000 \$868,000 \$1/4 \$100,000< | | | | | | | |
| Construction Financing Costs \$14,367,000 \$5,943,000 \$10,843,000 Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 Loan Fees (Points) \$1,831,000 \$1,055,000 \$1,079,000 Bond Issuance Costs \$11,126,000 \$887,000 \$0 Other Soft Costs \$14,079,000 \$6,618,000 \$10,558,000 Total Development Cost / Per Res Unit \$176,913,000 \$592,000 \$868,000 \$109,695,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,043,000 N/A \$962,000 Developper Margin ^c \$31,776,000 \$6,043,000 \$0/ \$962,000 As Percent of Total Development Cost 18% -8% 0% \$10,955,000 Target Return on Total Development Cost 18% -8% 0% \$10,95,000 Return (Yield) on Cost ^c 5.6% 4.3% N/A | | \$6.877.000 | | \$2.622.000 | | \$2.622.000 | |
| Loan Interest \$11,410,000 \$4,001,000 \$9,764,000 Loan Fees (Points) \$1,831,000 \$1,055,000 \$1,079,000 Bond Issuance Costs \$1,126,000 \$887,000 \$0 Other Soft Costs \$14,079,000 \$887,000 \$80 Total Development Cost / Per Res Unit \$176,913,000 \$592,000 \$868,000 \$10,558,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,043,000 \$109,695,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,043,000 \$104 \$962,000 As Percent of Total Development Cost \$176,000 \$6,043,000 \$100 \$962,000 Target Return on Total Development Cost 18% -8% 0% \$176,910,000 \$10,555 Return (Yield) on Cost ^c 5.6% 4.3% N/A \$18 | 1 | | | | | | |
| Loan Fees (Points) \$1,831,000 \$1,055,000 \$1,079,000 Bond Issuance Costs \$1,126,000 \$887,000 \$0 Other Soft Costs \$14,079,000 \$6,618,000 \$10,558,000 Total Development Cost / Per Res Unit \$176,913,000 \$592,000 \$98,974,000 \$868,000 \$109,695,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,043,000 N/A Developer Margin ^c \$31,776,000 \$6,043,000 \$0 As Percent of Total Development Cost 18% -8% 0% Target Return on Total Development Cost 18% to 25% 18% to 25% Return (Yield) on Cost ^c 5.6% 4.3% N/A | | | | | | | |
| Bond Issuance Costs \$1,126,000 \$887,000 \$0 \$0 Other Soft Costs \$14,079,000 \$592,000 \$98,974,000 \$10,558,000 \$962,000 Total Development Cost / Per Res Unit \$12,585,000 \$98,974,000 \$868,000 \$109,695,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,043,000 N/A Developer Margin ^c \$31,776,000 \$6,043,000 \$0 As Percent of Total Development Cost 18% -8% 0% Target Return on Total Development Cost 18% to 25% Return (Yield) on Cost ^c 5.6% 4.3% N/A | | | | | | | |
| Other Soft Costs \$14,079,000 \$6,618,000 \$10,558,000 \$962,000 Total Development Cost / Per Res Unit \$176,913,000 \$989,974,000 \$868,000 \$109,695,000 \$962,000 Revenue from Sale of Tax Credits \$12,585,000 \$6,043,000 N/A N/A Developer Margin ^c \$31,776,000 \$6,7970,000) \$(\$888,000) \$000 \$962,000 As Percent of Total Development Cost 18% -8% 0% \$100,000 | | | | | | | |
| Revenue from Sale of Tax Credits \$12,585,000 \$6,043,000 N/A Developer Margin ^c \$31,776,000 (\$7,970,000) (\$88,000) As Percent of Total Development Cost 18% -8% 0% Target Return on Total Development Cost 18% to 25% 18% to 25% Return (Yield) on Cost ^c 5.6% 4.3% N/A | Other Soft Costs | | | | | \$10,558,000 | |
| Developer Margin ^c \$31,776,000 (\$7,970,000) (\$88,000) As Percent of Total Development Cost 18% -8% 0% Target Return on Total Development Cost 18% to 25% 18% to 25% Return (Yield) on Cost ^c 5.6% 4.3% N/A | Total Development Cost / Per Res Unit | \$176,913,000 | \$592,000 | \$98,974,000 | \$868,000 | \$109,695,000 | \$962,000 |
| Developer Margin ^c \$31,776,000 (\$7,970,000) (\$88,000) As Percent of Total Development Cost 18% -8% 0% Target Return on Total Development Cost 18% to 25% 18% to 25% Return (Yield) on Cost ^c 5.6% 4.3% N/A | Revenue from Sale of Tax Credits | \$12,585,000 | | \$6,043,000 | | N/A | |
| As Percent of Total Development Cost 18% -8% 0% Target Return on Total Development Cost 18% to 25% 18% to 25% Return (Yield) on Cost ^c 5.6% 4.3% N/A | Developer Margin ^c | | | | | (\$88.000) | |
| Target Return on Total Development Cost 18% to 25% Return (Yield) on Cost ^c 5.6% 4.3% N/A | | | | (, , , , , , , , , , , , , , , , , , , | | | |
| Return (Yield) on Cost ^c 5.6% 4.3% N/A | | | | | to 25% | 570 | |
| | | 5.4% | | | | NI/A | |
| | Target Return (Yield) on Cost | 5.0% | | | | N/A | |

Note: Values rounded to nearest 1,000 a. Includes costs of site work, demolition of existing buildings, environmental remediation, pathways and landscaping.

b. Excludes soft costs associated with land acquisition and pre-development carry, which are included above.
 c. If EIR Alternative B is modified to assume above-grade parking, the Developer Margin is negative \$6 million.
 Source: City of San Francisco, Related, Seifel Consulting Inc.

Parcel Map





Sanborn Map*



*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Zoning Map





Aerial Photo



PROJECT SITE







Large Project Authorization/Adoption of CEQA Findings for FEIR Hearing **Case Number 2012.1398EX** 1601 Mariposa Street



Large Project Authorization/Adoption of CEQA Findings for FEIR Hearing **Case Number 2012.1398EX** 1601 Mariposa Street



Large Project Authorization/Adoption of CEQA Findings for FEIR Hearing **Case Number 2012.1398EX** 1601 Mariposa Street





Large Project Authorization/Adoption of CEQA Findings for FEIR Hearing Case Number 2012.1398EX 1601 Mariposa Street

Major Projects Within .25 Mile Radius of 1601 Mariposa Street







SAN FRANCISCO

PLANNING

DEPARTMENT

Application for Priority Application Processing

This form shall be used for requests for Priority Application Processing as set forth in Director's Bulletin No. 2. Please submit completed aplications to the Office of the Planning Director.

| For Staff Line Only 2017 | -1398 | EKX. | PPA | | E - 6 X - | 1/23 | 113 |
|-----------------------------|------------------|--------|-----|--|--------------|------|-----|
| Case and/or Permit | Application Numb | ver(s) | | | Date Receive | s' | |

| 601 m2 | | See Attaches |
|--------------------|--|--------------|
| umu_ | to-x(nobulk) | |
| 4.7° | SWORK (ATTACH ADDITIONAL PASSES IF RECEISEARY) | |
| see atto | ched. | |
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| | | |
| sis for Priority A | oplication Review | |
| , | | |

| | | 1A [<100% affordable housing] | | | |
|----------|-----------------------------|------------------------------------|------------------|---------|--|
| FINDINGS | OF CONSISTENCY WITH DIRECTO | R'S BULLETIN NO. 2 IATTACH ACCTURN | AL PAGES & NECE: | SEARY ! | |
| 6 | Attached. | | | | |
| Vee | HIDChed. | | | | |
| | | | | | |
| | | | | | |

Applicant's Declaration

I hereby declare that the information I have provided is accurate to the best of my knowledge. Should this application be accepted, and should the project described herein be implemented, I commit to complete the project in full compliance with the requirements described in Director's Bulletin No. 2 for the particular type of application indicated above. I understand that failure to do so may subject the project to penalties and/or other remedies articulated in Planning Code Article 1.7 and/or Director's Bulletin No. 2.

ousa DATE SIGNATURE OF APPLICANT 7-9000 415soppert Lo., LLC SUSAN. Smartta) Blated. com For Stall Use Only REJECTED e of Staff [Zoning A tor's Office or Director's Office staff only]

1. Block(s) & Lot(s)

4006/Lot10 4005/001B, 4005-004, 4006-006, 4006-019, 4006-020

2. Description of Proposed Work

Proposed use is two 4-story mixed use residential rental buildings, separated by a publicly accessible mews and interior courtyards, with neighborhood serving retail and PDR space. The project involves the demolition of three existing on-site one and two story commercial, office and warehouse buildings and the construction of 299 residential rental units, 243 parking spaces and approximately 10,000 sq ft of retail/PDR space.

3. Basis for Priority Review for Type 1A Review

Pursuant to Planning Code Section 419.5, the on-site inclusionary requirement is 14.4%. 1601 Mariposa is a Tier A project because it did not receive a height limit increase in the Eastern Neighborhoods rezoning. Section 419.2(a)(2) defines Tier A as "All development on sites within the UMU District which received a height increase of eight feet or less, or received a reduction in height, as part of the Eastern Neighborhoods Plan (on file with the Clerk of the Board of Supervisors in File No. 081154)." We plan to satisfy the requirement on-site and will be increasing the percentage from 14.4% to 20%. The property will be built as a rental project. The current LPA application is for 299 units. Therefore the on-site affordable requirement is 43 units. We plan to provide 60 units. Should the number of units decrease, the number of affordable units would decrease accordingly.

The TEFRA Resolution was approved by the Board of Supervisors on February 24, 2015



SAN FRANCISCO PLANNING DEPARTMENT

Planning Department 1650 Mission Street Suite 400 San Francisco, CA 94103-9425

T: 415.558.6378 F: 415.558.6409

AFFIDAVIT FOR Compliance with the Inclusionary Affordable Housing Program

Date: January 11, 2013

To: Applicants subject to Planning Code Section 415: Inclusionary Affordable Housing Program

From: San Francisco Planning Department

Re: Compliance with the Inclusionary Affordable Housing Program

All projects that involve five or more new dwelling units must participate in the Inclusionary Affordable Housing Program contained in Section 415 of the Planning Code. Every project subject to Section 415 must pay an Affordable Housing Fee that is equivalent to the applicable percentage of the number of units in the principal project, which is 20% of the total number of units proposed (or the applicable percentage if subject to different area plan controls or requirements).

A project may be eligible for an Alternative to the Affordable Housing Fee if the developer chooses to commit to sell the new on- or off-residential units rather than offer them as rental units. Second, the project may be eligible for an Alternative to the Affordable Housing Fee if it has demonstrated to the Planning Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act. All projects that can demonstrate that they are eligible for an alternative to the Affordable Housing Fee must provide the necessary documentation to the Planning Department and the Mayor's Office of Housing. Additional material may be required to determine if a project is eligible to fulfill the Program's requirements through an alternative.

Before the Planning Department and/or Planning Commission can act on the project, this Affidavit for Compliance with the Inclusionary Affordable Housing Program must be completed.

1 California Civil Code Section 1954.50 et.al.

Affidavit for Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415

9/30/2015

| | Date | 100C /T =+ 10 |
|----|---|--------------------------|
| | | 4006/Lot 10 |
| | | 4005/001B |
| I, | Susan Smartt , do hereby declare as follows: | 4005-004 |
| | | 4006-006 |
| a. | The subject property is located at (address and block/lot): | 4006-019 |
| | 1601 Mariposa Street, San Francisco, CA | 4006-020 |
| | Address | Block / Lot |
| b. | The proposed project at the above address is subject to the Inclusionary Affordable H Code Section 415 et seq. The Planning Case Number and/or Building Permit Number is: | ousing Program, Planning |
| | 2012.1398E N/A | |
| | Planning Case Number Building Permit Number | |
| | This project requires the following approval: | |
| | 🕅 Planning Commission approval (e.g. Conditional Use Authorization, Large | Project Authorization) |
| | This project is principally permitted. | |
| | The Current Planner assigned to my project within the Planning Department is: | |
| | Chris Townes | |
| | Planner Name | |
| | | |
| | Is this project within the Eastern Neighborhoods Plan Area? | |
| | X Yes (if yes, please indicate Tier) A | |
| | 🗋 No | |
| | This project is exempt from the Inclusionary Affordable Housing Program because: | |
| | This project uses California Debt Limit Allocation Committee (CDLAC) fun | ding. |
| | ☐ This project is 100% affordable. | |
| c. | This project will comply with the Inclusionary Affordable Housing Program by: | |
| | | mitiguanco |
| | Payment of the Affordable Housing Fee prior to the first site or building per | mut issuance |

I On-site or Off-site Affordable Housing Alternative (Planning Code Sections 415.6 and 416.7).

(Planning Code Section 415.5).

- d. If the project will comply with the Inclusionary Affordable Housing Program through an **On-site** or **Off-site Affordable Housing Alternative**, please fill out the following regarding how the project is eligible for an alternative and the accompanying unit mix tables on page 4.
 - **Ownership**. All affordable housing units will be sold as ownership units and will remain as ownership units for the life of the project.
 - Rental. Exemption from Costa Hawkins Rental Housing Act.² The Project Sponsor has demonstrated to the Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act, under the exception provided in Civil Code Sections 1954.50 though one of the following:
 - Direct financial contribution from a public entity.
 - Development or density bonus or other public form of assistance.
 - Development Agreement with the City. The Project Sponsor has entered into or has applied to enter into a Development Agreement with the City and County of San Francisco pursuant to Chapter 56 of the San Francisco Administrative Code and, as part of that Agreement, is receiving a direct financial contribution, development or density bonus, or other form of public assistance.
- e. The Project Sponsor acknowledges that failure to sell the affordable units as ownership units or to eliminate the on-site or off-site affordable ownership-only units at any time will require the Project Sponsor to:
 - (1) Inform the Planning Department and the Mayor's Office of Housing and, if applicable, fill out a new affidavit;
 - (2) Record a new Notice of Special Restrictions; and
 - (3) Pay the Affordable Housing Fee plus applicable interest (using the fee schedule in place at the time that the units are converted from ownership to rental units) and any applicable penalties by law.
- f. The Project Sponsor must pay the Affordable Housing Fee in full sum to the Development Fee Collection Unit at the Department of Building Inspection for use by the Mayor's Office of Housing prior to the issuance of the first construction document, with an option for the Project Sponsor to defer a portion of the payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge that would be deposited into the Citywide Affordable Housing Fund in accordance with Section 107A.13.3 of the San Francisco Building Code.
- g. I am a duly authorized officer or owner of the subject property.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on this day in:

| San Francisco, CA | |
|---|-----|
| Location | I |
| Jush Grazing | |
| Signature | cc: |
| Susan Smartt, Authorized Signatory Name (Print), Title | |
| 415-677-9000 | |

9/30/2015 Date

cc: Mayor's Office of Housing Planning Department Case Docket Historic File, if applicable Assessor's Office, if applicable

Unit Mix Tables

| NUMBER OF ALL UNITS IN PRINCIPAL PROJECT: | | | | | | | |
|---|-----|---------|-------------------|-------------------|---------------------|--|--|
| Total Number of Units | SRO | Studios | One-Bedroom Units | Two-Bedroom Units | Three-Bedroom Units | | |
| 299 | 0 | 69 | 109 | 111 | 10 | | |

If you selected an On-site or Off-Site Alternative, please fill out the applicable section below:

IX On-site Affordable Housing Alternative (Charter Section 16.110 (g) and Planning Code Section 415.6): calculated at 12% of the unit total. (Project has committed to 20%)

| | | NUMBER OF | AFFORDABLE UNITS TO BE LOC. | ATED ON-SITE | |
|------------------------|-----|-----------|-----------------------------|-------------------|---------------------|
| Total Affordable Units | SRO | Studios | One-Bedroom Units | Two-Bedroom Units | Three-Bedroom Units |
| 60 | 0 | 14 | 22 | 22 | 2 |

Off-site Affordable Housing Alternative (Planning Code Section 415.7): calculated at 20% of the unit total.

| NUMBER OF AFFORDABLE UNITS TO BE LOCATED OFF-SITE | | | | | | | | | |
|---|---|----------------|-------------------|-------------------|---|--|--|--|--|
| Total Affordable Units | SRO | Studios | One-Bedroom Units | Two-Bedroom Units | Three-Bedroom Units | | | | |
| Area of Dwellings in Principal Pro | Area of Dwellings in Principal Project (in sq. feet) Off-Site Project Address | | | | | | | | |
| | | | | | | | | | |
| Area of Dwellings in Off-Site Proje | ect (in sq. feet) | | | | | | | | |
| Off-Site Block/Lot(s) | | Motion No. (if | applicable) | Number of Marke | Number of Market-Rate Units in the Off-site Project | | | | |

Combination of payment of a fee, on-site affordable units, or off-site affordable units with the following distribution: Indicate what percent of each option would be implemented (from 0% to 99%) and the number of on-site and/or off-site below market rate units for rent and/or for sale.

____% of affordable housing requirement. 1. Fee

2. On-Site _____ % of affordable housing requirement.

| NUMBER OF AFFORDABLE UNITS TO BE LOCATED ON-SITE | | | | | | | |
|--|-----|---------|-------------------|-------------------|---------------------|--|--|
| Total Affordable Units | SRO | Studios | One-Bedroom Units | Two-Bedroom Units | Three-Bedroom Units | | |

3. Off-Site

_____% of affordable housing requirement.

| NUMBER OF AFFORDABLE UNITS TO BE LOCATED OFF-SITE | | | | | | | |
|---|-----|---------------|-------------------|-------------------|--------------------------------------|--|--|
| Total Affordable Units | SRO | Studios | One-Bedroom Units | Two-Bedroom Units | Three-Bedroom Units | | |
| Area of Dwellings in Principal Pro | | Off-Site Proj | ect Address | | | | |
| Off-Site Block/Lot(s) | | Motion No. (| if applicable) | Number of Marke | t-Rate Units in the Off-site Project | | |

| CONTACT INFORMATION AND DECLARATION OF SPONSOR OF PRINCIPAL PROJECT | CONTACT INFORMATION AND DECLARATION OF SPONSOR OF OFF-SITE PROJECT (IF DIFFERENT) |
|---|--|
| Company Name Related / Mariposa Development | Company Name |
| Co. LLC | N/A |
| Print Name of Contact Person | Print Name of Contact Person |
| Susan Smartt | N/A |
| Address | Address |
| 44 Montgomery St., Suite 1050 | N/A |
| City, State, Zip | City, State, Zip |
| San Francisco, CA 94104 | N/A |
| Phone, Fax | Phone, Fax |
| 415-677-9000; 888-371-8739 | N/A |
| Email | Email |
| ssmartt@related.com | N/A |
| I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above. | Thereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above. |
| The America | N/A |
| signeture Susan Smartt, | Signature |
| Authorized Signatory | N/A |
| Name (Print), Title | Name (Print), Title |
| | |
| | |

SUPPLEMENTAL INFORMATION FOR Anti-Discriminatory Housing Policy

1. Owner/Applicant Information

| PROPERTY OWNER'S NAME: Related mariposa Deve PROPERTY OWNER'S ADDRESS: 44 montgomery St, # 1050 San Francisco, CA 94104 | elopment Co, LLC |
|---|---|
| 44 montgomery St, # 1050 | (415)677-9000 |
| San Francisco, CA 94104 | SUSAN, Smartt a) related . com |
| APPLICANT'S NAME: | |
| | Same as Above |
| APPLICANT'S ADDRESS: | TELEPHONE: |
| | Email: |
| | |
| CONTACT FOR PROJECT INFORMATION: | |
| SUSAN Smartt | Same as Above 🔀- |
| ADDRESS: | TELEPHONE: |
| | () |
| | EMAIL: |
| 1 | |
| COMMUNITY LIAISON FOR PROJECT (PLEASE REPORT CHANGES TO THE ZONING ADMINISTRATO | R): Same as Above 🕅 |
| ADDRESS: | TELEPHONE: |
| | () |
| | EMAIL: |
| | |
| 2. Location and Project Description | |
| STREET ADDRESS OF PROJECT: | ZIP CODE: |
| 1601 Mariposa | |
| 1601 Mariposa CROSS STREETS: Mariposa, Arkansas 18th Ca ASSESSORS BLOCK/LOT: ZONING DISTRICT: | HEIGHT/BULK DISTRICT: |
| See Attached umu | 40x - no bulk |
| PROJECT TYPE: (Please check all that apply) EXISTING DWELLING (| JNITS: PROPOSED DWELLING UNITS: NET INCREASE: |
| 🕅 New Construction | |
| | |
| Alteration Society III | |
| Other: See attac | hed |

n.....

1. Block(s) & Lot(s)

4006/Lot10 4005/001B, 4005-004, 4006-006, 4006-019, 4006-020

2. Description of Proposed Work

Proposed use is two 4-story mixed use residential rental buildings, separated by a publicly accessible mews and interior courtyards, with neighborhood serving retail and PDR space. The project involves the demolition of three existing on-site one and two story commercial, office and warehouse buildings and the construction of 299 residential rental units, 243 parking spaces and approximately 10,000 sq ft of retail/PDR space.

EEO POLICY STATEMENT

It is the policy of The Related Companies, LP and all affiliated companies to not discriminate against any employee or applicant for employment because of race, color, religion, gender, national origin, age, genetic information, disability, or veteran status, or any other status protected by state or local law, and to provide equal employment opportunity and affirmative action for qualified individuals. This policy statement is included in this Affirmative Action Program and is posted on Company bulletin boards.

The Company will endeavor to recruit, hire, train, and promote persons in all job titles in accordance with this Affirmative Action Program. All other personnel actions are administered without regard to race, color, religion, gender, national origin, age, genetic information, disability, or veteran status, or any other status protected by state or local law, and all employment decisions are based only on valid job requirements.

Jane A. Kavafian has been assigned overall responsibility for the implementation of affirmative action activities as required by law.

Jane A. Kavafian's responsibilities include designing and implementing an audit and reporting system that will:

- Measure the effectiveness of the Company's Affirmative Action Program.
- Indicate any need for remedial action.
 Determine the degree to which our objectives have been attained.
- Determine whether individuals with known disabilities and covered veterans have had the opportunity to
- participate in all Company-sponsored educational, training, recreational, and social activities.
- Measure compliance with the Affirmative Action Program's specific obligations.

Employees and applicants shall not be subjected to harassment, intimidation, threats, coercion, or discrimination because they have engaged in any of the following activities:

- Filing a complaint.
- Assisting or participating in an investigation, compliance review, hearing, or any other activity related to the administration of Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, as amended, Section 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, the Veterans Employment Opportunities Act of 1998 or any other Federal, State or local law requiring equal opportunity for individuals regardless of race, color, religion, gender, national origin, age, disability, or veteran status.
- Opposing any act or practice made unlawful by Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, or its implementing regulations, Section 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, the Veterans Employment Opportunities Act of 1998 or any other Federal, State or local law requiring equal opportunity for individuals regardless of their race, color, religion, gender, national origin, age, disability, or veteran status.
- Exercising any other right protected by Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, or its implementing regulations, or Section 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 or the Veterans Employment Opportunities Act of 1998.

Compliance with the Anti-Discriminatory Housing Policy

 Does the applicant or sponsor, including the applicant or sponsor's parent company, subsidiary, or any other business or entity with an ownership share of at least 30% of the applicant's company, engage in the business of developing real estate, owning properties, or leasing or selling individual dwelling units in States or jurisdictions outside of California?

1a. If yes, in which States? AZ, CO, CT, DC, FL, GA, IL, MA, MD, MI, MA, NC, ND, NJ, NV, NY, PA, SC, TN, TX, VA, WI

🔀 YES 🛄 NO

🕱 YES 🛄 NO

🗙 YES 📃 NO

- 1b. If yes, does the applicant or sponsor, as defined above, have policies in individual States that prohibit discrimination based on sexual orientation and gender identity in the sale, lease, or financing of any dwelling units enforced on every property in the State or States where the applicant or sponsor has an ownership or financial interest?
- 1c. If yes, does the applicant or sponsor, as defined above, have a national policy that prohibits discrimination based on sexual orientation and gender identity in the sale, lease, or financing of any dwelling units enforced on every property in the United States where the applicant or sponsor has an ownership or financial interest in property?
- If the answer to 1b and/or 1c is yes, please provide a copy of that policy or policies as part of the supplemental information packet to the Planning Department.

Human Rights Commission contact information Mullane Ahern at (415)252-2514 or mullane.ahern@sfgov.org

Applicant's Affidavit

Under penalty of perjury the following declarations are made:

- a: The undersigned is the owner or authorized agent of the owner of this property.
- b: The information presented is true and correct to the best of my knowledge.
- c: Other information or applications may be required.

Signature:

Date:

Print name, and indicate whether owner, or authorized agent:

Owner - Authorized Agent (circle one)

| PLANNING DEPARTMENT USE | ONLY |
|---|-------------|
| PLANNING DEPARTMENT VERIFICATION: | |
| Anti-Discriminatory Housing Policy Form is Complete Anti-Discriminatory Housing Policy Form is Incomplete Notification of Incomplete Information made: To: Date: | |
| BUILDING PERMIT NUMBER(S): | DATE FILED: |
| | |
| RECORD NUMBER: | DATE FILED: |
| VERIFIED BY PLANNER: | |
| VERIFIED BY PLANNER: | |
| Signature: D | Pate: |
| Printed Name: P | hone: |
| ROUTED TO HRC: | DATE: |
| Emailed to: | |



SAN FRANCISCO

PLANNING DEPARTMENT

AFFIDAVIT FOR FIRST SOURCE HIRING PROGRAM Administrative Code Chapter 83

1650 Mission Street, Suite 400 • San Francisco CA 94103-2479 • 415.558.6378 • http://www.sfplanning.org

| Section 1: Project Information | | | |
|------------------------------------|--|----------------------------|-----|
| PROJECT ADDRESS | and an | BLOCK/LOT(S) | |
| 1401 Mariposa | | See attached | |
| BUILOING PERMIT APPLICATION NO. | CASE NO. (IF APPLICABLE) | MOTION NO. (IF APPLICABLE) | |
| PROJECT SPONSOR Related/maripos | A Develop mange | LC 415-617-9000 | |
| 44 Montgome | | | |
| San Francisco Ca | - 94104 SUSA | D. Smarttarelated | con |
| 2-2-2 ANTICIPATED START DATE | 0.000 sF 40', | 4 \$75.3m | |
| June 2016 | 2 | | |

Section 2: First Source Hiring Program Verification

| CHEC | K ALL BOXES APPLICABLE TO THIS PROJECT | |
|---|---|--|
| | Project is wholly Residential | |
| | Project is wholly Commercial | |
| X | Project is Mixed Use | |
| ¥ | A: The project consists of ten (10) or more residential units; | |
| | B: The project consists of 25,000 square feet or more gross commercial floor area. | |
| | C: Neither 1A nor 1B apply. | |
| If yo Dep to A For visit If the | : u checked C, this project is <u>NOI</u> subject to the First Source Hiring Program. Sign Section 4: Declaration of Sponsor of Project and submit to the Planning artment. u checked A or B, your project <u>is</u> subject to the First Source Hiring Program. Please complete the reverse of this document, sign, and submit to the Planning artment prior to any Planning Commission hearing. If principally permitted, Planning Department approval of the Site Permit is required for all projects subject dministrative Code Chapter 83. questions, please contact OEWD's CityBuild program at CityBuild@stgov.org or (415) 701-4848. For more information about the First Source Hiring Program www.workforcedevelopmentsf.org a project is subject to the First Source Hiring Program, you are required to execute a Memorandum of Understanding (MOU) with OEWD's CityBuild program prior ceiving construction permits from Department of Building Inspection. | |

Continued...

1

1. Block(s) & Lot(s)

.

4006/Lot10 4005/001B, 4005-004, 4006-006, 4006-019, 4006-020

the second

Section 3: First Source Hiring Program - Workforce Projection

Per Section 83.11 of Administrative Code Chapter 83, it is the developer's responsibility to complete the following information to the best of their knowledge.

Provide the estimated number of employees from each construction trade to be used on the project, indicating how many are entry and/or apprentice level as well as the anticipated wage for these positions. . . .

| Check the anticipated trade(s) and provide accompanying information (Select all that | apply): |
|--|---------|

| TRADE/CRAFT | ANTICIPATED JOURNEYMAN WAGE | # APPRENTICE POSITIONS | POSITIONS | TRADE/CRAFT | ANTICIPATED JOURNEYMAN WAGE | # APPRENTICE POSITIONS | # TOTAL POSITION |
|-------------------------|--------------------------------|---------------------------|------------|---------------------------|--------------------------------|---------------------------|---------------------|
| Abatement Laborer | PW | 3 | 9 | Laborer | PW | 4 | 2.0 |
| Boilermaker | N/A - | | | Operating Engineer | PW | 2 | 12 |
| Bricklay er | N/A | | ` | Painter | PW | ·2 | 10 |
| Carpenter | PW | 20 | 60 | Pile Driver | PW | 2 | 10 |
| Cement Mason | PW | 3 | 20 | Plasterer | PW | - | |
| Drywaller/ Latherer | PW | JD | 40 | Plumber and Pipefitter | PW | 20 | 60 |
| Electrician | PW | 20 | 60 | Roofer/Water proofer | : PW | ł | g |
| Elevator Constructor | PW | I | 8 | Sheet Metal Worker | PW | L | 10 |
| Floor Coverer | PW | 1 | 10 | Sprinkler Fitter | PW | ι | 15 |
| Glazier | PW | 2 | 15 | Taper | PW | 2 | 10 |
| Heat & Frost | N/A - | | | Tile Layer/ Finisher | PW | I | 8 |
| ronworker | PN | 1 | 6 | Other: | | | |
| | | TOTAL: | 228 | | | TOTAL: | 103 |
| I. Will the antic | pated employee o | compensation | by trade b | e consistent with a | area Prevailing Wa | - | es no K |
| 2. Will the awar | | participate in | an apprent | | pproved by the St | -1 | |
| | d retention goals f | | | ished? | | 6 | |
| - | stimated number | | | | | - | |

Section 4: Declaration of Sponsor of Principal Project

rcedevelopmentst.org Email: CityBuikt@sfgov.org

PRINT NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

PHONE NUMBER

1

SKSAN. SMartt ee.V o) relate ٣. WYON PROVIDED HEREIN IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND THAT I COORI I HEREBY DECLARE THAT THE INFOR NATED W REQUIREMENTS OF ADMINISTRATIVE CODE CHAPTER 83. TO SATISFY CITYE am NTATIVE) БA AUTHORIZED R ------. **. . . .** FOR PLANNING DEPARTMENT STAFF ONLY PLEASE EMAIL AN ELECTRONIC COPY OF THE COMPLETED AFFIDAVIT FOR FIRST SOURCE HIRING PROGRAM TO DEWD'S CITYBUILD PROGRAM AT CITYBUILD@SFGOKORG Office of Economic and Workforce Development, CityBuild Ca: e: 1 South Ven Nees Sh Floor San Francisco, CA 94103 Phone: 415-701-4848

SAN FRANCISCO PLANNING DEPARTMENT V 07 18 2014



RELATED

October 30, 2015

Rodney Fong Planning Commission President Planning Department, City and County of San Francisco 1650 Mission Street, STE 400 San Francisco, CA 94103

RE: 1601 Mariposa Community Outreach and Design Evolution Hearing Date: November 12, 2015

Dear Commission President Fong,

Related California (Related) is writing regarding our proposed project at 1601 Mariposa Street in Potrero Hill in order to summarize our multi-year commitment to community outreach, dialogue and response. Related has conducted extensive outreach to design a project that the community supports. This letter summarizes Related's broad outreach and how the project has evolved over time to incorporate the community's input. With publication of the Final EIR in October, we are seeking Planning Commission approval of a Large Project Authorization for the project on November 12, 2015.

The project complies with the 40' height requirement, parking requirements, open space requirements and exceeds affordability requirements under Eastern Neighborhoods Zoning. The project also complies with the goals of the SF Better Streets Plan and the Guidelines for Ground Floor Residential Design.

The proposed use is two 4-story mixed-use residential apartment buildings separated by a publicly accessible mews with neighborhood-serving retail and publicly accessible mid-block passages and interior courtyards.

The project is requesting Large Project Authorization with specific modifications including:

- 1) Horizontal Mass Reduction (Planning Code Sec. 270.1)
- 2) Off-Street Loading (Planning Code Sec. 152.1)
- 3) Floor-to-floor ground floor heights (17 feet) for non-residential space (Planning Code Section 145.2(c)(4))
- 4) Rear Yard Configuration (Planning Code Sec. 134 (f))

In September 2012, Related held its first formal meeting to provide information about the proposed project at 1601 Mariposa Street. Over the past three years, Related and the 1601 Mariposa project team have consistently and repeatedly involved the community groups, entities, and individual neighbors and neighborhood leaders listed below. Related has also participated in numerous local events, held an open space design charrette, and has produced detailed collateral materials to provide specific information to the community. As part of this process, Related circulated project information by mail to the community and created a website to display plans, renderings, and project information. As details were decided and new information became available, the website and community received regular updates.

RELATED

Community groups and entities:

- Live Oak School
- Grow Potrero Responsibly
- Office of Supervisor Malia Cohen
- Eastern Neighborhood CAC
- Green Benefits District
- Save the Hill
- Friends of Jackson Park
- The Potrero Boosters
- Potrero-Dogpatch Merchants Association (PDMA)
- Dogpatch Neighborhood Association
- Daniel Webster Elementary School
- San Francisco International School
- 18th & Arkansas HOA
- Anchor Steam Brewery
- SPUR
- San Francisco Housing Action Coalition
- The Potrero View
- SFMade
- Urban Recess Partners
- SF Rec & Parks

Individuals:

- Virginia Paik (Live Oak School)
- Doug Tom (Live Oak School)
- Dan Lockwood (Live Oak School)
- Keith Goldstein (PDMA)
- Dick Millett (Potrero Boosters)
- Tony Kelly (Potrero Boosters)
- J.R. Eppler (Potrero Boosters)
- Rod Minott (Save the Hill)
- Malia Cohen (SF Board of Supervisors)
- Stacy Bartlett (Daniel Webster Elementary School)
- Janet Carpinelli (Dogpatch Neighborhood Association)
- Nick Noves (18th and Arkansas HOA)
- Ron Miguel (Neighborhood activist and former planning commissioner)
- Art Agnos (Former Mayor of San Francisco)
- John Dannerback (Anchor Steam Brewery)
- Daphne Magnawa (Daniel Webster Elementary School PTA)
- Alison Heath (Grow Potrero Responsibly)
- Holly Friedman (Grow Potrero Responsibly)
- Briony Doyle (Friends of Jackson Park)
- Booka Alon (Friends of Jackson Park)
- Drew Hess (Neighbor)
- Chip Conley (Neighbor)
- Jude Deckenbach (Friends of Jackson Playground)

PRE-DESIGN CONTEMPLATION

David Baker Architects (DBA) has been involved with the project since its inception. Beginning in 2011, DBA worked closely with Related to visualize a reuse concept for the Mackenzie Auto Parts Warehouse and bus repair yard. When studying the site's complex topography we learned it was long ago traversed by a creek that flowed from 18th Street to Mariposa Street and would periodically flood the site. It was the ecological and hydrological history that influenced the evolution of the site – from old train tracks to the shape of lots and industrial buildings – to the current proposal for 1601 Mariposa.

Working closely with Fletcher Studio – the project's landscape architect – early studies honored and acknowledged the old underground creek (which is now combined storm water and sewer) by converting the private space above it into a new green public open space. The pedestrian greenway will stretch the entire block, through a newly contemplated plaza, and connect to Jackson Playground. Residents, neighbors, and children will reclaim this space and 'ebb and flow' from 18th Street to Jackson Playground.



The inspiration of the land, hydrology, and ecology have also become major drivers for locating and activating new residential and commercial uses that flank the new public greenway, a space which also serves to bisect the site into distinct components.

The design tucks the garage out of sight and wraps it with neighborhood scale active residential and commercial spaces by utilizing the steep topography of the site. By locating all on-site parking beneath the east building, the entire west building was able to be activated along the ground floor. Related also responded to neighborhood concerns early in the process by adding a garage entrance on 18th Street to better distribute residents' entry and exit. New PDR and neighborhood scale commercial spaces are now planned for Mariposa and Carolina Streets.

Lastly, we worked diligently to sculpt building mass, height, and scale to ensure a 'custom' neighborhood fit on all sides of the block. This involved designing and incorporating elements at a pedestrian scale as well as green streetscapes throughout the project. Additionally, the corner of 18th and Arkansas Streets was reduced from 4 stories to 3 stories (top of roof to be 31 feet in height) to ensure a scale that is consistent with the neighborhood.

These are the most enduring concepts that have guided the project from its initial concept to its current form today. This evolution has been captured through the three official iterations of the project's formal application as detailed on the following pages.



ITERATION 1 (EE APPLICATION): Submitted in February 2013



Summary of Outreach:

Following the submittal of the EE Application in February 2013 (Iteration 1), the 1601 Mariposa project team met with the following groups, individuals, and undertook the following actions:

Met with Live Oak School administration – January 2013

- Virginia Paik, Doug Tom, Dan Lockwood
- Introductory meeting

Group charette with community members - February 2013

- Keith Goldstein, President Potrero-Dogpatch Merchants Association (PDMA)
- Virginia Paik (Live Oak School)
- Dick Millett, Potrero Boosters
- Stacy Bartlett, Potrero Kids
- Janet Carpinelli, Dogpatch Neighborhood Association
- Tony Kelly, Potrero Boosters
- Ron Miguel, Neighborhood Activist

Potrero Boosters Meeting - March 2013

- Introductory meeting
- Related committed to future design updates

18th and Arkansas Homeowners Association – March 2013

Anchor Steam Brewery – April 2013

- John Dannerback, General Manager
- Introductory meeting
- Explained how building would be managed and maintained
- Addressed concerns about traffic

Follow-up meetings with 18th and Arkansas HOA and Live Oak School – April 2013

Supervisor Cohen and staff - April 2013

Potrero Kids and Daniel Webster Elementary School – April 2013

- Stacy Bartlett, Potrero Kids
- Daphne Magnawa, Daniel Webster Parents Association

Grow Potrero Responsibly - May 2013

Email exchange with Alison Heath

Pre-application Community Meeting – May 2013

Follow-up meeting with Tony Kelly – June 2013

Urged buy-in to community shuttle

Follow-up meetings with neighbors requesting additional information – June 2013

- 18th and Arkansas HOA and individual residents
- Live Oak School
- Dogpatch Neighborhood Association

Friends of Jackson Park - July 2013

Introductory meeting

Meeting with J.R. Eppler, President Potrero Boosters – July 2013

Follow-up meeting with Supervisor Cohen – July 2013

Follow-up meeting with Live Oak School – July 2013

Meeting with Urban Recess Partners – September 2013

- Local business
- Introductory meeting

Launched project website - October 2013

Attended and sponsored Potrero Hill Festival – October 2013

 Staffed booth and distributed project information

SF Housing Action Coalition Presentation

Introductory presentation

Green Benefits District Steering Committee – October 2013



ITERATION 2 (LPA) Submitted January 2014



Summary of revisions:

- The goal was to begin incorporating comments and concerns from the community, while still delivering a project true to the goals and requirements laid out in the Eastern Neighborhoods Plan. This methodology slightly reduced the unit count, which led to a small reduction in proposed residents and parking, and a decrease in average unit size. Additionally, new publically available open space was incorporated.
- The exterior design approach was to use a simple palate of materials found throughout the neighborhood, while breaking the building massing to reflect existing structures surrounding the project.



Summary of Outreach:

Following the submittal of the LPA in January 2014 (Iteration 2), Related met with the following groups and individuals, and undertook the following actions:

Direct mail sent to Potrero Hill Community – May 2014

Mid-block greenway design charrette – May 2014

 Open community meeting where neighbors were able to share ideas and requests for design features of mid-block passageway.

Sponsored and attended "Taste of Potrero" – May 2014

 Staffed booth and distributed project information

Attended public scoping meeting – June 2014

Outreach to local businesses and PDMA – August 2014

 Related sought input and gauged interested in participation in sponsored local farmers/ maker market

Follow-up meeting with local groups – September 2014

- Grow Potrero Responsibly
- Live Oak School
- Friends of Jackson Playground

Sponsored and Attended the Potrero Hill Festival – October 2014

 Staffed booth and distributed project information

Held the Mariposa Movie Night - October 2014

- Related sponsored and held a Halloweenthemed movie night for the neighborhood on Mariposa Street in front of the project site.
- The event included direct stakeholder and community outreach, ads in the Potrero View, direct mail to neighbors, and an eblast from the project team.

Roundtable community discussion – November 2014

- Live Oak School
- Grow Potrero Responsibly
- Friends of Jackson Playground

Attended DEIR Hearing – February 2015

Interview with Potrero View - April 2015

 The project team provided written information and responses to a series of questions submitted by the Potrero View (neighborhood newspaper) RELATED



ITERATION 3 (LPA) Submitted July 2015

Summary of revisions:

The third iteration of 1601 Mariposa saw substantial changes to the design, and reflected comments from the community received during group and individual meetings, the Potrero Boosters, Grow Potrero Responsibly, Save the Hill, Live Oak School, and individual comments during the DEIR hearing. Related also published the changes to the project website, and advertised in the Potrero View (neighborhood newspaper). The changes included:

- A substantial reduction in units. The project was reduced from 316 units (or 320 as originally proposed) to 299.
- More room for Live Oak School. The setback was increased from about 10 feet to 36 feet. Code required only 5 feet, and Related agreed to an easement for Live Oak to be able to legally open their windows.
- Increased Affordable Housing. Related increased on-site affordable housing over the Eastern Neighborhoods required 14.4%. Related committed to 20% affordable without seeking increased density or other compensation.
- Dedicated PDR Space. Responding to neighborhood concerns over traffic and citywide concerns over loss of PDR, Related converted a significant portion of retail space to PDR. This not only provides space for San Francisco "makers" in a traditionally PDR-centric neighborhood, but reduced the projected car trips to and from the project.



RELATED

- New Neighborhood Infrastructure. Related will provide financial support for a new traffic signal at the intersection of Mariposa and Pennsylvania to further ease traffic issues in the neighborhood.
- New Open Space. 1601 Mariposa has more than twice the required open space for a project of this size. The mid-block passage is a new community resource that will provide public space for events, neighborhood gatherings, and other social activities.

The third iteration of the project also includes a new east-west passage which was a top priority for the community. It provides increased neighborhood connectivity by allowing new pedestrian access and it doubles as additional space between the project and Live Oak School.

- Support for Jackson Playground. Related CA and 1601 Mariposa will place \$2,000,000 in a trust for the benefit of Jackson Playground. The donation is expected to be an important start to fund Jackson Playground's revitalization. Supporting new open space was another priority for Potrero Hill.
- New Community Resources. A new community meeting room and bike repair facility were incorporated into the design to make 1601 Mariposa a hub for the whole neighborhood. The bike shop will be made available to a local bike non-profit.

Elements within the neighborhood requested Related allocate land within the project boundary for a recreation space and gym for the purpose of Live Oak and community use. Related made the determination that providing crucial seed funding for an independently catalyzed financing drive for Jackson Playground would be the most effective way to support the community's desire for new recreation space.

Summary of Outreach:

Following the submission of the revised LPA (Iteration 3) and the substantial revision contained therein, Related engaged the community and all major stakeholders again to promulgate the updates and benefits.

Attended Grow Potrero Responsibly event – July 2015

Follow-up meeting with Supervisor Cohen – July 2015

Update presentation to Potrero Boosters Development Committee – August 2015

 The Committee asked questions and made recommendations for the project.

Update presentation to the Potrero Boosters full membership – August 2015

 The updated project was presented to the full membership. Related answered questions from the membership

Update presentation to 18th and Arkansas HOA – September 2015 Update presentation to SF Housing Action Coalition – September 2015

Related met with representatives from SFMade – September 2015

Follow-up meeting with Phil Ginsberg and Supervisor Cohen – October 2015

 Related briefed the Supervisor and Director Ginsberg and discussed proposed ideas for Jackson Playground rehab

Direct mail to Potrero Hill Neighborhood – October 2015

 Related is mimicking the public notice mail radius for the planning commission hearing to further inform neighbors about the project.


CONCLUSION

Following the resubmittal of the LPA the project website was updated with the new plans and Related advertised the revisions in the Potrero View. Direct mail has also been sent to the community.

Related has redesigned significant elements of the project to address nearly every major category of comment or concern from the associated neighborhood groups. The project delivers needed rental housing – 20% of which will be affordable – new open space, new PDR space, and crucial funding to revitalize a major neighborhood recreation resource.

Sincerely,

Bill Witte Chairman & CEO, Related California

Cc: Commissioner Cindy Wu Commissioner Rich Hillis Commissioner Michael Antonini Commissioner Christine Johnson Commissioner Kathryn Moore Commissioner Dennis Richards Chris Townes, Project Planner

CHANGES TO THE PROJECT INCLUDE:

REDUCING UNITS

Our plans now call for 299 units, down from the previously proposed 320.

MORE ROOM FOR LIVE OAK SCHOOL >

The setback from the project and Live Oak School has been significantly increased from roughly 10 feet to nearly 40 feet from wall to wall.

INCREASED AFFORDABLE HOUSING >

20% of homes will be below-market-rate, an increase from the 14.4% requirement.

INCREASING FAMILY HOUSING >

We're providing more two and three bedroom homes to make 1601 Mariposa more family friendly.

DEDICATED PDR SPACE >

New PDR space celebrates Potrero Hill's history and ensures local "makers" have space of their own.

NEW NEIGHBORHOOD INFRASTRUCTURE

Related is contributing to a new traffic signal at Mariposa and Pennsylvania.

NEW OPEN SPACE >

1601 Mariposa has more than twice as much open space as what is required.

NEW GARAGE ENTRANCE >

We've added a new driveway on Arkansas Street to better distribute residents' entry and exit.

SUPPORT FOR JACKSON PLAYGROUND >

Related CA and 1601 Mariposa will place \$2,000,000 in a trust for the benefit of Jackson Playground. We expect this donation to be an important catalyst to fund Jackson Playground's revitalization.

1601 Mariposa

Related California 44 Montgomery Street, Ste. 1050 San Francisco, CA 94104



Three years and many neighborhood and public meetings later, 1601 Mariposa Street is ready to be heard at the Planning Commission on November 12.

From the outset, Related has been dedicated to flexibility and cooperation with the neighborhood, and our commitment is as strong as ever to be a valued community partner. Related builds for the long-term, and 1601 Mariposa is no exception. Over the last months, we have met with many Potrero Hill stakeholders, including the Potrero Boosters, Grow Potrero Responsibly, the Friends of Jackson Playground, the 18th and Arkansas HOA, and Live Oak and Daniel Webster schools. We're a three year sponsor of the Potrero Hill Festival and Taste of Potrero, and held our first Mariposa Movie Night last fall.

Our interactions throughout Potrero Hill have provided the project team crucial feedback and we have successfully incorporated many ideas from the community. We thank all involved for helping us make final refinements to our proposal – and while we haven't agreed on every last detail – our project has undergone a series of revisions and we're excited to share the results with you.

We firmly believe this proposal reflects the best aspects of our conversations with Potrero Hill and is a model of successful compromise. Please visit www.1601mariposa.com for more information.

Sincerely,

Bill Witte, CEO Related California

You spoke...We listened



1601 Mariposa

For more information about the proposed project and to contact us, please visit www.1601mariposa.com.

Ground Level Uses

Retail / Commercial Cultural / Educational Common Amenities Ground Level Residential Public Greenway Entry Pedestrian Entry

PDR

November 2, 2015

Rodney Fong, Commission President Cindy Wu, Commission Vice President Michael J. Antonini, Commissioner Rich Hillis, Commissioner Christine D. Johnson, Commissioner Kathrin Moore, Commissioner Dennis Richards, Commissioner

San Francisco Planning Commission 1650 Mission Street, Suite 400 San Francisco, CA 94103

Re: Cumulative Impacts - EIR and Responses to Comments - 1601 Mariposa

(Submitted by email and for inclusion in the 11/12/15 Planning Commission packet)

Dear Planning Commissioners:

The *CEQA Guidelines* state that, "The cumulative impact from several projects is the change in the environment which results from the incremental impact of the project when added to other closely related past, present, and reasonably foreseeable probable future projects." Cumulative impacts could result from individually minor but collectively significant projects taking place over time. In order to have a good understanding of the impacts of the development at 1601 Mariposa, we need to have an accurate assessment of development that has occurred and is expected to occur within the Showplace Square and Potrero Hill Area.

The growth that was considered in the *Eastern Neighborhoods PEIR* is not consistent with the anticipated levels for the Showplace Square and Potrero Hill Area. Therefore the assumption that cumulative impacts were addressed is not true and, as a result, the EIR for the 1601 Mariposa project is deeply flawed.

After full consideration of the environmental impacts of various alternative scenarios in the *Eastern Neighborhoods PEIR*, the alternative that was adopted by the Planning Commission and approved by the Board of Supervisors was a combination of Options B and C. Under this "Preferred Project", the *PEIR* anticipated and evaluated a total increase of 3,180 residential units within the Showplace Square and Potrero Hill Area.

The *Response to Comments* for 1601 Mariposa, page 104, states that, "As of July 2015, projects containing approximately 3,266 dwelling units and 865,849 square feet of nonresidential space (excluding PDR loss) have completed or are planned to complete environmental review within the Showplace Square/Potrero Hill subarea." Attached is a copy of the spreadsheet analysis used by the Planning Department to calculate the total units. Everything prior to 2008 was omitted despite the 2000 baseline referenced consistently throughout the *PEIR* and the "existing conditions" established with the Notice of Preparation publication in 2005*. Additionally two projects, 1000 Mississippi Street with 28 units and 1001 – 17th Street with 48 units were omitted from the list. This amounts to hundreds of units. As a result, the total number of units within the subarea is arguably well in excess of the Preferred Project as well as the highest alternative, Option C. Even if one were to ignore the omitted units, <u>3,266 units clearly exceeds the Preferred Project level of 3,180</u>.

Additionally, the *Response to Comments*, page 105, claims that even though the residential land use category is "approaching" projected levels, we haven't maxed out on non-residential uses and therefore, "the cumulative assumptions provided within the Eastern Neighborhoods FEIR are applicable to development of the project site." The argument is made that impacts of overall growth across all types of land use are what matters, even though the levels of severity may vary. The assertion that we should combine residential and commercial uses, without acknowledging the imbalances and varying impacts between the two is absurd.

Over the last months, the Planning Department has presented a series of contradictory and flawed analyses, beginning with the 3rd Quarter 2014 Pipeline report, and most recently, in their October 1 presentation at the Planning Commission, asserting that only 2899 units were anticipated by 2021, while ignoring all development prior to 2013. With a growing gap in the infrastructure needed to support a level of development that was not anticipated in the Eastern Neighborhoods Plan, a number of the assumptions made in the *Eastern Neighborhoods PEIR* are no longer relevant.

Given its reliance on the *Eastern Neighborhoods PEIR*, and its outdated analysis of cumulative impacts, I urge the Commission to seriously question the assumption that the 1601 Mariposa EIR is accurate and complete, and not certify it until adequate analysis is in place and appropriate mitigations are identified.

Sincerely,

Alisoutleath

Alison Heath Grow Potrero Responsibly

 The Notice of Preparation for the Eastern Neighborhoods PEIR was published on March 9, 2005. This established baseline conditions for the EIR. CEQA15125.
(a) states "An EIR must include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation is published, or if no notice of preparation is published, at the time environmental analysis is commenced, from both a local and regional perspective. This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is significant. The description of the environmental setting shall be no longer than is necessary to an understanding of the significant effects of the proposed project and its alternatives."

EIR Analysis - 1601 Mariposa and 901-16th Street/1200-17th Street

| Address | Block/Lot | Case No. | Date of Document | Status of Document | Net Housing Units |
|--|-------------------------|----------------------|---------------------|-----------------------|----------------------|
| 1000 16th Street (Daggett Triangle) | 3833/001 | 2003.0527E | 16-Apr-09 | Published Other | 470 |
| 1717 17th Street | 3980/007 | 2004.0946E | 10-Mar-10 | Published Other | 41 |
| 720 & 740 Illinois Street; 2121 Third Street | 4045/006 4045/021 | 2010.0094E | 3-Feb-11 | Published CPE | 104 |
| 850-870 Brannan Street (AKA 888 Brannan) | 3780/006 3780/007 3780/ | 2009.1026E & 2011.05 | 12-Jan-12 | Published CPE | 0 |
| 601 Townsend Street | 3799/001 | 2011.1175E | 26-Jan-12 | Published CPE | 0 |
| 444 DeHaro Street | 3979/001 | 2012.0041E | 10-May-12 | Published CPE | 0 |
| 752 Carolina Street | 4096/110 | 2011.1086E | 5-Sep-12 | Published CPE | 0 |
| 1111 8th Street | 3808/004 3820/002 3820/ | 2011.1381E | 26-Sep-12 | Published Other | 0 |
| 801 Brannan/1 Henry Adams | 3783/001 3911/001 | 2000.618E | 9-Jan-13 | Published Other | 824 |
| 1601 Mariposa | 4005/001B 4006/006 4006 | 2012.1398E | 14-May-14 | Active CPE | 320 |
| 520 9th Street | 3526/005 | 2013.0066E | 16-Jun-14 | Published CPE | 12 |
| 645 Texas Street | 4102/026 | 2012.1218E | 23-Jul-14 | Published CPE | 93 |
| 100 Hooper | 3808/003 | 2012.0203E | 6-Jan-15 | Published CPE | 1 |
| 540-552 De Haro St. | 4008/002 | 2014.0599E | 6-Apr-15 | Published CPE | 17 |
| 155 De Haro St. | 3913/005 | 2013.1520E | 8-Apr-15 | Published CPE | 0 |
| 131 Missouri Street | 3985/024 | 2013.0744E | 21-Apr-15 | Published CPE | 9 |
| 1395 22nd Street/ 790 Pennsylvania Avenue | 4167/011 4167/013 | 2011.0671E | 2-Jul-15 | Published CPE | 251 |
| 1301 16th Street | 3954/016 | 2013.0698E | TBD | Active CPE | 276 |
| 2 Henry Adams | 3910/001 | 2013.0689E | TBD | Active CPE | 0 |
| 249 Pennsylvania Ave. | 3999/002 | 2014.1279ENV | TBD | Active CPE | 59 |
| 502 7th St. | 3780/001 | 2014.1575ENV | TBD | Active CPE | 16 |
| 580 De Haro St. | 4008/003 | 2013.1671E | TBD | Active CPE | 3 |
| 88 Arkansas St. | 3953/002 | 2015-000453ENV | TBD | Active CPE | 126 |
| 901 16th Street and 1200 17th Street | 3949/001 3949/001A 3949 | 2011.1300E | TBD | Active CPE | 395 |
| 923-939 Kansas St (951 Kansas St) | 4094/044 4094/045 4094/ | 2013.1856E | TBD | Active CPE | 9 |
| 975 Bryant St. | 3780/044 | 2015-005270ENV | TBD | Active CPE | 195 |
| 98 Pennsylvania Street | 3948/002 | 2013.0517E | TBD | Active CPE | 45 |
| | | | | | 3,266 |

In addition, within the Showplace Square/Potrero Hill subarea, the Eastern Neighborhoods FEIR estimated that implementation of the Eastern Neighborhoods Plan could result in an increase of approximately 2,300 to 3,900 dwelling units and 1,500,000 to 1,700,000 square feet of non-residential space (excluding PDR loss) through the year 2025. As of July 2015, projects containing approximately 3,266 dwelling units and 865,849 square feet of non-residential space (excluding PDR loss) have completed or are planned to complete environmental review within the Showplace Square/Potrero Hill subarea. These estimates include projects that have completed environmental review (1,822 dwelling units and 621,768 square feet of non-residential space) and planned projects that are undergoing environmental review, including the proposed project (1,444 additional dwelling units and 244,081 square feet of non-residential space)

(1601 Mariposa RTC -104)

Excluded from Analysis - All projects prior to 2008, 1000-Mississsippi Street (28 units) and 1001-17th Street (48 units)

November 2, 2015

Rodney Fong, Commission President Cindy Wu, Commission Vice President Michael J. Antonini, Commissioner Rich Hillis, Commissioner Christine D. Johnson, Commissioner Kathrin Moore, Commissioner Dennis Richards, Commissioner

San Francisco Planning Commission 1650 Mission Street, Suite 400 San Francisco, CA 94103

Re: 1601 Mariposa

(submitted by email, and for inclusion in the 11/12/15 Planning Commission packet)

Dear Planning Commissioners:

We are writing to express our concerns with the development at 1601 Mariposa. It had been our hope that a continuance to November 12 would provide the opportunity to work with Related California, the project sponsor, towards a project with both concrete community benefits and compatibility with neighborhood character. Unfortunately, discussions with Related have yet to resolve the issues that made the continuance necessary.

We appreciate Related's efforts to advocate for better transit, parks and recreation space in the neighborhood, and understand that they have been meeting with key officials at SFMTA and SFRPD, as well as with our Supervisor. However we do not consider this a substitute for ongoing and active engagement with Live Oak School, the 18th Street and Arkansas HOA, neighborhood advocacy groups, and the community as a whole.

Among the concerns that have been raised in community meetings, but not yet addressed, are a reduction in density and massing, a reduction in height on 18th Street, and the opening up of the East-West passageway, currently only 20 feet wide in sections, by removing the overhang and raised patios to bring it closer to a 40 foot width. To ensure consistency with neighborhood character, a project of this size demands a design that would incorporate more discreet buildings, a fine-grained texture, stronger visual breaks and a greater variety of facades. However we have seen no significant design revisions since the LPA was submitted in July.

We have asked that landscaping be used to maximize the public open space to encourage gathering and activity, with greener park-like space and less pavement. Related has offered to make the "Flex Room" off the ground level of the midblock passageway available to the public. We welcome a facility such as this, but need a better understanding of how access would be provided. To further draw activity into the passageways, we have requested that Related include a more active ground level, rather than relying on purely residential stoops. We feel this could be accomplished in a number of ways, including the addition of PDR businesses or flex units (i.e. residential units that may have an ancillary commercial use) opposite the recently proposed "townhouses" along the North-South midblock passageway. The addition of commercial space in exchange for several residential units could simultaneously help mitigate traffic impacts by spreading them out throughout the day, and ensure that the ground level remains active 24/7.

Most importantly, the result would be a project that is more in keeping with the objectives of UMU (Urban Mixed Use) zoning and provide the appropriate mix of different types of activities and neighborhood amenities.

We appreciate the inclusion of 20% affordable housing, however, with only 40% 2+ bedroom units in the Preferred Project, we expected a higher percentage of larger units to ensure a more family-friendly project.

To address the transit deficits on Potrero Hill, the Potrero Boosters Neighborhood Association has asked developers to contribute to funding a private shuttle service for residents throughout the neighborhood. Related had agreed to this previously. We would be willing to forgo their participation with some assurance from SFMTA that increased service is forthcoming.

Construction noise with school in session and the remediation of hazardous materials remain issues of deep concern. In 2014, the Department of Toxic Substance Control indicated to Live Oak School that there would be a public meeting so neighbors, teachers and parents could weigh in on the site mitigation plan and timing of remediation work. That meeting has not yet occurred, and has not been scheduled. We would also expect that there would be a formal agreement in place regarding the scheduling of construction prior to project approvals.

Related has generously offered \$2 million dollars towards Jackson Park improvements, and Rec and Park recently prioritized improvement of the Park. However, until the terms and conditions of the agreement with Related and a fiscal sponsor are clarified, and an enforceable contract is in place, we cannot count on the promise of \$2 million to be a deliverable community benefit. Furthermore, while this is certainly a tremendous opportunity for the neighborhood, the community has not yet had the opportunity to provide input on their priorities outside of a recent survey done by the Friends of Jackson Park. That survey identified strong interest in additional open space and a community recreation center located outside of the park. We hope that discussions with the Rec and Park Department will be more fully extended to key stakeholders such as Friends of Jackson Park and Live Oak School to establish appropriate priorities. Finally we will need to have a better understanding of what contributions might be available from other entities, both private and public, before the 1601 Mariposa development is approved.

We believe that these remaining issues, while significant, are not unresolvable. Our hope is that Related will more fully engage with the community so that we can move forward with a better project that will truly benefit the neighborhood.

Thank you for your consideration,

JR Eppler, President, Potrero Boosters Neighborhood Association Alison Heath and Holly Friedman, Grow Potrero Responsibly Virginia Paik, Head of School, Live Oak School Rod Minott, Save the Hill Friends of Jackson Park

CC: John Rahaim, Director of Planning Supervisor Malia Cohen Chris Townes, Planner Chelsea Fordham, Environmental Planner Jonas P. Ionin, Commission Secretary Bill Witte, Related CA

Townes, Chris (CPC)

| From: | Alison Heath <alisonheath@sbcglobal.net></alisonheath@sbcglobal.net> |
|----------|--|
| Sent: | Friday, April 17, 2015 1:02 PM |
| То: | Townes, Christopher (CPC) |
| Cc: | Rodney Minott; Holly Friedman; Virginia Paik; Tony Kelly |
| Subject: | Follow-up |

Hi Chris,

Thanks for taking time out of your very busy day for us. It was a pleasure to meet you. As promised, here is an overview of our proposal for design modifications for 1601 Mariposa. These were drafted in the context of the DEIR and intended to reduce impacts, but are relevant to the overall design. We presented most of these items when we met with Related back in the fall so Bill Witte and David Baker should already be quite familiar with them.

• Lower density to reduce cumulative impacts from additional residents, broken into smaller masses, and of a more typical Potrero Hill design, to respect existing neighborhood scale and character.

• "Active" ground floor throughout the complex, with neighborhood-serving businesses and PDR, to maintain the diverse land uses that have been typical in the area historically and that the ENP sought to preserve.

Additional publically accessible open space, including bona fide gathering area(s) to reduce impact on Jackson Park
An onsite Community Center and Recreation Facility, open to the public, to reduce pressure on the Jackson Park

clubhouse

• A second midblock passageway from Arkansas to increase open space, break the horizontal massing, and reduce noise and air quality impacts to Live Oak School during and after construction, and to reduce shadowing to the school's property line windows and to the its courtyard play area. The midblock passage that has been proposed would be 40' feet from the school.

• Setback on Mariposa to further reduce shadowing of the school's courtyard play area as well as the southern side of Jackson Park.

We also requested Planning Code for LPA's yesterday and hope you can forward that to us.

We will plan to check in with you every 2-4 weeks for updates. Our contact info is below. I've added Holly Friedman who is one of the leaders of Grow Potrero Responsibly but who was unable to join us yesterday. I'm happy to act as your point of contact if that makes things simpler for you.

Thanks again!

Alison Heath (Grow Potrero Responsibly, Potrero Boosters, etc.) <u>alisonheath@sbcglobal.net</u> 415-412-2723

Holly Friedman (Grow Potrero Responsibly) <u>holly@hollyfriedman.com</u> 415-335-1290

Rod Minott (Save the Hill - Corovan project) <u>rodminott@hotmail.com</u> 415-407-7115

Virginia Paik (Head of School - Live Oak School) <u>virginia paik@liveoaksf.org</u> 415-568-4731

Tony Kelly (Chair - Potrero Boosters Development Committee) <u>tonykelly@astound.net</u> 415-283-6607

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Alison Heath http://www.alisonheath.com alisonheath@sbcglobal.net





Ms. Susan Smartt, Executive Vice President Related CA 333 Pine Street, Suite 300 San Francisco, CA 94104

November 2, 2015

Re: 1601 Mariposa Street – Mixed-Use Development

Dear Ms. Smartt,

Thank you for presenting your plans for 1601 Mariposa Street to the San Francisco Housing Action Coalition's (SFHAC) Project Review Committee on September 30, 2013 and October 23, 2015. Upon thorough review and discussion, we are pleased to endorse the project. We believe it has significant merit and aligns with our mission of increasing the supply of well-designed, well-located housing at all levels of affordability in San Francisco. Please review our letter, which explains how your project meets our guidelines as well areas suggested for improvement. Please also see our report card, which grades your project according to each guideline. We have attached a copy of our project review guidelines for your reference.

<u>Project Description</u>: Your project proposes the construction of a mixed-use development with 299 apartments, including ground-floor retail, light industrial production, distribution and repair (PDR) spaces, and one level of subterranean parking for 249 cars.

Land Use: SFHAC believes the proposal for 1601 Mariposa Street will greatly benefit the Potrero Hill neighborhood and contribute to SFHAC's mission of providing well-designed, well-located housing. The zoning for the entire site is Urban Mixed Use (UMU), a category that encourages a variety of uses to induce a diversity of activities in the neighborhood. The site, currently occupied by the MacKenzie Warehouse and with no residential use, is increasingly anomalous and not well activated. There are numerous jobs centers and amenities in the neighborhood that would be better served by the addition of this proposed mixed-use development.

<u>Density</u>: This project completely complies with the zoning of the Eastern Neighborhood Plan with its 40 feet height limits. The first version of this project we reviewed almost two years ago envisioned 320 units. We are disappointed that so many units have been lost but understand that neighbors across the street and from the nearby private school opposed losing their views and wanted even more housing removed. The SFHAC will not support any further reductions in project size.

<u>Affordability</u>: You have opted to pursue an 80/20 deal, making 20 percent, or 60 of the units in your project, permanently affordable to low-income residents. We commend you for taking this extra step and wish we saw it more often.

Parking and Alternative Transportation: A concern voiced among residents in the surrounding neighborhood is insufficient public transit. Your project has proposed several plans



The San Francisco Housing Action Coalition advocates for the creation of well-designed, well-located housing, at ALL levels of affordability, to meet the needs of San Franciscans, present and future.

Ms. Susan Smartt Page Two November 2, 2015

to give residents more options to get around without a private car. We commend you for providing 369 bicycle parking spaces, a ratio of almost one bike space per bedroom. You would also provide six car share spaces, four more than required, and are in discussion with the Potrero Boosters Association and other developers in the neighborhood to finance a community shuttle. We strongly support these options and encourage you to pursue the shuttle plan.

Although transit could undoubtedly be improved in the neighborhood, your project would be within walking distance of the 22nd Street Caltrain Station and several Muni bus lines. Additionally, the 16th Street corridor has been targeted for transit improvements by the SFMTA.

Our one area of concern to our members is the car-parking ratio of 0.75 spaces per unit. We question if this level is necessary and would prefer a ratio closer to 0.5 spaces per unit that better aligns with San Francisco's transit-first policies. Many of the developers of projects SFHAC reviewed have said that they overestimated their car parking needs and underestimated their bike parking needs

<u>Preservation</u>: There are no structures of significant cultural or historic merit on or near the site that would be impacted by the proposed project.

<u>Urban Design</u>: The project is broken up with a large, public mid-block alley that will range between 40 and 70 feet wide. Townhomes with stoops would open onto the alley encouraging active pedestrian use. Along the perimeter, the design responds appropriately to the neighborhood by breaking up the project into 25-foot-wide increments. Along Arkansas Street, you included stoops and set the building back five feet to open up the sidewalk further. Three bulb-outs are also planned into the design.

Several design changes have been made since we first saw the project. In response to concerns from Live Oak School, you've stepped back your project further so it now includes a public alley between your building and the school. You've also programmed the ground floor along Carolina Street to include 4,000 square feet of PDR space.

All in all, the project promotes the principles of good urban design and will create a significantly better pedestrian experience for the project's residents and the surrounding neighborhood.

Environmental Features: You plan to achieve LEED Silver for the project and have proposed several measures to help green the building and conserve water. We strongly encourage you to pursue LEED Gold and look into stronger water conservation measures, including individual water metering for the units and water recycling systems.

<u>Community Input</u>: Your team has been conducting extensive community outreach for over two years and several changes have been to your project as a result of neighborhood feedback. You've attended numerous community meetings and public events. We commend you for

Ms. Susan Smartt Page Three November 2, 2015

committing two million dollars to Jackson Playground upon the project's approval and for working with the local trade unions. In summation, your outreach for this project has been exemplary and we commend it.

Thank you for presenting your latest plans for 1601 Mariposa Street to our Project Review Committee. We are pleased to endorse it without reservation. Please keep us abreast of any changes and let us know how we may be of assistance moving forward.

Sincerely,

Tim Colen Executive Director

Ms. Susan Smartt Page Four November 2, 2015

SFHAC Project Review Guidelines

Land Use: Housing should be an appropriate use of the site given the context of the adjacent properties and the surrounding neighborhood and should enhance neighborhood livability.

<u>Density</u>: The project should take full advantage of the maximum unit density and/or building envelope, allowable under the zoning rules.

<u>Affordability</u>: The need for affordable housing, including middle income (120-150 of Area Median Income) housing, is a critical problem and SFHAC gives special support to projects that propose creative ways to expand or improve unit affordability beyond the legally mandated requirements.

<u>Parking and Alternative Transportation</u>: SFHAC expects the projects it endorses to include creative strategies to reduce the need for parking, such as ample bicycle storage, provision of space for car-share vehicles on-site or nearby, un-bundling parking cost from residential unit cost, and measures to incentivize transit use. Proximity to transit should result in less need for parking.

In districts with an as-of-right maximum and discretionary approval up to an absolute maximum, SFHAC will support parking exceeding the as-of-right maximum only to the extent the Code criteria for doing so are clearly met. In districts where the minimum parking requirement is one parking space per residential unit (1:1), the SFHAC will not, except in extraordinary circumstances, support a project with parking in excess of that amount.

<u>Preservation</u>: If there are structures of significant historic or cultural merit on the site, their retention and/or incorporation into the project consistent with historic preservation standards is encouraged. If such structures are to be demolished, there should be compelling reasons for doing so.

<u>Urban Design</u>: The project should promote principles of good urban design: Where appropriate, contextual design that is compatible with the adjacent streetscape and existing neighborhood character while at the same time utilizing allowable unit density: pleasant and functional private and/or common open space; pedestrian, bicycle and transit friendly site planning; and design treatments that protect and enhance the pedestrian realm, with curb cuts minimized and active ground floor uses provided.

Projects with a substantial number of multiple bedroom units should consider including features that will make the project friendly to families with children.

Ms. Susan Smartt Page Five November 2, 2015

<u>Environmental Features</u>: SFHAC is particularly supportive of projects that employ substantial and/or innovative measures that will enhance their sustainability and reduce their carbon footprint.

<u>Community Input:</u> Projects for which the developer has made a good faith effort to communicate to the community and to address legitimate neighborhood concerns, without sacrificing SFHAC's objectives, will receive more SFHAC support.



San Francisco Housing Action Coalition (SFHAC) Project Report Card

Address: 1601 Mariposa Street

Project Sponsor: Related CA

Date of SFHAC Review: October 23, 2013 and September 30, 2015

Grading Scale:

- 1 = Fails to meet project review guideline criteria
- 2 = Meets some project review guideline criteria
- 4 = Exceeds basic project review guideline criteria
- 5 = Goes far beyond of what is required
- 3 = Meets basic project review guideline criteria

Criteria for SFHAC Endorsement:

- 1. The project must have been presented to the SFHAC Project Review Committee;
- 2. The project must score a minimum of 3/5 on any given guideline.

| Comments | Grade |
|--|---|
| The project replaces a bus yard, warehouse and commercial spaces with 299 homes, significant open space, retail, and PDR light industrial space. | 5 |
| The plan takes advantage of the building envelope and provides a wide range of unit types. We would not support the loss of any more units. | 5 |
| The project sponsor will pursue an 80/20 deal, making 60 units (20 percent of them), permanently affordable to low-income residents. | 5 |
| The project will provide 369 bike parking spaces and six car share spaces. The project sponsor is considering financing a community shuttle. We would much prefer less car parking. | 4 |
| There are no structures of significant cultural or historic merit on or near the site that would be affected by the proposed project. | N/A |
| The project will greatly improve the pedestrian experience with a wide mid-block alley and three new bulb-outs. The project responds well to the neighborhood context with its design. | 5 |
| The project sponsor targets LEED Silver. We would like to see LEED Gold and encourage stronger water conservation measures, such as individual metering or a water recycling system. | 3 |
| The community outreach has been tremendous. The project sponsor has also engaged the trade unions and plans to donate two million dollars to Jackson Playground upon project approval. | 5 |
| We thank the project sponsor for making a second presentation to our members to update them on changes to the proposal. | N/A |
| The SF Housing Action Coalition endorses the 1601 Mariposa Street project without reservation. | 4.6/5 |
| | The project replaces a bus yard, warehouse and commercial spaces with 299 homes, significant open space, retail, and PDR light industrial space. The plan takes advantage of the building envelope and provides a wide range of unit types. We would not support the loss of any more units. The project sponsor will pursue an 80/20 deal, making 60 units (20 percent of them), permanently affordable to low-income residents. The project will provide 369 bike parking spaces and six car share spaces. The project sponsor is considering financing a community shuttle. We would much prefer less car parking. There are no structures of significant cultural or historic merit on or near the site that would be affected by the proposed project. The project sponsor targets LEED Silver. We would like to see LEED Gold and encourage stronger water conservation measures, such as individual metering or a water recycling system. The community outreach has been tremendous. The project sponsor has also engaged the trade unions and plans to donate two million dollars to Jackson Playground upon project approval. We thank the project sponsor for making a second presentation to our members to update them on changes to the proposal. |

Re: 1601 Mariposa Street Project

Cc: Chris Townes, SF Planning Department

The 1601 Mariposa Street project will provide 299 rental homes to the City, 20% of which will be permanently affordable. The project developer has worked with the neighborhood to address concerns with the design.

Furthermore, the project developer will donate \$2,000,000 for the revitalization of the Jackson Playground.

Finally, this project will create hundreds of good paying union construction jobs for local residents and apprenticeship career pathways for our local youth.

Date: Name: Signature

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Date: 11 04 7.015 Name: PAUL W. GUSTAFSON Signature: Peul & the

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l urge you to support the 1601 Mariposa Street project.

Date: 11-4-15

Name: Jaime Gonzalez Signature: Jaimetanzalez

Re: 1601 Mariposa Street Project

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I urge you to support the 1601 Mariposa Street project.

Date: <u>//-3-/s</u>

| Name: | Dorald A. Dennehs |
|------------|-------------------|
| Signature: | Judes |

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Date: 11-3-15

Name: James Disney Signature: Demo Genty

Re: 1601 Mariposa Street Project

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Date:

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Date: ________

Name: Frank Cunco Signature: Jui J. C

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Name:

Signature:

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Date: // -3 - /3

Name: Walter Dan Riley Signature: N. MA

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Date: 1/3/1.

Name: <u>Anthon</u> Urbino Signature:

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Date: 11 3 15 10-reand Name: Signature

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Date: 📉

Nam Signature

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Date: 11/3/2015

| Name: 📝 | UNI SALDATA | |
|--------------|-------------|--|
| | | |
| | R | |
| Signature: _ | | |
| | | |

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Cc: Chris Townes, SF Planning Department

The 1601 Mariposa Street project will provide 299 rental homes to the City, 20% of which will be permanently affordable. The project developer has worked with the neighborhood to address concerns with the design.

Furthermore, the project developer will donate \$2,000,000 for the revitalization of the Jackson Playground.

Finally, this project will create hundreds of good paying union construction jobs for local residents and apprenticeship career pathways for our local youth.

Date: _//-3-15

Name: Chn's SchMidt Signature:

Re: 1601 Mariposa Street Project

Cc: Chris Townes, SF Planning Department

The 1601 Mariposa Street project will provide 299 rental homes to the City, 20% of which will be permanently affordable. The project developer has worked with the neighborhood to address concerns with the design.

Furthermore, the project developer will donate \$2,000,000 for the revitalization of the Jackson Playground.

Finally, this project will create hundreds of good paying union construction jobs for local residents and apprenticeship career pathways for our local youth.

Date: 11 3 15

Name: Guy Hartman Jr. Signature: My Aartman.

Re: 1601 Mariposa Street Project

Cc: Chris Townes, SF Planning Department

The 1601 Mariposa Street project will provide 299 rental homes to the City, 20% of which will be permanently affordable. The project developer has worked with the neighborhood to address concerns with the design.

Furthermore, the project developer will donate \$2,000,000 for the revitalization of the Jackson Playground.

Finally, this project will create hundreds of good paying union construction jobs for local residents and apprenticeship career pathways for our local youth.

Date: 11-3-15

Signature:

Re: 1601 Mariposa Street Project

Cc: Chris Townes, SF Planning Department

The 1601 Mariposa Street project will provide 299 rental homes to the City, 20% of which will be permanently affordable. The project developer has worked with the neighborhood to address concerns with the design.

Furthermore, the project developer will donate \$2,000,000 for the revitalization of the Jackson Playground.

Finally, this project will create hundreds of good paying union construction jobs for local residents and apprenticeship career pathways for our local youth.

I urge you to support the 1601 Mariposa Street project.

Date: NOVEMBER

Name:

Signature:

TELEPHONE (415) 626-2000

FACSIMILE (415) 626-2009 EMAIL: UALOCAL38@UALOCAL38.ORG



UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY

LOCAL UNION NO. 38

1621 MARKET STREET • SAN FRANCISCO, CA 94103 November 3, 2015

Chris Townes San Francisco Planning Department 1650 Mission Street, Suite 400 San Francisco, CA 94103

Re: 1601 Mariposa Street, San Francisco (Case # 2012.1398EX)

Dear Mr. Townes,

The Plumbers and Pipe Fitters Local Union No. 38 supports the project proposed by Related CA, at 1621 Mariposa Street, San Francisco. We believe this project will be a benefit to the local community and the City of San Francisco for the following reasons:

- 1. Stimulate the local economy by providing several hundred union labor jobs during the construction of the project.
- 2. Employ State of California certified building trades apprentices during construction, ensuring middle-class career pathways for our local youth.
- 3. Enhance the neighborhood by replacing a former auto parts distribution warehouse with a mixed-use residential project.
- 4. Provide much needed housing for the City by adding approximately 299 residential unit, 20% of which will be below-market-rate, at a time when our City is experiencing an affordability crisis.

For all of the aforementioned reasons, we urge the Planning Commission to approve the project at 1601 Mariposa Street as proposed.

ncerely,

LARRY MAZZOLA, JR. Bus. Mgr. & Fin. Secty-Treas.

LMJR/la opeiu-afl-cio (19)




SAN FRANCISCO ELECTRICAL CONSTRUCTION INDUSTRY Labor-Management Office of Business Development

> 55 Fillmore Street, Suite 100 - San Francisco - CA 94117 Tel. 415.241.0126 - Fax 415.241.0129

> > B Chart 850



November 4, 2015

Chris Townes San Francisco Planning Department 1650 Mission Street, Ste. 400 San Francisco, CA 94103

RE: 1601 Mariposa Street, San Francisco (Case #2012.1398EX)

Dear Mr. Townes,

The Electrical Workers Local 6 and the San Francisco Electrical Contractors Association supports the project proposed by Related CA, at 1601 Mariposa Street, San Francisco. We believe this project will be a benefit to the local community and the City of San Francisco for the following reasons:

- Encourage career pathways for San Francisco residents including ethnic minorities, females and military veterans, all with equal pay
- Displaying community benefits and corporate responsibility by committing two million dollars to Jackson Playground for future improvements
- Encourage sustainable construction practices by hiring local contracting businesses, utilizing local material and tool suppliers, and employing San Francisco resident Journeymen and Apprentices
- Developer has been very accessible and open to discussing our concerns and has committed to partner with our SF local construction community

For all of the aforementioned reasons, we urge the Planning Commission to approve the project at 1601 Mariposa Street as proposed.

Respectfully,

Joel Koppel Director





Ms. Susan Smartt, Executive Vice President Related CA 333 Pine Street, Suite 300 San Francisco, CA 94104

November 2, 2015

Re: 1601 Mariposa Street – Mixed-Use Development

Dear Ms. Smartt,

Thank you for presenting your plans for 1601 Mariposa Street to the San Francisco Housing Action Coalition's (SFHAC) Project Review Committee on September 30, 2013 and October 23, 2015. Upon thorough review and discussion, we are pleased to endorse the project. We believe it has significant merit and aligns with our mission of increasing the supply of well-designed, well-located housing at all levels of affordability in San Francisco. Please review our letter, which explains how your project meets our guidelines as well areas suggested for improvement. Please also see our report card, which grades your project according to each guideline. We have attached a copy of our project review guidelines for your reference.

<u>Project Description</u>: Your project proposes the construction of a mixed-use development with 299 apartments, including ground-floor retail, light industrial production, distribution and repair (PDR) spaces, and one level of subterranean parking for 249 cars.

Land Use: SFHAC believes the proposal for 1601 Mariposa Street will greatly benefit the Potrero Hill neighborhood and contribute to SFHAC's mission of providing well-designed, well-located housing. The zoning for the entire site is Urban Mixed Use (UMU), a category that encourages a variety of uses to induce a diversity of activities in the neighborhood. The site, currently occupied by the MacKenzie Warehouse and with no residential use, is increasingly anomalous and not well activated. There are numerous jobs centers and amenities in the neighborhood that would be better served by the addition of this proposed mixed-use development.

<u>Density</u>: This project completely complies with the zoning of the Eastern Neighborhood Plan with its 40 feet height limits. The first version of this project we reviewed almost two years ago envisioned 320 units. We are disappointed that so many units have been lost but understand that neighbors across the street and from the nearby private school opposed losing their views and wanted even more housing removed. The SFHAC will not support any further reductions in project size.

<u>Affordability</u>: You have opted to pursue an 80/20 deal, making 20 percent, or 60 of the units in your project, permanently affordable to low-income residents. We commend you for taking this extra step and wish we saw it more often.

Parking and Alternative Transportation: A concern voiced among residents in the surrounding neighborhood is insufficient public transit. Your project has proposed several plans



The San Francisco Housing Action Coalition advocates for the creation of well-designed, well-located housing, at ALL levels of affordability, to meet the needs of San Franciscans, present and future.

Ms. Susan Smartt Page Two November 2, 2015

to give residents more options to get around without a private car. We commend you for providing 369 bicycle parking spaces, a ratio of almost one bike space per bedroom. You would also provide six car share spaces, four more than required, and are in discussion with the Potrero Boosters Association and other developers in the neighborhood to finance a community shuttle. We strongly support these options and encourage you to pursue the shuttle plan.

Although transit could undoubtedly be improved in the neighborhood, your project would be within walking distance of the 22nd Street Caltrain Station and several Muni bus lines. Additionally, the 16th Street corridor has been targeted for transit improvements by the SFMTA.

Our one area of concern to our members is the car-parking ratio of 0.75 spaces per unit. We question if this level is necessary and would prefer a ratio closer to 0.5 spaces per unit that better aligns with San Francisco's transit-first policies. Many of the developers of projects SFHAC reviewed have said that they overestimated their car parking needs and underestimated their bike parking needs

<u>Preservation</u>: There are no structures of significant cultural or historic merit on or near the site that would be impacted by the proposed project.

<u>Urban Design</u>: The project is broken up with a large, public mid-block alley that will range between 40 and 70 feet wide. Townhomes with stoops would open onto the alley encouraging active pedestrian use. Along the perimeter, the design responds appropriately to the neighborhood by breaking up the project into 25-foot-wide increments. Along Arkansas Street, you included stoops and set the building back five feet to open up the sidewalk further. Three bulb-outs are also planned into the design.

Several design changes have been made since we first saw the project. In response to concerns from Live Oak School, you've stepped back your project further so it now includes a public alley between your building and the school. You've also programmed the ground floor along Carolina Street to include 4,000 square feet of PDR space.

All in all, the project promotes the principles of good urban design and will create a significantly better pedestrian experience for the project's residents and the surrounding neighborhood.

Environmental Features: You plan to achieve LEED Silver for the project and have proposed several measures to help green the building and conserve water. We strongly encourage you to pursue LEED Gold and look into stronger water conservation measures, including individual water metering for the units and water recycling systems.

<u>Community Input</u>: Your team has been conducting extensive community outreach for over two years and several changes have been to your project as a result of neighborhood feedback. You've attended numerous community meetings and public events. We commend you for

Ms. Susan Smartt Page Three November 2, 2015

committing two million dollars to Jackson Playground upon the project's approval and for working with the local trade unions. In summation, your outreach for this project has been exemplary and we commend it.

Thank you for presenting your latest plans for 1601 Mariposa Street to our Project Review Committee. We are pleased to endorse it without reservation. Please keep us abreast of any changes and let us know how we may be of assistance moving forward.

Sincerely,

Tim Colen Executive Director

Ms. Susan Smartt Page Four November 2, 2015

SFHAC Project Review Guidelines

Land Use: Housing should be an appropriate use of the site given the context of the adjacent properties and the surrounding neighborhood and should enhance neighborhood livability.

<u>Density</u>: The project should take full advantage of the maximum unit density and/or building envelope, allowable under the zoning rules.

<u>Affordability</u>: The need for affordable housing, including middle income (120-150 of Area Median Income) housing, is a critical problem and SFHAC gives special support to projects that propose creative ways to expand or improve unit affordability beyond the legally mandated requirements.

<u>Parking and Alternative Transportation</u>: SFHAC expects the projects it endorses to include creative strategies to reduce the need for parking, such as ample bicycle storage, provision of space for car-share vehicles on-site or nearby, un-bundling parking cost from residential unit cost, and measures to incentivize transit use. Proximity to transit should result in less need for parking.

In districts with an as-of-right maximum and discretionary approval up to an absolute maximum, SFHAC will support parking exceeding the as-of-right maximum only to the extent the Code criteria for doing so are clearly met. In districts where the minimum parking requirement is one parking space per residential unit (1:1), the SFHAC will not, except in extraordinary circumstances, support a project with parking in excess of that amount.

<u>Preservation</u>: If there are structures of significant historic or cultural merit on the site, their retention and/or incorporation into the project consistent with historic preservation standards is encouraged. If such structures are to be demolished, there should be compelling reasons for doing so.

<u>Urban Design</u>: The project should promote principles of good urban design: Where appropriate, contextual design that is compatible with the adjacent streetscape and existing neighborhood character while at the same time utilizing allowable unit density: pleasant and functional private and/or common open space; pedestrian, bicycle and transit friendly site planning; and design treatments that protect and enhance the pedestrian realm, with curb cuts minimized and active ground floor uses provided.

Projects with a substantial number of multiple bedroom units should consider including features that will make the project friendly to families with children.

Ms. Susan Smartt Page Five November 2, 2015

<u>Environmental Features</u>: SFHAC is particularly supportive of projects that employ substantial and/or innovative measures that will enhance their sustainability and reduce their carbon footprint.

<u>Community Input:</u> Projects for which the developer has made a good faith effort to communicate to the community and to address legitimate neighborhood concerns, without sacrificing SFHAC's objectives, will receive more SFHAC support.



San Francisco Housing Action Coalition (SFHAC) Project Report Card

Address: 1601 Mariposa Street

Project Sponsor: Related CA

Date of SFHAC Review: October 23, 2013 and September 30, 2015

Grading Scale:

- 1 = Fails to meet project review guideline criteria
- 2 = Meets some project review guideline criteria
- 4 = Exceeds basic project review guideline criteria
- 5 = Goes far beyond of what is required
- 3 = Meets basic project review guideline criteria

Criteria for SFHAC Endorsement:

- 1. The project must have been presented to the SFHAC Project Review Committee;
- 2. The project must score a minimum of 3/5 on any given guideline.

| Comments | Grade |
|--|---|
| The project replaces a bus yard, warehouse and commercial spaces with 299 homes, significant open space, retail, and PDR light industrial space. | 5 |
| The plan takes advantage of the building envelope and provides a wide range of unit types. We would not support the loss of any more units. | 5 |
| The project sponsor will pursue an 80/20 deal, making 60 units (20 percent of them), permanently affordable to low-income residents. | 5 |
| The project will provide 369 bike parking spaces and six car share spaces. The project sponsor is considering financing a community shuttle. We would much prefer less car parking. | 4 |
| There are no structures of significant cultural or historic merit on or near the site that would be affected by the proposed project. | N/A |
| The project will greatly improve the pedestrian experience with a wide mid-block alley and three new bulb-outs. The project responds well to the neighborhood context with its design. | 5 |
| The project sponsor targets LEED Silver. We would like to see LEED Gold and encourage stronger water conservation measures, such as individual metering or a water recycling system. | 3 |
| The community outreach has been tremendous. The project sponsor has also engaged the trade unions and plans to donate two million dollars to Jackson Playground upon project approval. | 5 |
| We thank the project sponsor for making a second presentation to our members to update them on changes to the proposal. | N/A |
| The SF Housing Action Coalition endorses the 1601 Mariposa Street project without reservation. | 4.6/5 |
| | The project replaces a bus yard, warehouse and commercial spaces with 299 homes, significant open space, retail, and PDR light industrial space. The plan takes advantage of the building envelope and provides a wide range of unit types. We would not support the loss of any more units. The project sponsor will pursue an 80/20 deal, making 60 units (20 percent of them), permanently affordable to low-income residents. The project will provide 369 bike parking spaces and six car share spaces. The project sponsor is considering financing a community shuttle. We would much prefer less car parking. There are no structures of significant cultural or historic merit on or near the site that would be affected by the proposed project. The project sponsor targets LEED Silver. We would like to see LEED Gold and encourage stronger water conservation measures, such as individual metering or a water recycling system. The community outreach has been tremendous. The project sponsor has also engaged the trade unions and plans to donate two million dollars to Jackson Playground upon project approval. We thank the project sponsor for making a second presentation to our members to update them on changes to the proposal. |

International Association of Sheet Metal, Air, Rail and Transportation Workers Sheet Metal Workers' Local Union No. 104 West bay dispatch office

PHONE (415) 621-2930



Fax (415) 621-2554

1939 MARKET STREET, SUITE A, SAN FRANCISCO, CA 94103

November 3, 2015

Chris Townes San Francisco Planning Department 1650 Mission Street, Ste. 400 San Francisco, CA 94103

RE: 1601 Mariposa Street, San Francisco (Case #2012.1398EX)

Dear Mr. Townes,

The Sheet Metal Workers' Local Union No. 104 supports the project proposed by Related CA, at 1601 Mariposa Street, San Francisco. We believe this project will be a benefit to the local community and the City of San Francisco for the following reasons:

- Stimulate the local economy by providing several hundred union labor jobs during the construction of the project
- Employ State of California certified building trades apprentices during construction, ensuring middle-class career pathways for our local youth
- Enhance the neighborhood by replacing a former auto parts distribution warehouse with a mixed-use residential project
- Provide much needed housing for the City by adding approximately 299 residential units. 20% of which will be below-market-rate, at a time when our City is experiencing an affordability crisis

For all of the aforementioned reasons, we urge the Planning Commission to approve the project at 1601 Mariposa Street as proposed.

Respectfully

Danny Campbell Business Development Representative

SPRINKLER FITTERS AND APPRENTICES

LOCAL 483

Stanley M. Smith Business Manager OF THE UNITED ASSOCIATION OF PLUMBERS, PIPEFITTERS AND SPRINKLER FITTERS OF THE UNITED STATES AND CANADA AFL-CIO



Business Agents Richard R. Mangan Tony Santana Tony Rodriguez

Jeffrey M. Dixon Organizer

November 3, 2015

Chris Townes San Francisco Planning Department 1650 Mission Street, Suite #400 San Francisco, CA 94103

RE: 1601 Mariposa Street, San Francisco (Case #2012.1398EX)

Dear Mr. Townes,

Sprinkler Fitters Local # 483 supports the project proposed by Related CA, at 1601 Mariposa Street, San Francisco. We believe this project will be a benefit to the local community and the City of San Francisco for the following reasons:

- Stimulate the local economy by providing several hundred Union labor jobs during the construction of the project
- Employ State of California certified building trades Apprentices during construction, ensuring middle-class career pathways for our local youth
- Enhance the neighborhood by replacing a former auto parts warehouse with a mixed-use residential project
- Provide much needed housing for the City by adding approximately 299 residential units, 20% of which will be below market rate, at a time when our City is experiencing an affordability crisis

We urge the Planning Commission to approve the project at 1601 Mariposa Street as proposed.

Sincerely.

STANÉÉY M. SMITH Business Manager/Financial Secretary

SMS/dk OPEIU-3-AFL-CIO (127)

> 2525 Barrington Court • Hayward, California 94545 Telephone (510) 785-8483 • Fax (510) 785-8508 www.sprinklerfitters483.org

Townes, Chris (CPC)

From: Sent: To: Subject: Thomas Rogers <throgers@yahoo.com> Thursday, November 05, 2015 9:00 AM Townes, Chris (CPC) 1601 Mariposa St - SUPPORT

Chris,

As a Potrero Hill neighbor, I would like to relay my strong support of the revised 1601 Mariposa St project. This project would revitalize a run-down site into much-needed new housing, which is exactly what the Eastern Neighborhoods Plan intended. In particular, I'm supportive that:

- The project would create 299 new homes, including 20% affordable on-site (greater than the minimum requirement). The units would include a variety of types, including family-friendly housing.
- This location is a prime location for sustainable infill, with multiple Muni lines nearby, and good access to bicycle infrastructure. Caltrain's 22nd Street station is up over a hill, but definitely close and walkable for many residents.
- The setback between the project and Live Oak School is been greatly increased.
- A new east-west connection has been added.
- More PDR (production, distribution, and repair) space has been added, limiting traffic and keeping a connection to that historic land use.
- The north-south pedestrian gateway would provide a great new public gathering space and access path.
- The design has a lot of variation and interest, with different forms and materials helping break down the perception of mass.
- The CEQA review has been careful and comprehensive.
- The applicant has been very responsive to community input over the extensive review process. The neighbors leading the opposition seem to enjoy "moving the goalposts", but the changes have been significant.

If I was going to suggest any additional change, I would recommend that the project provide less parking, given that it's such a great transit/walk/bike-friendly location. However, I would still support the project as it is proposed.

Please include this email with the Planning Commission staff report. Thanks for your consideration!

Thomas Rogers Mariposa/Texas

| | MONITORING AND REPORTING PROGRAM | | | | |
|--|---|---|---|--|---|
| Adopted Mitigation Measures MITIGATION MEASURES AGREED TO BY PROJECT SPONSOR | Responsibility for Implementation | Mitigation Schedule | Mitigation Action | Monitoring/ Reporting Responsibility | Monitoring Schedule |
| HAZARDS AND HAZARDOUS MATERIALS | | | | | |
| Mitigation Measure M-HZ-2a <i>Eastern Neighborhoods FEIR Mitigation Measure L-1.</i> The City shall condition future development approvals to require that the subsequent project sponsors ensure that any equipment containing PCBs or DEPH, such as fluorescent light ballasts, are removed and properly disposed of according to applicable federal, State, and local laws prior to the start of renovation, and that any fluorescent light tubes, which could contain mercury, are similarly removed and properly disposed of. Any other hazardous materials identified, either before or during work, shall be abated according to applicable federal, State, and local laws. | Project sponsor's construction contractor | throughout | Ensure that hazardous building materials are properly disposed of | Department of Building Inspection | Considered completed after demolition activities are completed |
| Mitigation Measure M-HZ-2b Prior to issuance of grading permits for the remedial action for the project site, the project sponsor shall submit an excavation Remedial Design and Implementation Plan (RDIP) to the San Francisco Department of Building Inspection (DBI), San Francisco Department of Public Health (SFDPH), and the Department of Toxic Substances Control (DTSC), that includes a site-specific health and safety plan, emissions control plan, soil management plan, and an air monitoring plan protective of construction workers, the nearby public, and the environment. In accordance with California Health and Safety Code 25395.96(a)(4), this plan must include a description of measures that will be implemented "to control any endangerment that may occur during the response action at the site." | Project sponsor's hazardous materials contractor | Prior to issuance of grading permits for the remedial action | Submit an excavation RDIP in compliance with the requirements of M-HZ-2b | Department of Building Inspection, Department of Public Health, and State Department of Toxic Substances Control | Considered complete after remediation activities are completed |

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility | | | Monitoring/ | |
| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| Mitigation Measure M-HZ-2c Prior to issuance of grading or building permits for construction of project site improvements, the project sponsor shall provide a Vapor Intrusion Mitigation System (VIMS) RDIP to the DBI and SFDPH, reviewed and approved by DTSC, that includes a site-specific health and safety plan, emissions control plan, soil management plan, and an air monitoring plan protective of construction workers, the nearby public, and the environment In accordance with California Health and Safety Code Section 25395.96(a)(4), this plan must include a description of measures that will be implemented "to control any endangerment that may occur during the response action at the site." | Project sponsor's hazardous materials contractor | Prior to issuance of grading or building permits for project site construction | Submit VIMS RDIP in compliance with the requirements of M-HZ- 2c | Department of Building Inspection, Department of Public Health, and State Department of Toxic Substances Control | Considered complete after construction activities are completed |
| Mitigation Measure M-HZ-2e Prior to issuance of a certificate of occupancy for the project site buildings, the project sponsor shall provide a Response Plan Certification for the project site, a Covenant to Restrict Use of Property prohibiting groundwater extraction and use, an Operations and Maintenance Agreement, and an Operations and Maintenance Plan. All documents require approval by DTSC prior to submittal to the DBI and SFDPH. | Project sponsor | Prior to issuance of a certificate of occupancy | Submit Response Plan Certification, Covenant to Restrict Use of Property, Operations and Maintenance Agreement, and Operations and Maintenance Plan in compliance with M- HZ-2e | Department of Building Inspection and State Department of Toxic Substances Control | Considered complete after construction activities are completed |
| Mitigation Measure M-HZ-3 Implement M-HZ-2a, M-HZ-2b, and M-HZ-2c. | See M-HZ-2a, M-HZ-2b, and M-HZ-2c | | See M-HZ-2a, M-HZ- 2b, and M-HZ-2c | See M-HZ-2a, M-HZ-2b, and M-HZ-2c | See M-HZ-2a, M-HZ-2b, and M-HZ-2c |

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility for | Mitigation | Mitigation | Monitoring/ Reporting | Monitoring |
| Adopted Mitigation Measures IMPROVEMENT MEASURES | Implementation | Schedule | Action | Responsibility | Schedule |
| | | | | | |
| TRANSPORTATION AND CIRCULATION | | | | | |
| Improvement Measure I-TR-1a | Droiget an on con | Driente | Implement TDM | Dlanning | Throughout |
| The project sponsor should implement Transportation Demand Management (TDM) measures to reduce vehicle traffic generated by the proposed project and to encourage the use of rideshare, transit, bicycle, and walk modes for trips to and from the proposed project. The TDM plan could include the following measures. Recommended components of the TDM program include the following: | Project sponsor | issuance of a certificate of occupancy | Implement TDM measures as specified in I-TR-1a | Planning Department | Throughout project operation |
| • Provide information in the move-in packets for transit service (Muni and BART lines, schedules and fares), particularly for local trips (such as to the nearest grocery store, hardware store, shopping center, restaurants, and other nearby neighborhood commercial areas), information on where transit passes could be purchased in person and on-line, and information on the Clipper Card and 511 Regional Rideshare Program; | | | | | |
| Provide TDM training for property managers and coordinators; and have at least one contact person, preferably in the building for tenants with alternative mode travel questions; | | | | | |
| Promote and coordinate ridesharing activities (i.e., establish a "ride board") for all building residents and employees, particularly to popular local events; | | | | | |
| Facilitate access to car share spaces provided in the parking garage through on-site signage and information on the car share company, rates, and how to enroll in the car share program; | | | | | |
| • Ensure that the points of access to bicycle parking through elevators on the ground floor and the garage ramp include signage indicating the location of these facilities; | | | | | |
| • Ensure that bicycle safety strategies are developed along the sides of the property, avoiding conflicts with private cars, transit | | | | | |

| | MONITORING AND REPORTING PROGRAM | | | | |
|---|--|---|--|--|------------------------------------|
| Adopted Mitigation Measures | Responsibility for Implementation | Mitigation Schedule | Mitigation Action | Monitoring/ Reporting Responsibility | Monitoring Schedule |
| vehicles and loading vehicles, posting signs where necessary to increase awareness of the presence of bicycle traffic; | r | | | f | |
| • Facilitate access to the 16 th Street, 17 th Street and Mariposa Street bicycle routes via on-site signage; | | | | | |
| • Coordinate with SFMTA on potential on-street (sidewalk) bicycle racks. In addition, post information in the bicycle parking area to inform bikers of nearby routes and bicycle parking information would encourage bicycle use and safe routes; | | | | | |
| Actively encourage alternative mode choice by actively monitoring above efforts effectiveness, and fostering local deliveries from nearby businesses where appropriate; and | | | | | |
| • Participate with other project sponsors in a network of transportation brokerage services. | | | | | |
| Improvement Measure I-TR-1b As an improvement measure to minimize vehicle queues at the proposed project driveway into the public right-of-way, the proposed project would be subject to the Planning Department's vehicle queue abatement Conditions of Approval (see TIS Appendix M), which state the following: | Project sponsor and sponsor's transportation consultant | In the event that recurring queues occur at project driveways | Implement queue abatement methods at project driveways as outlined in I-TR-1b. If requested, evaluate queue conditions, | Planning Department | Throughout project operation |
| It shall be the responsibility of the owner/operator of any off-street parking facility primarily serving a non-residential use, as determined by the Planning Director, with more than 20 parking spaces (excluding loading and car-share spaces) to ensure that recurring vehicle queues do not occur on the public right-of-way. | | | prepare monitoring reports, and implement queue abatement methods | | |
| A vehicle queue is defined as one or more vehicles blocking any portion of any public street, alley or sidewalk for a consecutive period | | | | | |

of three minutes or longer on a daily or weekly basis.

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility | | | Monitoring/ | |
| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| If a recurring queue occurs, the owner/operator of the parking facility shall employ abatement methods as needed to abate the queue. Suggested abatement methods include but are not limited to the following: redesign of facility layout to improve vehicle circulation and/or on-site queue capacity; employment of parking attendants; installation of LOT FULL signs with active management by parking attendants; use of valet parking or other space-efficient parking techniques; use of off-site parking facilities or shared parking with nearby uses; use of parking occupancy sensors and signage directing drivers to available spaces; travel demand management strategies such as additional bicycle parking, customer shuttles or delivery services; and/or parking demand management strategies such as | | | | | |
| parking time limits, paid parking or validated parking. | | | | | |
| If the Planning Director, or his or her designee, suspects that a recurring queue is present, the Department shall notify the property owner in writing. Upon request, the owner/operator shall hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days. The consultant shall prepare a monitoring report to be submitted to the Department for review. If the Department determines that a recurring queue does exist, the facility owner/operator shall have 90 days from the date of the written determination to abate the queue. | | | | | |
| Improvement Measure I-TR-4 Audio and visual alerts would aid pedestrians along the north side of 18 th Street and the west side of Arkansas Street to the presence of vehicles in an effort to reduce conflicts. | Project sponsor | Prior to issuance of certificate of occupancy | Install audio and visual alerts at project driveways as specified in I-TR-4 | Planning Department | Considered complete after alerts are installed |

| | MONITORING AND REPORTING PROGRAM | | | | |
|--|----------------------------------|----------------|--------------------------|----------------|----------------|
| | Responsibility | | | Monitoring/ | |
| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| Improvement Measure I-TR-6 | | | | | |
| Active loading on Mariposa Street for residential uses (such as move- | Project sponsor | Prior to | Limitations on active | Planning | Throughout |
| in/move-out) should be restricted to off-peak school hours. Peak pick- | | issuance of | loading outlined in I- | Department | project |
| up/drop-off times at Live Oak School are generally between 7:30 a.m. | | certificate of | TR-6 should be posted | | operation |
| and 9:00 a.m. and 1:30 p.m. and 4:00 p.m. | | occupancy | on-site and specified in | | |
| | | | rental agreements | | |
| Improvement Measure I-TR-8 | | | | | |
| The project sponsor should consult with other agencies including | Project sponsor | Prior to | Consult with agencies | SFMTA and | Considered |
| Muni/SFMTA and property owners near the project site, including | | issuance of | and nearby property | Department of | complete |
| Live Oak School and the International Studies Academy/KIPP Charter | | demolition | owners to develop and | Public Works | after |
| School campus, to assist coordination of construction traffic | | and | implement | | construction |
| management strategies as they relate to transit operations and the | | construction | construction traffic | | activities are |
| needs of other users adjacent to the project site. The project sponsor | | permits | management strategies | | completed |
| should proactively coordinate with these groups prior to developing | | | as outlined in I-TR-8 | | |
| the construction management plan to ensure that the plan adequately | | | | | |
| meets these needs, including designating a construction management | | | | | |
| contact person, advertisement of construction schedule to local | | | | | |
| businesses and schools, and encouragement of construction workers to | | | | | |

carpool or use alternative modes of travel.

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility | | | Monitoring/ | |
| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| MITIGATION MEASURES (CPE CHECKLIST) | | | | | |
| CULTURAL RESOURCES | | | | | |
| Project Mitigation Measure 1: Archeological Testing | | | | | |
| (Mitigation Measure J-2 from the Eastern Neighborhoods EIR) | | | | | |
| This measure would apply to those properties within the project area | Project sponsor's | Prior to | Prepare and submit a | Planning | Considered |
| for which no archeological assessment report has been prepared or for | - | issuance of | Sensitivity Study in | Department | complete |
| which the archeological documentation is incomplete or inadequate to | 0 | construction | compliance with the | | after |
| serve as an evaluation of potential effects on archeological resources | consultant and | permits and | requirements of M-1. If | | construction |
| under CEQA (CEQA Guidelines § 15064.5(a)(1)(3) and (c)(1)(2)),4 with | | throughout | required, prepare and | | activities are |
| the exception of those properties within Archeological Mitigation | contractor | the | implement a ARD/TP | | completed |
| Zone B as shown in Figure 29 in Chapter IV, for which Mitigation | | construction | as outlined in M-1 and to the satisfaction of the | | |
| Measure J-3, is applicable). That is, this measure would apply to the | | period | Planning Department | | |
| entirety of the study area outside of Archeological Mitigation Zones A | | | Fianning Department | | |
| and B. | | | | | |
| For projects proposed outside Archeological Mitigation Zones A and | | | | | |
| B, a Preliminary Archeological Sensitivity Study must be prepared by | | | | | |
| an archeological consultant with expertise in California prehistoric | | | | | |
| and urban historical archeology. The Sensitivity Study should contain | | | | | |

1. Determine the historical uses of the project site based on any previous archeological documentation and Sanborn maps;

the following:

2. Determine types of archeological resources/properties that may have been located within the project site and whether the archeological resources/property types would potentially be eligible for listing in the CRHR;

| | | MONITORING AND REPORTING PROGRAM | | | | |
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| | | Responsibility | | | Monitoring/ | |
| | | for | Mitigation | Mitigation | Reporting | Monitoring |
| | Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| 3. | Determine if 19 th or 20 th century soils-disturbing activities may adversely affected the identified potential archeological resources; | | | | | |
| 4. | Assess potential project effects in relation to the depth of any identified potential archeological resource; | | | | | |
| 5. | <u>Conclusion</u> : assessment of whether any CRHP-eligible archeological resources could be adversely affected by the proposed project and recommendation as to appropriate further action. | | | | | |
| (ERO Plan poten withi to rec to a le deter stand Histo Prese study | d on the Sensitivity Study, the Environmental Review Officer a) shall determine if an Archeological Research Design/Treatment (ARD/TP) shall be required to more definitively identify the natial for CRHP-eligible archeological resources to be present in the project site and determine the appropriate action necessary duce the potential effect of the project on archeological resources ess than significant level. The scope of the ARD/TP shall be mined in consultation with the ERO and consistent with the lards for archeological documentation established by the Office of oric Preservation for purposes of compliance with CEQA, in ervation Planning Bulletin No. 5). Based upon the sensitivity or conducted for the project, it was determined that archeological ag would be required for the proposed project. | | | | | |
| be pro unde prope projec from List (| d on a reasonable presumption that archeological resources may esent within the project site, the following measures shall be rtaken to avoid any potentially significant adverse effect from the osed project on buried or submerged historical resources. The ct sponsor shall retain the services of an archaeological consultant the rotational Department Qualified Archaeological Consultants QACL) maintained by the Planning Department archaeologist. oroject sponsor shall contact the Department archeologist to | | | | | |

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility | | | Monitoring/ | |
| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| obtain the names and contact information for the next three archeo- | | | | | |
| logical consultants on the QACL. The archeological consultant shall | | | | | |
| undertake an archeological testing program as specified herein. In | | | | | |
| addition, the consultant shall be available to conduct an archeological | | | | | |
| monitoring and/or data recovery program if required pursuant to this | | | | | |
| measure. The archeological consultant's work shall be conducted in | | | | | |
| accordance with this measure at the direction of the Environmental | | | | | |
| Review Officer (ERO). All plans and reports prepared by the | | | | | |
| consultant as specified herein shall be submitted first and directly to | | | | | |
| the ERO for review and comment, and shall be considered draft | | | | | |
| reports subject to revision until final approval by the ERO. | | | | | |
| Archeological monitoring and/or data recovery programs required by | | | | | |
| this measure could suspend construction of the project for up to a | | | | | |
| maximum of four weeks. At the direction of the ERO, the suspension | | | | | |
| of construction can be extended beyond four weeks only if such a | | | | | |
| suspension is the only feasible means to reduce to a less than | | | | | |
| significant level potential effects on a significant archeological | | | | | |
| resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c). | | | | | |
| | | | | | |

| | MONITORING AND REPORTING PROGRAM | | | | |
|--|--|---|--|--|--|
| Adopted Mitigation Measures | Responsibility for Implementation | Mitigation Schedule | Mitigation Action | Monitoring/ Reporting Responsibility | Monitoring Schedule |
| <i>Consultation with Descendant Communities</i> : On discovery of an archeological site ¹ associated with descendant Native Americans or the Overseas Chinese an appropriate representative ² of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to consult with ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archaeological Resources Report shall be provided to the representative of the descendant group. | Project sponsor's qualified archaeological consultant and construction contractor | that an | Consult with descendant communities and the Planning Department to determine appropriate treatment of archaeological finds and report findings as appropriate | Planning Department | Considered complete after construction activities are completed |
| Archeological Testing Program. The archeological consultant shall prepare and submit to the ERO for review and approval an archeo- logical testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA. | Project sponsor's qualified archaeological consultant and construction contractor | Prior to issuance of construction permits and throughout the construction period | Prepare, submit and implement an ATP as outlined in M-1. At completion of the ATP, report findings to the Planning Department and implement additional measures if warranted and to the satisfaction of the Planning Department. | Planning Department | Considered complete after construction activities are completed |

¹ The term "archeological site" is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

² An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and in the case of the Overseas Chinese, the Chinese Historical Society of America.

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility | | | Monitoring/ | |
| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| At the completion of the archeological testing program, the archeo- | | | | | |
| logical consultant shall submit a written report of the findings to the | | | | | |
| ERO. If based on the archeological testing program the archeological | | | | | |
| consultant finds that significant archeological resources may be | | | | | |
| present, the ERO in consultation with the archeological consultant | | | | | |
| shall determine if additional measures are warranted. Additional | | | | | |
| measures that may be undertaken include additional archeological | | | | | |
| testing, archeological monitoring, and/or an archeological data | | | | | |
| recovery program. If the ERO determines that a significant archeological | l | | | | |
| resource is present and that the resource could be adversely affected by | | | | | |
| the proposed project, at the discretion of the project sponsor either: | | | | | |
| A. The proposed project shall be re-designed so as to avoid any | | | | | |
| adverse effect on the significant archeological resource; or | | | | | |
| B. A data recovery program shall be implemented, unless the ERO | | | | | |
| determines that the archeological resource is of greater interpretive | | | | | |
| than research significance and that interpretive use of the resource | | | | | |
| is feasible. | | | | | |
| | | | | | |

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility | | | Monitoring/ | |
| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| Archeological Monitoring Program. If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions: The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils- disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archaeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource; The archeological consultant, determined that project site according to a schedule agreed upon by the archeological consultant and the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits; The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis; If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease. The | Project sponsor's qualified archaeological consultant and construction contractor | | Prepare, submit and implement an AMP, if required, and as outlined in M-1. Consult with the Planning Department in the event that archaeological finds are discovered, implement requested measures for treatment of finds, and, at completion of the AMP, report findings to the Planning Department. | Planning Department | Considered complete after construction activities are completed |

| | MONITORING AND REPORTING PROGRAM | | | | |
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| | Responsibility | | | Monitoring/ | |
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| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities_and equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile driving activity may affect an archeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO. Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO. | | | | | |
| Archeological Data Recovery Program. The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery | Project sponsor's qualified archaeological consultant and construction contractor | that an | Prepare, submit and implement an ADRP, as outlined in M-1. | Planning Department | Considered complete after construction activities are completed |

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| Adopted Mitigation Measures | Responsibility for Implementation | Mitigation Schedule | Mitigation Action | Monitoring/ Reporting Responsibility | Monitoring Schedule |
| methods shall not be applied to portions of the archeological resources if nondestructive methods are practical. | | | | | |
| The scope of the ADRP shall include the following elements: | | | | | |
| • <i>Field Methods and Procedures</i> . Descriptions of proposed field strategies, procedures, and operations. | | | | | |
| • <i>Cataloguing and Laboratory Analysis.</i> Description of selected cataloguing system and artifact analysis procedures. | | | | | |
| • <i>Discard and Deaccession Policy</i> . Description of and rationale for field and post-field discard and deaccession policies. | | | | | |
| • <i>Interpretive Program</i> . Consideration of an on-site/off-site public interpretive program during the course of the archeological data recovery program. | | | | | |
| Security Measures. Recommended security measures to protect the archeological resource from vandalism, looting, and non- intentionally damaging activities. | | | | | |
| • <i>Final Report</i> . Description of proposed report format and distribution of results. | | | | | |
| • <i>Curation.</i> Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities. | | | | | |

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| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| <i>Human Remains and Associated or Unassociated Funerary Objects.</i> The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal laws. This shall include immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archeological consultant, project sponsor, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. | Project sponsor's qualified archaeological consultant and construction contractor | In the event that human remains are uncovered during the construction period | Notify and consult with the appropriate agencies and MLD as specified in M-1 | Planning Department | Considered complete after construction activities are completed |
| <i>Final Archeological Resources Report.</i> The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/ monitoring/ data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report. Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one | Project sponsor's qualified archaeological consultant and construction contractor | that an | Prepare, submit and distribute a FARR as outlined in M-1. | Planning Department | Considered complete after construction activities are completed |

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| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| bound, one unbound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above. | | | | | |
| NOISE | | | | | |
| Project Mitigation Measure 2: Construction Noise (Mitigation Measure F-2 from the Eastern Neighborhoods EIR, as modified) Where environmental review of a development project undertaken subsequent to the adoption of the proposed zoning controls determines that construction noise controls are necessary due to the nature of planned construction practices and the sensitivity of proximate uses, the Planning Director shall require that the sponsors of the subsequent development project develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the Department of Building Inspection to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include the following control strategies: 1. Conduct noise monitoring at the beginning of major construction phases (e.g., demolition, excavation) to determine the need and the effectiveness of noise-attenuation measures. 2. Erect temporary plywood noise barriers around the construction site where the site adjoins noise-sensitive receivers, such as the Live Oak School. | Project sponsor's qualified acoustical consultant and construction contractor | Prior to the issuance of building and construction permits. | Prepare and implement a noise reduction plan that meets the criteria of M-2. | Planning Department and Department of Building Inspection | Considered complete after construction activities are completed. |

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| | Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| 3. | Utilize noise control blankets on the building structure adjacent to Live Oak School – and possibly other noise-sensitive receivers – as the building is erected to reduce noise emission from the site. | | | | | |
| 4. | Post signs on-site pertaining to permitted construction days and hours, complaint procedures, and who to notify in the event of a problem, with telephone numbers listed. | | | | | |
| 5. | Notify the Department of Building Inspection and neighbors in advance of the schedule for each major phase of construction and expected loud activities. | | | | | |
| 6. | When feasible, select "quiet" construction methods and equipment (e.g., improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures and acoustically- attenuating shields or shrouds). | | | | | |
| 7. | Require that all construction equipment be in good working order and that mufflers are inspected to be functioning properly. Avoid unnecessary idling of equipment and engines. | | | | | |
| 8. | Mobile noise-generating equipment (e.g., dozers, backhoes, and excavators) shall be required to prepare the entire site. However, the developer will endeavor to avoid placing stationary noise generating equipment (e.g., generators, compressors) within noise-sensitive buffer areas (measured at linear 20 feet) between immediately adjacent neighbors. | | | | | |
| 9. | The project sponsor shall require the general contractor to use impact tools (e.g., jack hammers, pavement breakers, and rock drills) that are hydraulically or electrically powered wherever possible to avoid noise associated with compressed air exhaust from pneumatically powered tools. Where use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust shall be used, along with external noise jackets on the tools. | | | | | |

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| | for | Mitigation | Mitigation | Reporting | Monitoring |
| Adopted Mitigation Measures | Implementation | Schedule | Action | Responsibility | Schedule |
| Project Mitigation Measure 3: Siting of Noise-Sensitive Uses | | | | | |
| (Mitigation Measure F-4 from the Eastern Neighborhoods EIR) | | | | | |
| To reduce potential conflicts between existing noise-generating uses | Project sponsor | Prior to the | Install windows with | Planning | Considered |
| and new sensitive receptors, for new development including noise- | | issuance of a | noise reduction ratings | Department and | complete |
| sensitive uses, the Planning Department shall require the preparation | | certificate of | of up to STC 38 and | Department of | after |
| of an analysis that includes, at a minimum, a site survey to identify potential noise-generating uses within 900 feet of, and that have a | | occupancy | appropriate ventilation or air conditioning | Building Inspection | construction activities are |
| direct line-of-sight to, the project site, and including at least one 24- | | | systems in all units | | completed. |
| hour noise measurement (with maximum noise level readings taken at | | | except those that face | | |
| least every 15 minutes), prior to the first project approval action. The | | | the interior courtyards. | | |
| analysis shall be prepared by persons qualified in acoustical analysis | | | | | |
| and/or engineering and shall demonstrate with reasonable certainty | | | | | |
| that Title 24 standards, where applicable, can be met, and that there are no particular circumstances about the proposed project site that | | | | | |
| appear to warrant heightened concern about noise levels in the | | | | | |
| vicinity. | | | | | |
| vicinity. | | | | | |
| Should such concerns be present, the Department may require the | | | | | |
| completion of a detailed noise assessment by person(s) qualified in | | | | | |
| acoustical analysis and/or engineering prior to the first project | | | | | |
| approval action, in order to demonstrate that acceptable interior noise | | | | | |
| levels consistent with those in the Title 24 standards can be attained. | | | | | |
| Pursuant to this measure, Charles M. Salter Associates conducted an | | | | | |
| Environmental Noise Assessment that included the continuous | | | | | |
| collection of noise data for 48 hours on weekdays at four locations around the project site. Noise levels from 64 to 74 dB Ldn were | | | | | |
| measured around the project site. Noise-generating uses within the | | | | | |
| vicinity of the site include Anchor Brewing Company, International | | | | | |
| Studies Academy, Jackson Playground, Live Oak School, and various | | | | | |
| restaurants along 18th Street. To meet the 45 dB Ldn criterion called | | | | | |
| out in the building code (Title 24), the proposed project would be | | | | | |
| required to install windows with noise reduction ratings of up to STC | | | | | |
| | | | | | |

| | | PROGRAM | | | |
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| Adopted Mitigation Measures | Responsibility for Implementation | Mitigation Schedule | Mitigation Action | Monitoring/ Reporting Responsibility | Monitoring Schedule |
| 38. The windows could be operable, but would need to be in the closed position to meet the indoor noise standard. Therefore, these units would require a ventilation or air-conditioning system that does not compromise the sound attenuation of the exterior façade However, units facing the interior courtyards are exposed to noise levels no greater than 60 dB Ldn and windows in these units do not need to be sound-rated and these units are not subject to the ventilation requirement. | | | | | |
| <i>Project Mitigation Measure 4: Open Space in Noisy Environments</i> <i>(Mitigation Measure F-6 from the Eastern Neighborhoods EIR)</i> To minimize effects on development in noisy areas, for new development including noise sensitive uses, the Planning Department shall, through its building permit review process, in conjunction with noise analysis required pursuant to Mitigation Measure F-4, require that open space required under the Planning Code for such uses be protected, to the maximum feasible extent, from existing ambient noise levels that could prove annoying or disruptive to users of the open space. Implementation of this measure could involve, among other things, site design that uses the building itself to shield on-site open space from the greatest noise sources, construction of noise barriers between noise sources and open space, and appropriate use of both common and private open space in multi-family dwellings, and implementation would also be undertaken consistent with other principles of urban design. | Project sponsor | Prior to issuance of a building permit | Design open space areas so that they are protected from existing ambient noise levels to the maximum extent feasible. | Planning Department and Department of Building Inspection | Considered complete after construction activities are completed. |

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PROJECT DESCRIPTION

Site is located at 1601 Mariposa Street in San Francisco, CA.

This scheme is designed under the Eastern Neighborhoods zoning requirements. Proposed use is for two 4 story mixed use residential apartment buildings separated by a publicly accessible mews with neighborhood serving retail and publicly accessible mid-block passages and interior courtyards.

The project would involve demolition of three existing on-site one- and twostory commercial, office, and warehouse buildings and associated surface parking lots and construction of two four-story mixed use buildings, referred to as the "East" and "West" Buildings. Approximately 299 residential units and 9,555 square feet of ground floor commercial and PDR space would be distributed throughout both buildings. A two-level below-grade parking garage under the East Building would contain 243 parking spaces and be accessible from Arkansas Street (upper garage level) and 18th Street (lower garage level) The proposed East and West Buildings would have heights ranging from 31 feet to 40 feet (excluding parapets approximately 3-1/2 feet in height, 5 elevator overruns approximately 6 feet in height and 2 stair overruns up to 10 feet in height). The majority of all street frontages along Arkansas, 18th Street, Carolina and Mariposa Streets are 3-4 stories high. There is one occurrence within the middle of the development where four units create a brief five story element, which remains within the 40' height limit.

The project is requesting Large Project Authorization with specific modifications including:

1) Horizontal Mass Reduction (Planning Code Sec. 270.1) 2) Off-Street Loading (Planning Code Sec. 152.1) 3) Floor-to-floor ground floor heights (17 feet) for non-residential space (Planning Code Section 145.2(c)(4)) 4) Rear Yard Configuration (Planning Code Sec. 134 (f))

VICINITY MAP





PROJECT TEAM

OWNER / DEVELOPER Related Companies, Northern California 44 Montgomery St, Suite 1050 San Francisco, CA 94104 t: (415) 677-4044 Attn: Susan Smartt

ARCHITECT **David Baker Architects** 461 Second Street, Loft c127 San Francisco, CA 94107 t: (415) 896-6700 Attn: Kevin Wilcock

LANDSCAPE ARCHITECT FLETCHER STUDIO 2339 3rd Street Suite 48R San Francisco, CA 94107 t: (415) 431-7878

Attn: David Fletcher

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Site Context - Transit Linkages

Site Context - Neighborhoods and Open Space

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DRAWING LIST

Project Data

Site Context

Site Photos

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- Streetscape Plans L.13
- Streetscape Plans L.14
- L.15 Mid Block Passage Plan
- East West Passage Plan L.16
- L.17 Courtyard Plans
 - 21116.00 scale: 3/16" = 1'-0" 10/19/2015 date:

G.00

GENERAL PROJECT STATISTICS

| Assessor's Block/Lot | 4006/Lot 10, 4005/001B,4005-004, 4006- |
|---------------------------------|---|
| 006, 400 | 6-019, 4006-020 |
| Zoning: | UMU - urban mixed use |
| Height & Bulk District: | 40-X (no bulk limitations) |
| Unit Density: | No maximum |
| FAR: | 3:1 (allows 438,852 SF bldg.) |
| Midblock passage: | Req'd for street frontage > 200 feet, for block faces over 400 feet |
| between intersections | |
| Construction Type: | |
| East Building - 4 Floors Type \ | /-A over Type I podium (plus basement) |
| West Building - 4 Floors Type | |

I Site Area

| II OILO AIGU | | |
|--------------|-------------|-------|
| | Square Feet | Acres |
| Site Area | 146,284 SF | 3.36 |
| | | |

II. Gross Area Tabulation

| Circulation Horiz. Circulation Vert. | 49,878 SF 8,377 SF | Garage PDR Posidontial | 86,181 SF 3,962 SF |
|---|-----------------------|------------------------------|-----------------------|
| Commercial | 5,593 SF | Residential | 238,429 SF |
| Common | 9,619 SF | Service | 15,676 SF |

Total SF = 417,715 - 86,181(Garage) = 331,534 Gross Floor Area

| III. Unit Mix Summary | | 2+3 Bedroom % Total = 40% | | | |
|-----------------------|-------------|---------------------------|------------|--------------|--|
| | Total Count | Approx SF | % Total | # Affordable | |
| 3 Bedroom | 10 | 1,050-1,400 SF | 3% | 2 | |
| 2 Bedroom | 111 | 860-1,100 SF | 37% | 22 | |
| 1 Bedroom | 109 | 600-740 SF | 37% | 22 | |
| Studio | 69 | 440-550 SF | <u>23%</u> | <u>14</u> | |
| | Total 299 | | 100% | 60 | |

IV. Open Space Summary

ALL OPEN SPACE AREA REQUIREMENTS FOR THE PROJECT ARE SATISFIED USING A CODE-COMPLIANT PUBLIC PEDESTRIAN PATHWAY. SEE BELOW FOR COMPLIANCE CALCULATIONS.

| - | Total Usable Open Space Req'd: (Sec 135 Table 135B) (299 units x 54 SF) + 15 SF = Total Usable Open Space Provided: 21,505 SF + 21,272 SF = | 16,161 SF 42,777SF |
|---|--|--|
| | Publicly Accessible Usable Open Space: (Public) Unenclosed Pedestrian Pathway/ Midblock Passage {Per SF Planning Code Sec. 135(h)1C} Provided: Pedestrian Greenway (midblock passage) Therefore: 21,505 SF / 54 SF/unit req'd = 299 units - 398 units = | 21,505 SF 398 units satisfied net 0 units unsatisfied |
| | Common Private Usable Open Space: (Private) Courtyards {Per SF Planning Code Sec. 135(g)} Required: 0 units x 80 SF/ unit req'd = Provided: Ground Level Court + Upper Podium Court + Roof Deck: (8485 SF + 11908 SF + 879 SF)= | 0 SF 21,272 SF |
| | Usable Open Space for Commercial: (Public) Commercial {Per SF Planning Code Sec. 135.3} | |

Required: (5,593 SF/250) - [(5,593 SF/250)(.33)]= 22.3 SF - 7.3 SF Provided: see publicly accesible open space above

RELATED

| V. Parking Tab | ulation | |
|----------------------------|------------------------------------|------------------|
| Parking Allowed {Per Si | F Planning Code 151.1} | |
| Residential Max. Allowe | ed: | |
| Over 1000 SF = 1 x (27-2 | BR + 10-3BR) = | 37 spaces |
| Under 1000 SF = .75 x (6 | 9-studio + 109-1BR + 84-2BR) = | 197 spaces |
| Sub-total Residential: | | 234 spaces |
| Commercial Max. Allow | | |
| 1 per 500 SF < 20,000 SF | = (5,593 SF/500) = | 11 spaces |
| PDR Max. Allowed: | | |
| 1 per 1500 SF (3,962 SF/ | (1500) = | 3 spaces |
| Total Parking Allowed = | = 234 + 11 + 3 = | 248 spaces |
| Total Parking Provided: | | |
| Accessible Spaces | | 10 |
| Regular Spaces | | 233 |
| J | 243 spaces (+ 6 | car-share) |
| Accessible Parking | | |
| Required | Provided | |
| 1 per 25 | 10 | |
| Car Share Required (Se | | |
| 2 spaces req'd for every 2 | 200 dwelling units = 2 spaces (6 p | rovided) |
| VI. Loading | | |
| Off-Street Loading {Per S | SF Planning Code 152.1} | |
| 5. | 5 | |
| | loading spaces for residential use | |
| | spaces: (1) on Carolina, (1) on Ma | riposa and (1) o |
| Arkansas Street | | |
| | | |
| | | |
| VII. Bicycle Par | kina | |
| The biogene Fai | NII Y | |

{Per SF Planning Code Table 155.2} Residential Spaces: Class 1: 350 (349 reg'd) ; Class 2: 15 (15 reg'd) Retail Spaces: 4 (1 req'd)

VIII. Street Trees

| {Per SF Planning Code Section 138. | 1} | |
|------------------------------------|----------|----------|
| Frontage | Required | Proposed |
| Mariposa | 9 | 6 |
| Arkansas | 15 | 12 |
| Carolina | 15 | 12 |
| 18th Street | 14 | 11 |
| TOTAL | 53 | 41 |



IX. Inclusionary Housing

Board of Supervisors in File No. 081154)."

the number of affordable units would decrease accordingly.

X. Signalization

signalization.



15 SF

Project Data



Walking distances



Open Space



Site Context - Neighborhoods and Open Space

| 21116.00 | |
|----------------------------|-------------|
| scale: date: 10/19/2015 | G.20 |
| | |



Transit

RELATED



Bike Linkages



| 21116.00 | |
|-----------------------------------|-------------|
| scale: date: 10/19/2015 | G.21 |
| | |











1601 Mariposa V28

Site Context

| 21116.00 | |
|------------------|--------------|
| scale: | C 22 |
| date: 10/19/2015 | G.2 5 |
| | |



1) Jackson Playground Looking South



2) Mariposa Street Looking West



4) Arkansas Street Looking North



5) Arkansas Street Looking South

Key Plan



1601 Mariposa V28

Site Photos



3) 18th Street Looking East



| | 21116.00 | |
|--------|--------------|-------------|
| scale: | 1" = 300'-0" | G.24 |
| date: | 10/19/2015 | 0.24 |
| | | |




1601 Mariposa V28

View from 20th and Wisconsin Looking North

21116.00 scale: date: 10/19/2015





| | 21116.00 | |
|-----------------|------------|-------------|
| scale: date: | 10/19/2015 | G.31 |
| | | |







1601 Mariposa V28

Corner at 18th and Arkansas

| 21116.00 | |
|----------------------------|-------------|
| scale: date: 10/19/2015 | G.32 |
| | |







View from 18th looking East

| | 21116.00 | |
|----------|-----------|--------------|
| scale: | | C 33 |
| date: 10 | 0/19/2015 | G. 35 |
| | | |





| | 21116.00 | |
|-----------------|------------|-------------|
| scale: date: | 10/19/2015 | G.34 |
| | | |







Stoops on Arkansas St.

| 21116.00 | |
|----------------------------|-------------|
| scale: date: 10/19/2015 | G.35 |
| | |







| | | 1 |
|-----------------|------------|-------------|
| | 21116.00 | |
| scale: date: | 10/19/2015 | G.36 |
| | | |







| | | 1 |
|-----------------|------------|-------------|
| | 21116.00 | |
| scale: date: | 10/19/2015 | G.37 |
| | | |







1601 Mariposa V28

Public Pedestrian Plaza Looking South

| 2 | 21116.00 |
|----------------------------|----------|
| scale: date: 10/ | G.38 |
| | |







Carolina and Mariposa Retail Corner

| 21116.00 | |
|----------------------------|-------------|
| scale: date: 10/19/2015 | G.39 |
| | |















| | 21116.00 | |
|-----------------|------------|------|
| scale: date: | 10/19/2015 | G.41 |
| | | 1 |



HORIZONTAL HARDWOOD COMMON AREAS, TOWNHOMES, BALCONIES



CORTEN STEEL CAROLINA COMMERCIAL



VERTICAL BOARD FORM CONCRETE COMMON AREAS, COLUMNS, MEWS PATIOS



UNION CITY APARTMENTS, DAVID BAKER ARCHITECTS WOOD SIDING, STOREFRONT, AND UPPER STUCCO FACADE



COMAL RESTAURANT, TRACHTENBERG ARCHITECTS STANDING SEAM CORTEN STEEL, PAINTED METAL, AND ANODIZED ALUMINUM



RICHARDSON APARTMENTS, DAVID BAKER ARCHITECTS BOARDFORM CONCRETE AND WOOD SIDING



1601 Mariposa V28

MATERIALS at Commercial and Common Areas



STOREFRONT RETAIL & COMMERCIAL, COMMON AREAS



RICHARDSON APARTMENTS, DAVID BAKER ARCHITECTS BOARDFORM CONCRETE AND STOREFRONT

| | 21116.00 | |
|-----------------|------------|-------------|
| scale: date: | 10/19/2015 | G.42 |



CEMENT PLASTER





NATURAL ZINC METAL SIDING STANDING SEAM AT ARKANSAS BAYS; FLAT SEAM AT CAROLINA



RELATED

CEMENT PLASTER



300 IVY CONDOMINIUMS, DAVID BAKER ARCHITECTS CEMENT PLASTER AND RECESSED STANDING SEAM



RICHARDSON APARTMENTS, DAVID BAKER ARCHITECTS STANDING SEAM ZINC SIDING



1601 Mariposa V28

MATERIALS- Residential

| | COLOR 2 |
|---------|---------|
| | |
| | |
| COLOR 1 | COLOR 3 |
| | |
| | |

SMOOTH LAP FIBER CEMENT BOARD PLANKS



TURK STREET HOUSING, DAVID BAKER ARCHITECTS CEMENT BOARD SIDING

| scale: date: 10/19/2015 G.43 | 21116.00 | |
|---------------------------------|----------|-------------|
| | | G.43 |



| SC | | 21116.00 " = 60'-0" | C 11 |
|----|---------|------------------------|-------------|
| da | ate: 10 | 0/19/2015 | G.44 |



| DDD david baker architects | RELATED | 1601 Mariposa V28 | Site Plan (existing context) |
|-------------------------------|---------|-------------------|------------------------------|
|-------------------------------|---------|-------------------|------------------------------|



1

640

82

20

MUNI #10 bus stop

1000



1 - CD - CD - F

21116.00 scale: 1" = 100'-0" date: **10/19/2015**













Level 1 West / Lower Garage East

| <u>' - 0"</u> | | ARKANSAS S | J | | | | | |
|---------------|---------|------------|-----------------------|-----------------|--|-----|------|--|
| | | 25' - 0" | | - | | | | |
| | | | 295 ['] - 0" | 1 | | | | |
| | | 270' - 0' | 295 | A.56 | | | | |
| | | • | - 0" - 0" | 2 A.56 | | | | |
| | 5' - 0" | | | | | | | |
| | | | | scale: date: | 21116. 1" = 60'- 10/19/20 | -0" | A.10 | |
| | | | | | | | | |

ST



DD david baker archite









Level 3 West / Level 1 East

| | 21116.00 1" = 60'-0" 10/19/2015 | A.12 |
|--|--|------|



DD david baker architec

Level 4 West / Level 2 East

| 21116.00 | |
|-------------|-------------|
| 1" = 60'-0" | Λ 12 |
| 10/19/2015 | A.IJ |
| | 1" = 60'-0" |



| 21116.00 1" = 60'-0" 10/19/2015 | A.14 |
|--|------|
| | |



DD david baker archited

| | 21116.00 | |
|--|-----------------------------------|------|
| | 1" = 60'-0" 1 0/19/2015 | A.15 |
| | | |



| | | 1 |
|--------|-------------|-------------|
| | 21116.00 | |
| scale: | 1" = 60'-0" | A 16 |
| date: | 10/19/2015 | A.IU |
| date: | 10/19/2015 | A.16 |





| STREET | AVG. SLOPE | MAXIMUM WIDTH OF PORTION OF BUILDING WHICH MAY BE MEASURED FROM A SINGLE POINT |
|-------------|---------------|--|
| ARKANSAS ST | 6.87% | 65 FEET |
| 18TH ST | 10.36% | 65 FEET |
| CAROLINA ST | 4.01% | NO REQUIREMENT |
| MARIPOSA ST | 0% | NO REQUIREMENT |







1 <u>Mews Elevation E</u> 1" = 40'-0"



2 <u>Mews Elevation W.1</u> 1" = 40'-0"

3 <u>Mews Elevation W.2</u> 1" = 40'-0"



MATERIAL LEGEND

COLORED CEMENT PLASTER
STANDING SEAM ZINC SIDING
HARDWOOD RAINSCREEN
BOARD FORMED CONCRETE
FLAT SEAM ZINC SIDING
ALUMINUM METAL PANEL
CORTEN DUTCH DOOR
ALUMINUM STOREFRONT
PERF. ALUM. PANEL GUARDRAIL
PAINTED STEEL MEMBERS
COR-TEN STEEL
ALUMINUM WINDOWS
HARDWOOD SLAT GUARD RAIL
WOOD AND STEEL AWNING
FIBER CEMENT BOARD LAP SIDING

21116.00 scale: As indicated date: **10/19/2015**

A.22







18th St





21116.00 scale: 1/8" = 1'-0" date: **10/19/2015**

A.40

















IV. Open Space Summary

| - | |
|---|----------------------------------|
| Space area requirements for the proji Ipliant public pedestrian pathway. See Ions. | |
| e Open Space Req'd: (Sec 135 Table 135B) 54 SF) + 15 SF = | 16,161 SF |
| e Open Space Provided: 21,272 SF = | 42,777SF |
| cessible Usable Open Space: (Public) Pedestrian Pathway/ Midblock Passage nning Code Sec. 135(h)1C} | |
| Pedestrian Greenway (midblock passage) 21,505 SF / 54 SF/unit req'd = | 21,505 SF 398 units satisfied |
| 98 units = | net 0 units unsatisfied |
| rivate Usable Open Space: (Private) (Per SF Planning Code Sec. 135(g)) | |
| units x 80 SF/ unit req'd = | 0 SF |
| el Court + Upper Podium Court + Roof Deck: 11908 SF + 879 SF)= | 21,272 SF |
| n Space for Commercial: (Public) {Per SF Planning Code Sec. 135.3} | |
| 5,593 SF/250) - [(5,593 SF/250)(.33)]= 22.3 SF - 7.3 ee publicly accesible open space above | SF 15 SF |
| cluded in calculations for demonstrating compliance | |

SPACE. Although they are a significant portion of open area, the Project already complies without including them, as shown above.

| | 21116.00 | |
|--------|--------------|-------------|
| scale: | As indicated | A.51 |
| date: | 10/19/2015 | |





MARIPOSA ST



Sec 260 (a)(1)(B):

Where the lot is level with or slopes downward from a street at the centerline of the building or building step, such point shall be taken at curb level on such a street. This point shall be used for height measurement only for a lot depth not extending beyond a line 100 feet from and parallel to such street, or beyond a line equidistant between such street and the street on the opposite side of the block, whichever depth is greater. Measurement of height for any portion of the lot extending beyond such line shall be considered in relation to the opposite (lower) end of the lot, and that portion shall be considered an upward sloping lot in accordance with Subsection (C) below, whether or not the lot also has frontage on a lower street.

Sec 260 (a)(1)(D):

above.

when height limit is 65 feet or less, width for which a single height measurement may be used is determined by average slope of curb or ground



PER SEC 260 TABLE 260:

| STREET | AVG. Slope | MAXIMUM WIDTH OF PORTION OF Building Which May be measured From a single point |
|-------------|---------------|--|
| ARKANSAS ST | 6.87% | 65 FEET |
| 18TH ST | 10.36% | 65 FEET |
| CAROLINA ST | 4.01% | NO REQUIREMENT |
| MARIPOSA ST | 0% | NO REQUIREMENT |

*** CODE ALLOWS THIS HEIGHT BE DETERMINED USING ARKANSAS STREET PER SEC 260(a)(1)(B), HOWEVER, 18TH STREET WAS CHOSEN TO ACHIEVE A STEPPED + REDUCED MASSING MORE CONSISTENT WITH NEIGHBORHOOD CONTEXT AND STREET CHARACTER. SEE ELEVATIONS.



(D) Where the lot has frontage on two or more streets, the owner may choose the street or streets from which the measurement of height is to be taken, within the scope of the rules stated



| | 21116.00 | |
|--------|--------------|--|
| scale: | As indicated | |
| date: | 10/19/2015 | |

A.53



Per Planning Code Section 145.1(c)(4), Ground Floor non-residential uses in UMU Districts shall have a minimum floor to floor height of 17 feet, as measured from grade.

2 areas do not comply, and are lower in order to better fit the human scale of Potrero neighborhood retail.







Non Commercial Heights Diagrams



(3) Key Plan - Non-Residential Height Diagrams 1" = 160'-0"

21116.00 scale: As indicated date: 10/19/2015

A.54





1 <u>Total Open Area to sky</u> 1" = 160'-0"

54,450 SF / 145,284 = **37.2%** Open Area open to sky above





Total Open Area Open to Sky Above 54450 SF



21116.00 scale: 1" = 160'-0" date: 10/19/2015

A.55


LPA East-West Section 1 1" = 40'-0" (1)



Mid Block Passage complies with all requirements per Code Sec 270.2 and Code Sec 261.1

RELATED



1601 Mariposa V28

Mid Block Passage Compliance

| 21116.00 | |
|--------------------------------------|-------------|
| scale: As indicated date: 10/19/2015 | A.56 |
| |) |





ARKANSAS STREET RESIDENTIAL GROUND FLOOR STOOPS AND PLANTING

Active ground floor residential employs the goals and strategies of "Guidelines for Ground Floor

-An emphasis on the recognizable presence and delineation of individual residential units.

-Adequate private/public transition space from the public sidewalk to the ground floor residential units.

-Adequate private/public transition space from the public sidewalk to the residential unit.

21116.00 1/4" = 1'-0" scale: date: 10/19/2015





1601 Mariposa V28

RELATED

Carolina Active Frontage

|--|



CORNER VIEW FROM CAROLINA AND MARIPOSA



RELATED

Per Planning Code Section 145.1(c)(6): Frontages with active uses that are not residential or PDR must be fenestrated with transparent windows and doorways for no less than 60% of the street frontage.

Commercial frontage along Mariposa exceeds this





| 21116.00 scale: 1" = 20'-0" date: 10/19/2015 | A.60 |
|---|------|
| | |



(2) LPA 18th Street Active Frontage 1" = 20'-0"





ZONING COMPLIANT NOTCH PER SEC 270.1:

>30' WIDE, >60' DEEP, FROM TOP OF SECOND STORY, AND OPEN TO THE SKY



IN LEIU OF REQUIRED NOTCH, MASSING IS BROKEN WITH A FULL HEIGHT NOTCH AND STEPPED INTO SMALLER INCREMENTS WITH RECESSES OF VARYING HEIGHT AND DEPTH

WE PROPOSE THAT THIS IS A CODE COMPLIANT *MODIFICATION* TO SEC 270.1 ON THE BASIS OF:

SEC 270.1 (d)(3): the proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

SEC 270.1 (d)(4): the proposed building achieves unique and superior architectural design.

RELATED



- (1) LPA Horizontal Mass Reduction Diagram 18th St
- 1" = 30'-0"



(4) LPA Horizontal Mass Reduction Diagram 18th St 1" = 30'-0" **18TH STREET**



Opposite side of 18th Street

1601 Mariposa V28

Horizontal Mass Reduction 18th Street

A.62

21116.00 scale: 1" = 30'-0" date: **10/19/2015**

ZONING COMPLIANT NOTCH PER SEC 270.1:

>30' WIDE, >60' DEEP, FROM TOP OF SECOND STORY, AND OPEN TO THE SKY



WE PROPOSE THAT THIS IS A CODE COMPLIANT MODIFICATION TO SEC 270.1 ON THE BASIS OF:

SEC 270.1 (d)(3): the proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

SEC 270.1 (d)(4): the proposed building achieves unique and superior architectural design.



2 LPA Horizontal Mass Reduction Diagram Carolina 1" = 30'-0"



RELATED



1601 Mariposa V28

Horizontal Mass Reduction Carolina St

21116.00 A.63 scale: 1" = 30'-0" date: 10/19/2015

ZONING COMPLIANT HEIGHT PER SEC 102.12 AND SEC 260:

40' HIGH, STEPPED ALONG THE STREET INTO 50' WIDE **INCREMENTS.** -



(1) Horizontal Mass Reduction Exhibit A

ZONING REQUIRED NOTCH PER SEC 270.1:

>30' WIDE, >60' DEEP, FROM TOP OF SECOND STORY, AND OPEN TO THE SKY



RELATED

DP



1601 Mariposa

Horizontal Mass Reduction - Arkansas St

21116.00 scale: 1" = 40'-0" date: 10/19/2015

A.64

IN LEIU OF REQUIRED NOTCH, MASSING IS CARVED AWAY AND STEPPED INTO 25' WIDE INCREMENTS WITH BAYS AND STOOPS OF VARYING HEIGHT AND DEPTH

WE PROPOSE THAT THIS IS A CODE COMPLIANT *MODIFICATION* TO SEC 270.1 ON THE BASIS OF:

SEC 270.1 (d)(3): the proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

SEC 270.1 (d)(4): the proposed building achieves unique and superior architectural design.



1 Horizontal Mass Reduction Exhibit B



2 Horizontal Mass Reduction Exhibit B Elevation 1" = 40'-0"



3 Horizontal Mass Reduction Exhibit B Plan 1" = 40'-0"



RELATED

1601 Mariposa

Horizontal Mass Reduction - Arkansas St

21116.00 scale: 1" = 40'-0" date: **10/19/2015**



LIVE OAK SCHOOL / OFFICE







East West Public Passage Section Looking East



date: 10/19/2015



(2) LPA Sunshade NW 1/8" = 1'-0" 3 LPA Sunshade SW 1/8" = 1'-0"



RELATED

Obstructions - Carolina St Sunshades









RELATED



LOOKING UP 18TH STREET



A.68



RELATED Lind p Ladel

1601 Mariposa LPA

SITE PLAN

UNIT PAVERS, CONCRETE SEATWALLS, TREE PLANTINGS IN LANDSCAPE ISLANDS, EXERCISE COURT.

CONCRETE PRE-CAST PLANTERS, TREE FERNS, NATIVE GRASS PLANTINGS, STORMWATER

FLOW-THROUGH PLANTERS, SHADE TREES IN CONCRETE PLANTERS, PRIVATE PATIOS.

COMMON AREA IN UNIT PAVERS, COMMON LAWN AREA, PRIVATE PATIOS, STORMWATER RAIN COLLECTION







ARKANSAS STREETSCAPE PLANTING





FESTUCA MAIREI







LOMANDRA LONIFOLIA BREEZE

ARKANSAS STREET ENLARGEMENT PLAN









DIANELLA 'CASSA BLUE'

ERIGERON KARVINSKIANUS



DIETES GRANDIFLORA 'VARIEGATA



MIMULUS SPP.



TRISTANIA CONFERTA



18TH STREET ENLARGEMENT PLAN \bigoplus





DIANELLA 'CASSA BLUE'



ERIGERON KARVINSKIANUS



DIETES GRANDIFLORA 'VARIEGATA'



BULBINE FRUITESCENS



GINKGO BILOBA 'AUTUMN GOLD'

CAROLINA STREETSCAPE SECTION SCALE: 1" = 4'







DIANELLA 'CASSA BLUE'



ERIGERON KARVINSKIANUS



DIETES GRANDIFLORA 'VARIEGATA'



CALANDRIA GRANDIFLORA



CEDRUS ATLANTICA

MARIPOSA STREETSCAPE SECTION



MARIPOSA STREETSCAPE PLANTING





FESTUCA MAIREI





LOMANDRA LONIFOLIA BREEZE

 $\underset{\text{SCALE: 1:20}}{\text{MARIPOSA STREET ENLARGEMENT PLAN} \hspace{0.1 cm} \oplus \hspace{0.1 cm}$





DIANELLA 'CASSA BLUE'



ERIGERON KARVINSKIANUS



DIETES GRANDIFLORA 'VARIEGATA'



CEANOTHUS GLORIOSUS



QUEEN PALM

MID BLOCK PASSAGE ENLARGEMENT PLAN \bigoplus SCALE: 1" = 30'



MID BLOCK PASSAGE PLANTING



FESTUCA MAIREI





DIETES GRANDIFLORA 'VARIEGATA'





AGAVE SALMIANA



CERCIS CANADIENSIS

MID BLOCK PASSAGE AREA SUMMARY TABLE

PAVED PATH | 12,160 SF CENTRAL PLAZA | 2,000 SF LANDSCAPED AREA | 6,640 SF

TOTAL | 20,800 SF





LOMANDRA LONIFOLIA BREEZE



MID BLOCK PASSAGE PLAN



EAST-WEST PASSAGE ENLARGEMENT PLAN ① SCALE: 1" = 30'



MID BLOCK PASSAGE PLANTING



POLYSTICHUM







EAST-WEST PASSAGE AREA SUMMARY TABLE

PAVED PATH | 3,590 SF LANDSCAPED AREA | 3,100 SF

TOTAL | 6,690 SF

CAREX DIVULSA



RELATED

GARRYA ELLIPTICA





EAST-WEST PASSAGE PLAN



ON GRADE RESIDENTIAL COURTYARD \bigoplus SCALE: 1" = 30'



ON GRADE RESIDENTIAL COURTYARD PLANTING



FESTUCA MAIREI















BETULA JAQUEMONTII





PODIUM LEVEL RESIDENTIAL COURTYARD PLANTING



LOMANDRA LONIFOLIA BREEZE



POLYSTICHUM

BAMBUSA OLDHAMII





CAREX DIVULSA



LOMANDRA LONIFOLIA BREEZE



ERIGERON KARVINSKIANUS



COURTYARD PLANS



FESTUCA CALIFORNICA

CEANOTHUS GLORIOSUS



MAGNOLIA STELLATA

