



# SAN FRANCISCO PLANNING DEPARTMENT

---

## Planning Commission Draft Motion No. XXXXX

HEARING DATE: JUNE 28, 2018

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

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

*Date:* June 14, 2018  
*Case No.:* **2013.1535ENV/CUA**  
*Project Address:* **450-474 O'FARRELL STREET/ 532 JONES STREET**  
*Zoning:* RC-4 (Residential-Commercial, High Density) District  
80-130-T Height and Bulk District  
North of Market Special Use District No. 1  
*Block/Lot:* 0317/007, 009, 011  
*Sponsor:* Fifth Church of Christ, Scientist  
450 O'Farrell Partners, LLC  
39 Forrest Street, Suite 201  
Mill Valley, CA 94941  
Attn: Tyler Evje  
[te@thompsondorfman.com](mailto:te@thompsondorfman.com)  
*Staff Contact:* Marcelle Boudreaux - (415) 575-9140  
[Marcelle.boudreaux@sfgov.org](mailto:Marcelle.boudreaux@sfgov.org)

ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL 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 450-474 O'FARRELL STREET AND 532 JONES STREET, TO DEMOLISH THE EXISTING COMMERCIAL BUILDING (474 O'FARRELL STREET), EXISTING COMMERCIAL AND RESIDENTIAL BUILDING (532 JONES STREET), AND EXISTING RELIGIOUS BUILDING (450 O'FARRELL STREET), AND CONSTRUCT A 13-STORY MIXED USE BUILDING CONTAINING UP TO 176 RESIDENTIAL UNITS, AND APPROXIMATELY 3,827 SQUARE FEET GROUND FLOOR RETAIL, 9,555 SQUARE FEET NEW RELIGIOUS (CHURCH) USE, AND BELOW-GRADE PARKING FOR UP TO 46 VEHICLES.

### PREAMBLE

The Project Sponsor (450 O'Farrell Partners, LLC) submitted an application for a project located at 450-474 O'Farrell Street for a Conditional Use Authorization under Planning Code Section 303, for Planned Unit Development under Section 304, with modifications to Section 132 (permitted obstructions), Section 134 (rear yard modification), Section 140 (dwelling unit exposure), and Section 152 (residential off-street loading), and additional Conditional Use Authorization to the Planning Code under Section 317(g)(5) for demolition of existing residential units; Section 253(b) for new construction over 40 feet in height and a

street frontage greater than 50 feet; Section 263.7 for an exception to the 80-foot base height limit in North of Market Residential Special Use District No. 1; Section 271 for exceptions to Section 270, governing the bulk of the building; and Section 303 for the new religious institution (church) use.

The project proposes demolition of three buildings: 450 O'Farrell Street (currently occupied by the Fifth Church of Christ, Scientist); 474 O'Farrell Street (one-story, vacant retail building); and 532 Jones Street (one-story restaurant use, with five existing residential units). The proposal is to merge these three lots, and construct a new mixed-use building rising up to 130-foot-tall (13-story), with up to 176 dwelling units, restaurant and/or retail (restaurant/retail) space on the ground and first floors, and a replacement church (proposed religious institution) incorporated into the ground and two upper levels. The project would construct a total of 218,155 sf of development, including 182,668 sf of residential space, 3,827 sf of restaurant/retail space, 9,555 sf for religious institution use (i.e., replacement of the existing church), 8,398 sf of residential open space (288 sf of private open space and 8,110 sf of common open space), and 21,105 sf of below-grade parking in one building. Of the 176 units, five of the proposed units would be affordable units proposed as replacement rent-controlled units from the existing units in the 532 Jones Street building; 23 additional units would be affordable units, for a total of 28 affordable on-site units. Access to the residential lobby would be from a Shannon Street entry. The restaurant/retail space would be in two areas: one space accessed from Jones Street and one space accessed from O'Farrell Street. A single basement level with access from Shannon Street would provide up to 46 off-street vehicle parking spaces for building tenants and the religious institution use. The project would provide 125 Class 1 (bicycle locker or space in a secure room) and 16 Class 2 (publicly accessible bicycle rack) bicycle parking spaces on O'Farrell and on Jones Street frontages.

The Commission reviewed and considered the Final Environmental Impact Report (FEIR) for the Project and found the contents of said report and the procedures through which the FEIR was prepared, publicized and reviewed complied with the California Environmental Quality Act (Public Resources Code section 21000 *et seq.*) ("CEQA"), the CEQA Guidelines (14 Cal. Code Reg. section 15000 *et seq.*), and Chapter 31 of the San Francisco Administrative Code.

The Commission found the FEIR was adequate, accurate and objective, reflected the independent analysis and judgment of the Department and the Planning Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR, and certified the Final EIR for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31 by its Motion No. XXXXX.

The Commission, in certifying the FEIR, found that the project described in the FEIR will have the following significant and unavoidable environmental impacts: (1) the demolition of the existing building located at 450 O'Farrell Street will cause a substantial adverse change in the significance of an individually eligible historical resource.

The Planning Department, Office of the Commission Secretary, is the custodian of records for the Planning Department materials, located in the File for Case No. 2013.1535ENV/CUA, at 1650 Mission Street, Fourth Floor, San Francisco, California.

On June 28, 2018, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No. 2013.1535ENV/CUA to consider the approval of the Project. 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 Project, the Planning Department staff, expert consultants and other interested parties.

This Commission has reviewed the entire record of this proceeding, the Environmental Findings, attached to this Motion as Attachment A, regarding the alternatives, mitigation measures, environmental impacts analyzed in the FEIR and overriding considerations for approving the Project, and the proposed MMRP attached as Attachment B, which material was made available to the public.

**MOVED**, that the Planning Commission hereby adopts findings under the California Environmental Quality Act, including rejecting alternatives as infeasible and adopting a Statement of Overriding Considerations, and adopts the MMRP attached as Attachment B, based on the findings attached to this Motion as Attachment A as though fully set forth in this Motion, and based on substantial evidence in the entire record of this proceeding.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of June 28, 2018.

Jonas Ionin  
Commission Secretary

AYES:

NOES:

ABSENT:

EXCUSED:

DATE: June 28, 2018

ACTION: Adoption of CEQA Findings

## 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, separate and apart from the Commission's certification of the Project's Final EIR, which the Commission certified prior to adopting these CEQA findings.

These findings are organized as follows:

**Section I** provides a description of the proposed project at 450-474 O'Farrell Street and 532 Jones 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-than-significant 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 Responses to Comments ("RTC") document, which together comprise 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 site is at 450 O'Farrell Street, 474 O'Farrell Street, and 532 Jones Street, San Francisco, California. The block is bounded by Geary Street to the north, O'Farrell Street to the south, Taylor Street to the east, and Jones Street to the west, with Shannon Street bisecting the block from O'Farrell Street to Geary Street. The project site, which is within San Francisco's Downtown/Civic Center neighborhood, has an area of 22,106 square feet (sf) and includes three rectangular parcels (Assessor's block/lot 0317/007, 0317/009, and 0317/011) that would be merged to form a single lot. The project site is currently occupied by the three-story, 26,904-square-foot Fifth Church of Christ, Scientist, including a 1,400-square-foot parking lot with four parking spaces at 450 O'Farrell Street; a one-story, 4,415-square-foot vacant retail building at 474 O'Farrell Street; and a one-story, 1,012-square-foot restaurant and residential building with five units at 532 Jones Street. The proposed project would involve demolition of the existing Fifth Church of Christ, Scientist building except for the front façade along O'Farrell Street and a 30-foot return on Shannon Street. The vacant retail building along O'Farrell Street, and the restaurant building along Jones Street would also be demolished. All three buildings are considered contributing historic resources to the Uptown Tenderloin National Register Historic District (UTNRHD), which is listed in the National Register of Historic Places (NRHP). The church at 450 O'Farrell Street is individually eligible for the California Register of Historic Resources (CRHR).

The new building would be a 13-story, 130-foot-tall (with an additional 20 feet for the elevator penthouse) mixed-use building with up to 176 dwelling units, restaurant and/or retail (restaurant/retail) space on the ground and first floors, and a replacement church (proposed religious institution) incorporated into the ground and two upper levels. The project would construct a total of 218,155 sf of development, including 182,668 sf of residential space, 3,827 sf of restaurant/retail space<sup>1</sup>, 9,555 sf for religious institution use (i.e., replacement of the existing church), 8,398 sf of open space (288 sf of private open space and 8,110 sf of common open space available to residents), and 21,105 sf of below-grade parking in one building. Of the

---

<sup>1</sup> The project sponsor will determine the use mix, but the EIR evaluated the space as if entirely occupied by restaurant uses, as this provided a conservative scenario for traffic and associated effects.

176 units, five of the proposed units would be replacement rent-controlled units, replacing the existing units in the 532 Jones Street building; 23 additional units would be below-market-rate (BMR) units, for a total of 28 BMR units on the site. The restaurant/retail space would be in two areas: one space accessed from Jones Street and one space accessed from O'Farrell Street. A single basement level with access from Shannon Street would provide up to 46 off-street vehicle parking spaces for building tenants and the religious institution use. The project would provide 125 Class 1 (bicycle locker or space in a secure room) and 16 Class 2 (publicly accessible bicycle rack) bicycle parking spaces. The Class 1 bicycle parking spaces would be kept on the basement and first floor, 14 of the Class 2 bicycle parking spaces would be located on O'Farrell Street, and two of the Class 2 bicycle spaces would be located on Jones Street. The project would incorporate common open space in three areas: on Level 4 in an interior courtyard and above Level 13 on a roof deck. The religious institution building entrance would be located along O'Farrell Street and the residential building entrance would be located along Shannon Street.

The project site is located within the North of Market Residential Special Use District No. 1 (North of Market SUD) and the 80-T/130-T Height and Bulk District. The site's RC-4 Zoning District allows a residential density of one unit per 200 square feet of lot area; however, the North of Market SUD allows a greater density (i.e., one unit per 125 square feet lot area).

## **B. Project Objectives**

The project sponsors and developers are the Fifth Church of Christ, Scientist and 450 O'Farrell Partners, LLC. The project sponsors' objectives for the proposed project are identified below.

- ▶ Develop a mixed-use project that contains residential uses, retail uses, and church space for worship in downtown San Francisco.
- ▶ Construct well-designed, financially feasible mixed-use residential housing units that contribute to the well-being of the community; new retail space for the benefit of neighborhood residents and businesses; and a church facility that will allow the church to continue its active presence in the community into the future.
- ▶ Create a new church facility for Fifth Church of Christ, Scientist that will enable it to fulfill its mission of bringing hope, comfort, compassion, and peace to the Tenderloin, where it has been for more than 90 years, with a:
  - New Christian Science Reading Room fronting O'Farrell Street that is inviting, light filled, and open to the public during the week;
  - Modern, welcoming, light-filled sanctuary for services and meetings, along with re-used church elements, including stained glass windows, oculus skylight, pipe organ, and oak pews;
  - Light-filled Sunday School and up-to-date Children's Room.
- ▶ Contribute toward the City and County of San Francisco (City) goal of creating 30,000 housing units in an area that is identified for higher-density housing in proximity to downtown as well as local and regional transportation hubs (San Francisco Municipal Railway [Muni] and Bay Area Rapid Transit [BART]) and increase the affordable housing supply in San Francisco in accordance with City requirements.

- ▶ Implement the City's High-Density zoning designation for the site, which is in the North of Market Residential Special Use District, with new construction that conforms to the character of the Upper Tenderloin National Register Historic District (UTNRHD).
- ▶ Create new retail and other services and activate a vibrant, interactive ground plane for the project for the benefit of neighborhood residents and commercial enterprises.

### **C. Project Approvals**

The Project requires the following Planning Commission or Planning Department approvals:

- ▶ Certification of the Final EIR, adoption of CEQA findings, adoption of a mitigation and monitoring report (MMRP) by the Planning Commission.
- ▶ Planning Commission approval of a Conditional Use Authorization under Planning Code Section 317(g)(5) for demolition of existing residential units; Section 253(b) for new construction over 40 feet in height and a street frontage greater than 50 feet; Section 263.7 for an exception to the 80-foot base height limit in 80-T/130-T height and bulk district; Section 271 for exceptions to Section 270, governing the bulk of the building; and Section 303 for the new religious institution (church) use, and a Planned Unit Developments (PUD), pursuant to Planning Code Section 304. A PUD is a special type of Conditional Use Authorization that allows the Planning Commission to modify or waive certain Planning Code requirements, applicable to sites at least 0.5 acre in size, in accordance with the provisions of Section 304 of the Planning Code.
- ▶ Implementation of the proposed project would require authorization, modification, or waiver of the following Planning Code requirements through approval of a PUD: under Planning Code Section 134 for rear yard configuration, under Planning Code Section 140 for dwelling unit exposure, under Planning Code Section 136 for permitted obstructions, and under Planning Code Section 152 for off-street loading. As proposed, the configuration of the rear yard of the project site does not meet the requirements of Planning Code Section 134(g). Some dwelling units do not meet the technical requirements of Section 140 for dwelling unit exposure, the balconies proposed over Shannon Street exceed the technical dimensions permissible as obstructions over the public right of way as required by Section 136(c), and the project site lacks one off-street loading space for residential use, as required by Section 152. Therefore, the proposed project would, as part of the PUD process, request modifications for these requirements.

### ***Actions by Other City Departments and State Agencies***

The Project requires the following approvals by other City departments:

- ▶ Approval of site, demolition, grading, and building permits (Planning Department and Department of Building Inspection).
- ▶ Approval of lot merger and tentative subdivision maps; recommend to the Board of Supervisors approval of final subdivision maps (San Francisco Public Works).
- ▶ Approval of permits for streetscape improvements in the public right-of-way, including a curb cut on Shannon Street (San Francisco Public Works).

- ▶ Approval of a request for curb cut, color curb, and on-street parking changes on O'Farrell Street and Shannon Street (San Francisco Municipal Transportation Agency).
- ▶ Approval of project compliance with the Stormwater Design Guidelines (San Francisco Public Utilities Commission).
- ▶ Approval of a Stormwater Control Plan (San Francisco Public Utilities Commission).
- ▶ Approval of a Site Mitigation Plan pursuant to the Maher Ordinance prior to the commencement of any excavation work (San Francisco Department of Public Health).
- ▶ Approval of a Soil Mitigation Plan and Construction Dust Control Plan prior to construction- period activities (San Francisco Department of Public Health).
- ▶ Approval of an Article 38 ventilation plan prior to submitting plans for a mechanical permit (San Francisco Department of Public Health and Department of Building Inspection).
- ▶ Approval of permit for the installation, operation, and testing of diesel backup generator from the Bay Area Air Quality Management District.

#### **D. Environmental Review**

The Project Sponsor submitted a complete Environmental Evaluation Application for the Project on November 21, 2014. On February 22, 2017, the Department published a Notice of Preparation of Environmental Impact Report ("NOP") and Initial Study ("IS"). Publication of the NOP and IS initiated a 30-day public review and comment period that began on February 22, 2017 and ended on May 23, 2017.

On October 25, 2017, 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 October 25, 2017.

On October 25, 2017, 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 October 25, 2017.

The Commission held a duly advertised public hearing on the DEIR on November 30, 2017, 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 December 11, 2017.

The Department prepared responses to comments on environmental issues received during the 47 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 clerical errors in the DEIR. This material was presented in a Responses to Comments document, published on June 13, 2018, 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 IS 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 June 28, 2018, 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 June 28, 2018 by adoption of its Motion No. [XXXXXX].

#### **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 IS;
- 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, and relies upon them as substantial evidence supporting these findings.

As set forth below, the Commission adopts and incorporates the mitigation measures set forth in the 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. Accordingly, in the event a mitigation measure recommended in the FEIR 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 due to a clerical error, the language of the policies and implementation measures as set forth in the FEIR shall control. The impact numbers and mitigation measure numbers used in these findings reflect the information contained in the FEIR.

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 mitigation measures recommended in the FEIR 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 FEIR finds that implementation of the Project would result in less-than-significant impacts or less-than-significant impacts with mitigation in the following environmental topic areas: Land Use and Land Use Planning, Population and Housing, Cultural Resources (effect on UTNHRD and cumulative effects to archaeological and tribal resources, and human remains), Transportation and Circulation, 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, Hazards and Hazardous Materials, 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.<sup>2</sup> 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.

Additionally, the Initial Study and/or FEIR determined some impacts were less than significant, and improvement measures were proposed to further reduce these less-than-significant impacts, which the Project Sponsor has agreed to implement:

- **Impact TR-1:** The proposed Project would not conflict with applicable plans or policies related to the use or promotion of alternative transportation methods. With implementation of Improvement Measures I-TR-1 (Transportation Demand Management Plan), I-TR-2 (Monitoring and Abatement of queues), and I-TR-3 (Construction Management Plan and Public Updates), Impact TR-1, which was identified as less than significant in the FEIR, is further reduced.

---

<sup>2</sup> San Francisco Planning Department. 2016. Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 405–474 O'Farrell Street/532 Jones Street, November 14, 2016. This document (and all other documents cited in this environmental impact report, unless otherwise noted) is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2013.1535E.

### 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 7 potential impacts and mitigation measures proposed in the IS and/or 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 Project Sponsor has agreed to implement the following mitigation measures to address the potential cultural resources and air quality, impacts identified in the IS and/or 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 IS and/or FEIR 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 IS and/or 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 Conditional Use Authorization under Planning Code Section 303 of the Planned Unit Development under Planning Code Section 304 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 seven impacts identified in the Initial Study and/or FEIR to a less-than-significant level:

#### **Impacts to Architectural Resources**

- **Impact CR-3:** Construction activities for the proposed project could result in physical damage to adjacent historic resources. (DEIR ps. 4.36-4.39; add any relevant pages of the RTC) With implementation of Mitigation Measure M-CR-3a (Vibration Monitoring and Management Plan), and M-CR-3b (Construction Best Practices for Historical Architectural Resources), Impact CR-3 is reduced to a less-than-significant level. (DEIR ps. 4.38-4.39.)
- **Impact C-CR-1:** The proposed project, in combination with past, present, and reasonably foreseeable future projects in the project vicinity, could result in a significant cumulative impact on historic architectural resources. With implementation of Mitigation Measures CR-3a (Vibration Monitoring and Management Plan) and CR-3b (Construction Best Practices for Historical Architectural Resources), Impact C-CR-1 is reduced to a less-than-significant level.

### Impacts to Cultural Resources

- **Impact CP-2:** Construction activities for the proposed project could result in a substantial adverse change in the significance of as-yet unknown archaeological resources beneath the project site, should such resources exist beneath the project site. (IS, ps. 47-48) With implementation of Mitigation Measure M-CP-2 (procedures for accidental discovery of archaeological materials), Impact CP-2 is reduced to a less-than-significant level. (IS, p. 48.)
- **Impact CP-3:** Construction activities for the proposed project could result in the disturbance of human remains, including those interred outside of formal cemeteries, should such remains exist beneath the project site. (IS p. 48-49.) With implementation of Mitigation Measure M-CP-3 (Human Remains), Impact CP-3 is reduced to a less-than-significant level.

### Impacts to Air Quality

- **Impact AQ-2:** The proposed project's construction activities would generate toxic air contaminants, including diesel particulate matter, exposing sensitive receptors to substantial pollutant concentrations. (IS, ps. 84-88.) With implementation of Mitigation Measure M-AQ-2 (Construction Air Quality), Impact AQ-2 is reduced to a less-than-significant level. (IS, p. 86.)
- **Impact AQ-4:** The proposed project would generate toxic air contaminants, including diesel particulate matter, exposing sensitive receptors to substantial air pollutant concentrations. (IS, ps. 88-90.) With implementation of Mitigation Measure M-AQ-4 (Best Available Control Technology for Diesel Generators), Impact AQ-4 is reduced to a less-than-significant level.
- **Impact C-AQ:** The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area would contribute to cumulative air quality impacts but would not result in a cumulatively considerable contribution to a cumulative impact. (IS, ps. 91-92.) With implementation of Mitigation Measures M-AQ-2 and M-AQ-4, described above, Impact C-AQ would be reduced to a less-than-significant impact. (IS, p. 92.)

## 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 one significant and unavoidable impact on historic architectural resources and one significant and unavoidable impact on cultural resources.

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 M-CR-1a to -1c (documentation according to the standards of the Historic American Buildings Survey, Interpretive Display, and Salvage Program) are available to reduce the significant Project impact, but not to a less-than-significant level; and no mitigation measures are available to reduce Impact CP-1 to a less-than-significant level. Therefore, 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 impact on the environment, as reflected in the FEIR, is 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 this impact is 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.

The FEIR identifies the following impact for which no feasible mitigation measures were identified that would reduce these impacts to a less than significant level:

**Impacts to Cultural Resources – Impact CR-1**

The proposed Project would demolish most of the historic 1923 Fifth Church of Christ, Scientist, and retain only the historic façade and colonnade on O'Farrell Street and a 30-foot return on Shannon Street, which would cause a substantial adverse change in the significance of an individually eligible historical resource, as defined in CEQA Guidelines Section 15064.5(b). (DEIR ps. 4.32-4.34.) The following mitigation measures were identified that would reduce this impact, as follows:

- Mitigation Measure M-CR-1a (Documentation);
- Mitigation Measure M-CR-1b (Interpretation); and
- Mitigation Measure M-CR-1c (Salvage).

The Commission finds that, for the reasons set forth in the FEIR, although implementation of Mitigation Measures M-CR-1a, M-CR-1b, M-CR-1c would reduce the cultural resources impact of demolition of the historic 1923 Fifth Church of Christ, Scientist building, this impact would nevertheless remain significant and unavoidable. (DEIR p. 4.32.)

**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 Full Preservation Alternative, and the Partial Preservation 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

### Retail/Residential Building Component

- ▶ Develop a mixed-use project that contains residential uses, retail uses, and church space for worship in downtown San Francisco.
- ▶ Construct well-designed, financially feasible mixed-use residential housing units that contribute to the well-being of the community; new retail space for the benefit of neighborhood residents and businesses; and a church facility that will allow the church to continue its active presence in the community into the future.
- ▶ Create a new church facility for Fifth Church of Christ, Scientist that will enable it to fulfill its mission of bringing hope, comfort, compassion, and peace to the Tenderloin, where it has been for more than 90 years, with a:
  - New Christian Science Reading Room fronting O'Farrell Street that is inviting, light filled, and open to the public during the week;
  - Modern, welcoming, light-filled sanctuary for services and meetings, along with re-used church elements, including stained glass windows, oculus skylight, pipe organ, and oak pews;
  - Light-filled Sunday School and up-to-date Children's Room.
- ▶ Contribute toward the City and County of San Francisco (City) goal of creating 30,000 housing units in an area that is identified for higher-density housing in proximity to downtown as well as local and regional transportation hubs (San Francisco Municipal Railway [Muni] and Bay Area Rapid Transit [BART]) and increase the affordable housing supply in San Francisco in accordance with City requirements.
- ▶ Implement the City's High-Density zoning designation for the site, which is in the North of Market Residential Special Use District, with new construction that conforms to the character of the Upper Tenderloin National Register Historic District (UTNRHD).
- ▶ Create new retail and other services and activate a vibrant, interactive ground plane for the project for the benefit of neighborhood residents and commercial enterprises.

## 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.

The City identified three alternatives for analysis: 1) the No Project Alternative; 2) the Full Preservation Alternative; 2) the Partial Preservation Alternative. Those alternatives are considered below. In addition, three other alternatives were considered as part of the FEIR's screening process for identifying potentially feasible alternatives, but rejected from detailed analysis. Those alternatives, described in the DEIR at ps. 6-18 and 6.19, are as follows:

- **Redevelopment of 450 O'Farrell Only.** This alternative was rejected because it included complete demolition of the historic church and therefore would not reduce the significant and unavoidable impacts associated with the proposed Project.
- **Redevelopment of 450 and 474-480 O'Farrell Only.** This alternative was rejected because it would have included complete demolition of the building at 450 O'Farrell Street; therefore, it would not reduce the significant and unavoidable impacts associated with the proposed Project.
- **Additional Preservation Alternative.** This alternative was rejected because it provided only 70 dwelling units, a number that would be insufficient to meet the City's policies to develop dense housing for all, including on-site affordable housing, at an infill site in close proximity to public transportation.

### **1. No Project Alternative**

Under the No Project Alternative, the Project Site would foreseeably remain in its existing condition. The buildings on the project site would not be altered, and the proposed 237,810 combined square feet of religious, residential, retail, open space, and supporting uses would not be constructed. The 26,904 square foot Fifth Church of Christ, Scientist building would remain. The two-story, 4,415-square-foot building located at 474 O'Farrell Street would remain but it is currently vacant and would need complete seismic and Building Code upgrades to be able to be occupied or demolished and a new structure build; and the approximately 1,012-square-foot, largely single-story building at 532 Jones Street would continue to be used as a restaurant with 5 substandard dwelling units. Building heights on the site would not be increased and parking would also remain unaltered.

This alternative would not preclude development of another project on the project site should such a proposal be put forth by the project sponsor or another entity. However, it would be speculative to set forth such an alternative project at this time.

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 or City's objectives regarding the redevelopment of a large underutilized site, creation of a mixed-use project that

provides new residential dwelling units and affordable housing, a new church facility and additional retail space;

- 2) The No Project Alternative would be inconsistent with key goals of the General Plan with respect to housing production. With no new housing developed, 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 portion of the Project Site at 474 O'Farrell that is unsafe and unoccupied in its current condition without significant code-complying upgrades.

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

## **2. Full Preservation Alternative**

The Full Preservation Alternative would include preservation and rehabilitation of the Fifth Church of Christ, Scientist building, an individual historic resource and a contributor to the UTNRHD, and demolition of the vacant retail building at 474 O'Farrell, as well as the restaurant building and five residential units at 532 Jones Street.

The full Preservation Alternative would combine the parcels that currently encompass 450 O'Farrell Street, 474 O'Farrell Street, and 532 Jones Street. The Full Preservation Alternative would demolish the buildings at 474 O'Farrell Street and 532 Jones Street and construct two new structures, a 13-story structure from Jones Street to Shannon Street and a 13-story structure at 474 O'Farrell Street. The two structures would be connected by a walkway. A courtyard between the two new structures would provide required light and air. The Full Preservation Alternative would include 97 new residential units (87,595 net square feet); a new church (10,666 square feet); one new retail space (800 square feet); space for assembly use (*i.e.*, corporate and private events) within the existing church (17,800 square feet); open space, serving the residential use; and 28 parking spaces.

The existing church would be retained and rehabilitated for an assembly use (see DEIR Figures 6-1, 6-2, and 6-3). A new 25-foot-deep, 80-foot-wide seven-story residential addition (14,000 square feet) would be constructed at the northwest corner of the church, extending two stories above the roof. The addition would remove the majority of the rear wall of the sanctuary, including the raised stage and clathri grillwork, which are identified character-defining features of the individually eligible historic resource at 450 O'Farrell Street. These items would be reinstalled in new interior locations if feasible. The interior double-story volume defining the sanctuary would remain legible.

A new church would be constructed to the west and adjacent to the old church, with 11 stories of new residential units above at 474 O'Farrell Street. In addition there would be retail at the ground floor of the Jones Street façade with residential above. The new church at 474 O'Farrell and retail space at the ground-floor level of 532 Jones Street would feature glazed storefronts.

The Planning Commission rejects the Full Preservation Alternative as infeasible because it would not meet the Project Objectives or City policy objectives for reasons including, but not limited to, the following:

- 1) The Full Preservation Alternative would limit the Project to 97 dwelling units at an infill site in close proximity to public transportation; whereas the proposed Project would add substantially more units, a total of 176, to the City's housing stock, including the replacement units. The City's important policy objectives as expressed in the Housing Element of the General Plan, in Policies 1.1, 1.4, 1.8 and 1.10, are to increase the housing stock whenever possible to address a shortage of housing in the City, and further, to promote dense housing in mixed use buildings.
- 2) The Full Preservation Alternative would also limit the Project to 17 total affordable units in a mixed-use building; whereas the proposed Project would provide up to 28 affordable units to the City's stock of affordable housing and contribute to the City's Inclusionary Housing Program. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan is to increase the affordable housing stock whenever possible to address a shortage of housing in the City.
- 3) The Full Preservation Alternative would limit the retail/restaurant space to approximately 800 gross square feet, not fully satisfying the City's policies in support of encouraging the location of neighborhood goods and services as an accessible convenience to residents, as expressed in Policy 6.4 of the Commerce and Industry Element of the General Plan.
- 4) The residential/retail component of the Full Preservation Alternative is economically infeasible. All such housing and mixed use 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 Full Preservation Alternative would result in a project that is significantly smaller than the Project, and contains 79 fewer residential units, the total potential for generating revenue is lower while the construction cost per square foot is higher due to lower economies of scale and the impact of fixed project 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.

Economic and Planning Systems Inc. ("EPS"), a qualified real estate economics firm, prepared on behalf of the Project sponsor, a memorandum entitled "450 O'Farrell Street Development Feasibility Review and Evaluation", which is included in the record and is incorporated herein by reference. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in the Full and Partial Preservation Alternatives negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Project. The memorandum concludes that the Full Preservation Alternative is not financially feasible because the development costs for the Full Preservation Alternative significantly exceed potential revenues, resulting in a negative developer margin or return.

Specifically, implementation of the Full Preservation Alternative for apartment development would result in total development costs of \$108,157,000 with total estimated Net Operating Income of \$3,108,000 and result in a yield of 2.9%, net developer return to the developer and a

negative of \$34,295,000 of revenue less total development costs. This analysis was based on the project being rental housing and is in 2017 dollars.

The Planning Department requested the Project Sponsor to engage Willdan Financial Services ("Willdan"), a qualified real estate economics firm, to independently review the EPS analysis of the financial feasibility of the residential/retail component of the Full and Partial Preservation Alternatives on behalf of the City. Willdan produced a memorandum entitled "450 O'Farrell Street Development Pro Forma Peer Review and Evaluation", which is included in the record and is incorporated herein by reference. Willdan verified that the methodology and assumptions used by EPS were reasonable and verified the conclusion of the feasibility analysis that the mixed use, residential and church development component of the Full and Partial Preservation Alternatives are financially infeasible. The City has reviewed the analyses prepared by EPS and Willdan and concurs in their conclusions.

- 8) The Full Preservation 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 Full Preservation 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 Full Preservation Alternative as infeasible.

### **3. Partial Preservation Alternative**

The Partial Preservation Alternative would develop a similar program to that of the proposed project, but would include partial preservation of and rehabilitation of the Fifth Church of Christ, Scientist. The Partial Preservation Alternative would maintain most of the exterior character-defining features of the Church at 450 O'Farrell.

The Partial Preservation Alternative would include partial preservation and rehabilitation of the Fifth Church of Christ, Scientist at 450 O'Farrell Street, partial restoration of the vacant retail building at 474 O'Farrell Street, and demolition of the restaurant building at 532 Jones Street.

The Partial Preservation Alternative would combine the parcels that currently encompass 450 O'Farrell Street, 474 O'Farrell Street, and 532 Jones Street. The Partial Preservation Alternative would construct a new 13-story (130-foot) U-shaped building, spanning the three lots. The interior of the U would include a courtyard, providing required light and air. This alternative would create 162 dwelling units; a new church (10,207 square feet); new retail space (4,638 square feet); open space, serving the residential uses; and 39 parking spaces (see Figures 6-4, 6-5, and 6-6). The proposed new addition above and behind the retained 45 feet of the historic church structure would be set back 20 feet from the front street-wall property line and 35 feet at the corner of O'Farrell and Shannon Streets, creating a jogged corner.

The Partial Preservation Alternative would remove the rear 67 feet of the existing church, including, but not limited to, part or all of the following character-defining features: the windows, two-story sanctuary space with sloped floor and curving balcony, raised stage, clathri grillwork, stained glass, and oculus skylight. These features would be reinstalled in new locations in the new building wherever feasible. The character-defining features of the church to remain in part or in whole include, but are not limited to, the symmetrical tripartite façade, Tuscan columns, exterior vestibule with ornamental plaster ceiling and panels, cornice, akroterion, bronze doors, windows, and curving balcony.

The lower part of the U-shaped building would have a staggered setback (15 to 35 feet from west to east) long O'Farrell Street from the preserved façades. One leg of the U would run along Shannon Street and the other along the side of 500 Jones Street. Where the building would face Jones Street, it would decrease in height to match the adjacent buildings. There would be retail on the ground floor of the Jones Street façade, with residential above. The new church space would be behind the restored façade at 474 O'Farrell, and an assembly space would be located in the retained portion of the old church.

This alternative would reduce but not eliminate the significant and unavoidable impacts on historical resources. Additionally, this alternative meets many but not all of the Project Sponsor's and City's objectives. Specifically, while this alternative provides the ability to redevelop the underutilized site, it reduces the number of residential units by 14 Units or 9%.

The Planning Commission rejects the Partial Preservation Alternative as infeasible because it would not eliminate any of the significant unavoidable individual impacts of the proposed Project and it would not meet the Project Objectives or City policy objectives for reasons including, but not limited to, the following:

- 1) The Partial Preservation Alternative would limit the Project to 162 dwelling units at a site in close proximity to public transportation; whereas the Preferred Project would provide up to 176 units, including replacement units, to the City's housing stock and maximize the creation of new residential units. The City's important policy objectives as expressed in the Housing Element of the General Plan, in Policies 1.1, 1.8 and 1.10, are to increase the housing stock whenever possible to address a shortage of housing in the City, and further, to promote dense housing in mixed use buildings.
- 2) The Partial Preservation Alternative would also limit the Project to 26 total affordable units; whereas the Preferred Project would provide up to 28 affordable units to the City's stock of affordable housing and contribute to the City's Inclusionary Housing Program. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan is to increase the affordable housing stock whenever possible to address a shortage of housing in the City.
- 3) The Partial Preservation Alternative would create a project that would not fully utilize this infill site for housing production, thereby not fully satisfying General Plan policies such as Housing Element Policies 1.1, 1.4, and 1.10. The shaping of the massing in the alternative, although consistent with and enhances the scale and urban character of the area, supporting Policies 3.1 and 3.5 of the Urban Design Element of the General Plan, would not further the City's housing policies to create more housing, particularly affordable housing opportunities as well as the proposed Project does, and would not remove all significant unavailable impacts.

- 4) The residential/retail component of the Partial Preservation Alternative is 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 Partial Preservation Alternative would result in a project that is smaller than the Project, and contains 16 fewer residential units, the total potential for generating revenue is lower while the construction cost per square foot is higher due to lower economies of scale and the impact of fixed project 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.

EPS, a qualified real estate economics firm, prepared on behalf of the Project sponsor a memorandum entitled "450 O'Farrell Street Development Feasibility Review and Evaluation", which is included in the record and is incorporated herein by reference. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in the Partial Preservation 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. The memorandum concludes that the Partial Preservation Alternative is not financially feasible because the development costs for the Partial Preservation Alternative significantly exceed potential revenues, resulting in a significantly reduced developer margin or return.

Specifically, implementation of the Partial Preservation Alternative for apartment development would result in total development costs of \$143,210,000 and result in a yield of 3.9% net developer margin or return and a negative of \$8,811,000 of revenue less total development costs.

The Planning Department requested the Project Sponsor to engage Willdan to independently review the EPS analysis of the financial feasibility of the residential/retail component of the Partial Preservation Alternative on behalf of the City. Willdan produced a memorandum entitled "450 O'Farrell Street Development Pro Forma Peer Review and Evaluation", which is included in the record and is incorporated herein by reference. Willdan verified that the methodology and assumptions used by EPS were reasonable and verified the conclusion of the EPS analysis that the residential/retail component of the Partial Preservation Alternative is financially infeasible. The City has reviewed the analyses prepared by EPS and Willdan and concurs in their conclusions.

- 7) The Partial Preservation 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 Partial Preservation Alternative not meeting, to the same degree as the Preferred 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.

## VI. STATEMENT OF OVERRIDING CONSIDERATIONS

The Planning Commission finds that, notwithstanding the imposition of all feasible mitigation measures, impacts related to Historic Architectural Resources will remain significant and unavoidable. Pursuant to CEQA section 21081 and CEQA Guideline Section 15093, the Planning Commission hereby finds, after consideration of the FEIR 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/IS 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 promotes the policies and objectives of the General Plan by providing a range of residential unit types to serve a variety of needs at an infill development site with a mix of uses. The Project will provide up to 176 dwelling units with a varied unit mix: 15 studio units (8.5%); 30 junior one-bedrooms (17%); 69 one-bedrooms (39.2%); 62 two-bedrooms (35.2%). This is consistent with the City's priority policy to increase the housing stock whenever possible to address a shortage of housing in the City, and further Policies 1.8 and 1.10 of the Housing Element of the General Plan, to promote dense housing in mixed use buildings.
2. The Project would increase the stock of permanently affordable housing by creating approximately 23 new below-market rate units, available for rent to households whose total income is below 55% of the Area Median Income, provided in accordance with the City's Affordable Inclusionary Housing Ordinance and promoting Policy 1.1 of the Housing Element of the General Plan. An additional five units are proposed as replacement rent-controlled units, at similar AMI rental rates, also on-site. The Project proposes these affordable units mixed into

the overall market rate project, in furtherance of the City's policies supporting mixed-income projects in which private developers construct and maintain affordable housing units.

3. The Project would provide a new religious facility that will enable an existing church, which in its current location has been located at this site for more than 90 years, to continue to be located within the community and provide updated, code compliant, and expanded religious instructional and outreach facilities, while salvaging and reusing certain features of the building's interior elements.
4. The Project generally promotes the purpose of the North of Market Residential Special Use District through infill housing at compatible density. The project introduces 171 new residential units with on-site affordable units near downtown, provide five new replacement residential units on-site, proposes less than 4,000 square feet of ground floor commercial which can support existing and new residents, and does not shade public open spaces. Although the proposal does not preserve historic architectural resources, the new building scale, materials and architectural features are compatible with the surrounding neighborhood character and buildings. The Project will activate O'Farrell Street with the re-located church site and retail use, Shannon Street with the residential lobby, and Jones Street with additional retail use. Further, street improvements such as street trees and bicycle parking will further enhance the public realm, consistent with the better street plan policies in the General Plan.
5. The Project, on balance, supports the City's Urban Design Policies 2.6, 3.1 and 3.5, as expressed in the General Plan. Although the proposed project does not preserve the historic architectural resources on site, the proposed new construction would produce high-quality architectural design that is compatible with the Uptown Tenderloin National Register Historic District, in which the site is located. The new building will reflect the characteristic pattern which gives to the City and its neighborhood an image, sense of purpose, and a means of orientation; and, moderating major new development to complement the City pattern, by providing a new, mixed-use development consistent with neighboring 6- to 19-story development in close proximity to the site. In addition, the project maintains a sense of scale on the block through retaining a portion of the façade of the 450 O'Farrell building, which is to be incorporated into the new building.
6. The Project supports the General Plan Policies 1.1 and 1.10 of the Housing Element, and Policy 6.4 of the Commerce and Industry Element of the General Plan, by locating housing for all at a mixed-use infill development site, with neighborhood commercial, and at a density to support, where households can easily rely on public transportation, walking and bicycling for a majority of daily trips. The site is located within a few blocks of six Muni bus lines, approximately ¼-mile from the Powell station for BART and Muni light rail service, and provides a total of 125 Class 1 secure indoor bicycle parking spaces, and 16 Class 2 sidewalk bike rack spaces.
7. 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.

8. The Project will create approximately 319 temporary construction jobs, and permanent jobs in the retail 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.

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/or IS, and that those adverse environmental effects are therefore acceptable.

# Mitigation Monitoring and Reporting Program

## SECTION 1: AUTHORITY

This Environmental Mitigation Monitoring and Reporting Program (MMRP) has been prepared pursuant to California Environmental Quality Act (known as CEQA [Public Resources Code Sections 21000 et seq.]) Section 21081.6 to provide for the monitoring of mitigation measures required of the 450-474 O'Farrell Street/532 Jones Street Project (Project), as set forth in the Final Environmental Impact Report (Final EIR) prepared for the Project. This report will be kept on file in the offices of the City Planning Department (City), 1650 Mission Street, Fourth Floor, San Francisco, CA, 94103.

## SECTION 2: MONITORING SCHEDULE

Prior to the issuance of building permits, while detailed development plans are being prepared for approval by Agency and/or City staff, Agency and/or City staff will be responsible for ensuring compliance with mitigation monitoring applicable to the project construction, development, and design phases. Agency and/or City staff will prepare or cause to be prepared reports identifying compliance with mitigation measures. Once construction has begun and is underway, monitoring of the mitigation measures associated with construction will be included in the responsibilities of designated Agency and/or City staff, who shall prepare or cause to be prepared reports of such monitoring no less than once a month until construction has been completed. Once construction has been completed, the Agency and/or City will monitor the project as deemed necessary.

## SECTION 3: CHANGES TO MITIGATION MEASURES

Any substantive change in the monitoring and reporting plan made by Agency and/or City staff shall be reported in writing to the City Environmental Review Officer. Reference to such changes shall be made in the monthly/yearly Environmental Mitigation Monitoring Report prepared by City staff. Modifications to the mitigation measures may be made by City staff subject to one of the following findings, documented by evidence included in the record:

- a. The mitigation measure included in the Final EIR and the Mitigation Monitoring and Reporting Program is no longer required because the significant environmental impact identified in the Final EIR has been found not to exist, or to occur at a level which makes the impact less than significant as a result of changes in the project, changes in conditions of the environment, or other factors.

OR

- b. The modified or substitute mitigation measure to be included in the Mitigation Monitoring and Reporting Program either provides corrections to text without any substantive change in the intention or meaning of the original mitigation measure, or provides a level of environmental protection equal to or greater than that afforded by the mitigation measure included in the Final EIR and the Mitigation Monitoring and Reporting Program; and the modified or substitute mitigation measures do not have significant adverse effects on the environment in addition to or greater than those

which were considered by the responsible hearing bodies in their decisions on the Final EIR and the proposed project; and the modified or substitute mitigation measures are feasible, and the City, through measures included in the Mitigation Monitoring and Reporting Program or other City procedures, can assure their implementation.

## **SECTION 4: SUPPORT DOCUMENTATION**

Findings and related documentation supporting the findings involving modifications to mitigation measures shall be maintained in the project file with the MMRP and shall be made available to the public upon request.

## **SECTION 5: FORMAT OF MITIGATION MONITORING MATRIX**

The mitigation monitoring matrix on the following pages identifies the environmental issue areas for which monitoring is required, the required mitigation measures, the timeframe for monitoring, and the responsible implementing and monitoring agencies.

If any mitigation measures are not being implemented, the Agency and/or City may pursue corrective action. Penalties that may be applied include, but are not limited to, the following: (1) a written notification and request for compliance; (2) withholding of permits; (3) administrative fines; (4) a stop-work order; (5) criminal prosecution and/or administrative fines; (6) forfeiture of security bonds or other guarantees; and (7) revocation of permits or other entitlements.

## **SECTION 6: DEFINITIONS**

For the purposes of this MMRP, the following definitions are used:

- **City’s Environmental Review Officer**— The Environmental Review Officer at the San Francisco Planning Department, referred to herein as “ERO.”
- **Code of Federal Regulations**— Referred to herein as “CFR.”
- **Project Sponsors**— The project sponsors consist of 450 O’Farrell Street Partners, LLC, and the Fifth Church of Christ, Scientist.

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Schedule
<b>Cultural Resources</b>				
<p><b>Mitigation Measure CR-1a: Documentation.</b> Prior to the issuance of demolition or site permits, the project sponsors shall undertake Historic American Building Survey (HABS) documentation of the subject property, structures, objects, materials, and landscaping. The documentation shall be undertaken by a qualified professional who meets the standards for history, architectural history, or architecture (as appropriate), as set forth by the Secretary of the Interior’s Professional Qualification Standards (36 CFR, Part 61). The documentation shall consist of the following:</p> <ul style="list-style-type: none"> <li>• Measured Drawings: A set of measured drawings that depict the existing size, scale, and dimension of the subject property. The Planning Department Preservation staff will accept the original architectural drawings or an as-built set of architectural drawings (plan, section, elevation, etc.). The Planning Department Preservation staff will assist the consultant in determining the appropriate level of measured drawings;</li> <li>• HABS-Level Photography: Digital photographs of the interior and the exterior of subject property. Large format negatives are not required. The scope of the digital photographs shall be reviewed by Planning Department Preservation staff for concurrence, and all digital photography shall be conducted according to the latest National Park Service Standards. The photography shall be undertaken by a qualified professional with demonstrated experience in HABS photography; and</li> <li>• HABS Historical Report: A written historical narrative and report, per HABS Historical Report Guidelines.</li> <li>• Video documentation: Video footage of the exterior and interior of contributing elements of the subject property.</li> </ul> <p>The professional shall prepare the documentation and submit it for review and approval by the Planning Department Preservation staff prior to the issuance of demolition permits. The documentation shall be disseminated by the project sponsors to the Planning Department, San Francisco Main Library History Room, Northwest Information Center-California Historical Resource Information System, and San Francisco Architectural Heritage.</p>	Project sponsors and qualified historic preservation individual	Prior to the issuance of a demolition permit for the building	Planning Department Preservation Technical Specialist to review and approve HABS documentation.	Considered complete upon submittal of final HABS documentation to the Preservation Technical Specialist.
<p><b>Mitigation Measure CR-1b: Interpretation.</b> The project sponsors shall provide a permanent display of interpretive materials concerning the history and architectural features of the original 450 O’Farrell Street building and its relationship with the Uptown Tenderloin National Register Historic District and the Tenderloin neighborhood. Interpretation of the site’s history and relationship with the District shall be supervised by an architectural historian or historian who meets the Secretary of the Interior’s Professional Qualification Standards, and may engage additional consultants to develop the display. The interpretative materials (which may include, but are not limited to, a display of photographs, news articles, memorabilia, and/or video) shall be placed in a prominent setting on the project site visible to pedestrians, such as a lobby, Reading Room of the new church or O’Farrell Street frontage.</p> <p>A proposal describing the general parameters of the interpretive program shall be approved by the San Francisco Planning Department Preservation staff prior to issuance of a site permit. The content, media and other characteristics of such interpretive display shall be approved by the San Francisco Planning Department Preservation staff prior to issuance of a Temporary Certificate of Occupancy.</p>	Project sponsor and qualified architectural historian or historian who meets the Secretary of the Interior’s Professional Qualification Standards	Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the building	Planning Department Preservation Technical Specialist to review and approve interpretive display	Considered complete upon installation of display.

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p><b>Mitigation Measure CR-1c: Salvage.</b> Prepare an in-depth salvage document for the character-defining features of the existing church building at 450 O’Farrell Street. The project sponsors shall work with a professional who meets the Secretary of Interior’s Standards to develop a salvage report that documents the building’s character-defining features for conservation and assesses the feasibility of reinstallation at the new church space or in other facilities. The salvage report shall include documentation of interior historic interior features, such as the light fixtures, the marble in the bathroom, sanctuary space with balcony, decorative plaster work in the lobby and sanctuary, raised sanctuary stage, the organ pipes, and the grillwork fronting the organ pipes, and any exterior character-defining features that would not be retained by the project. Additionally, the salvage document shall include the identification of diverse organizations with interest in curation of the materials. The professional shall prepare the salvage report and submit it for review and approval by the Planning Department preservation staff prior to the issuance of demolition permits.</p>	<p>Project sponsors and qualified historic preservation individual.</p>	<p>Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the 450 O’Farrell Street building</p>	<p>Planning Department Preservation Technical Specialist to review and approve the salvage report</p>	<p>Considered complete upon approval of the salvage report by the Planning Department Preservation Technical Specialist.</p>
<p><b>Mitigation Measure CR-3a: Vibration Monitoring and Management Plan.</b> The project sponsors shall retain the services of a qualified structural engineer or vibration consultant and a preservation architect who meet the Secretary of the Interior’s Historic Preservation Professional Qualification Standards to conduct a Pre-Construction Assessment of the identified adjacent contributing resources to the Uptown Tenderloin National Register Historic District at 500–520 Jones Street, 536–544 (540) Jones Street, 546–548 (548) Jones Street, 565–575 Geary Street, 438–440 (438) O’Farrell Street, 415 Taylor Street, and 577–579 Geary Street. Prior to any demolition or ground-disturbing activity, the Pre-Construction Assessment shall be prepared. It shall contain written and photographic descriptions of the existing condition of visible exteriors from the public rights-of-way of the adjacent buildings and interior locations upon permission of the owners of the adjacent properties. The Pre-Construction Assessment shall determine specific locations to be monitored and include annotated drawings of the buildings to locate accessible digital photo locations and locations of survey markers and/or other monitoring devices (e.g., to measure vibrations). The Pre-Construction Assessment shall be submitted to the Planning Department along with the demolition and site permit applications. The structural engineer and/or vibration consultant, in consultation with the preservation architect, shall develop, and the project sponsors shall adopt, a vibration management and continuous monitoring plan to protect the adjacent historic buildings against damage caused by vibration or differential settlement caused by vibration during project construction activities. In this plan, the maximum vibration level not to be exceeded at each building shall be 0.2 inch per second, or a level determined by the site-specific assessment made by the structural engineer and/or the vibration consultant in coordination with the preservation architect for the project. The vibration management and monitoring plan shall document the criteria used in establishing the maximum vibration level for the project. In addition, this plan shall state the maximum settlement levels not to be exceeded at each building, which shall range from 3/8-inch to 1/2-inch; or a level determined by the site-specific assessment made by the structural engineer in coordination with the preservation architect for the project. This settlement criterion shall be included in the vibration management and monitoring plan. The vibration management and monitoring plan shall include pre-construction surveys and continuous vibration monitoring throughout the duration of the major construction project activities that would require heavy-duty equipment to ensure that vibration levels do not exceed the established standard. The vibration management and monitoring plan shall be submitted to the Planning Department’s preservation staff prior to issuance of the demolition permit. Should vibration levels be observed in excess of the standard, or if settlement to adjacent buildings occurs beyond the settlement levels described above, construction shall be halted and alternative protective measures shall be put in practice. Alternative protective measures may include, but would not be limited to, additional underpinning, additional shoring, grouting, and soldier piles. Appropriate protective measures to prevent damage to adjacent buildings shall be determined on a case by case basis. Should construction of the proposed project result in any damage to adjacent buildings, repairs may be completed as part of the project. The structural engineer and/or vibration consultant and the historic preservation consultant shall conduct regular periodic inspections of digital photographs, survey markers, and/or other monitoring devices during ground-disturbing activity at the project site. The buildings shall be protected to prevent further damage and remediated to pre-construction conditions as shown in the Pre-</p>	<p>Project sponsors, contractor, qualified structural engineer or vibration consultant and qualified preservation architect</p>	<p>Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the 450 O’Farrell Street building</p> <p>Should vibration or settlement levels be observed in excess of the standards set in the mitigation measure, Planning must be notified immediately along with a description of alternative protective measures proposed to be put in place to prevent further damage to adjacent buildings.</p>	<p>Planning Department Preservation Technical Specialist shall review and approve the vibration monitoring and management plan.</p> <p>Planning Department Preservation Technical Specialist shall review and approve alternative protection measures, if necessary.</p>	<p>Considered complete upon submittal to ERO of post-construction report on vibration monitoring plan and effects, if any, on proximately historical resources.</p>

<b>Mitigation Monitoring &amp; Reporting Program</b>				
<b>Mitigation Measures</b>	<b>Responsibility for Implementation</b>	<b>Mitigation Schedule</b>	<b>Monitoring/ Reporting Responsibility</b>	<b>Monitoring Schedule</b>
Construction Assessment with the consent of the building owner.				
<p><b>Mitigation Measure CR-3b: Construction Best Practices for Historical Architectural Resources.</b> The project sponsors shall incorporate into construction specifications for the proposed project a requirement that the construction contractor(s) use all feasible means to avoid damage to the adjacent contributing resources at 500-520 Jones Street, 536-544 (540) Jones Street, 546-548 (548) Jones Street, 565-575 Geary Street, 438-440 (438) O'Farrell Street, 415 Taylor Street, and 577-579 Geary Street, including, but not limited to, staging of equipment and materials as far as possible from historic buildings to limit damage; using techniques during demolition, excavation, shoring, and construction that create the minimum feasible vibration; maintaining a buffer zone when possible between heavy equipment and adjacent contributing resource(s); enclosing construction scaffolding to avoid damage from falling objects or debris; and ensuring appropriate security to minimize risks of vandalism and fire. These construction specifications shall be submitted to the Planning Department along with the Demolition and Site Permit Applications.</p>	Project sponsors, contractor, qualified structural engineer or vibration consultant and qualified preservation architect	Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the building	Planning Department Preservation Technical Specialist shall review and approve the construction specifications.	Considered complete upon approval of construction specifications by the by the Planning Department Preservation Technical Specialist.
<p><b>Mitigation Measure M-CP-2: Accidental Discovery.</b> The project sponsors shall distribute the Planning Department archeological resource "ALERT" sheet to the project prime contractor; to any project subcontractor (including demolition, excavation, grading, foundation, etc. firms); or utilities firm involved in soils disturbing activities within the project site. Prior to any soils disturbing activities being undertaken each contractor is responsible for ensuring that the "ALERT" sheet is circulated to all field personnel including, machine operators, field crew, supervisory personnel, etc. The project sponsors shall provide the Environmental Review Officer (ERO) with a signed affidavit from the responsible parties (prime contractor, subcontractor(s), and utilities firm) to the ERO confirming that all field personnel have received copies of the Alert Sheet.</p> <p>Should any indication of an archeological resource be encountered during any soil-disturbing activity of the project, the project Head Foreman and/or project sponsor shall immediately notify the ERO and shall immediately suspend any soils disturbing activities in the vicinity of the discovery until the ERO has determined what additional measures should be undertaken.</p> <p>If the ERO determines that an archeological resource may be present within the project site, the project sponsors shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archeological consultant shall advise the ERO as to whether the discovery is an archeological resource, retains sufficient integrity, and is of potential scientific/historical/cultural significance. If an archeological resource is present, the archeological consultant shall identify and evaluate the archeological resource. The archeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the ERO may require, if warranted, specific additional measures to be implemented by the project sponsor.</p> <p>Measures might include: preservation in situ of the archeological resource; an archaeological monitoring program; or an archeological testing program. If an archeological monitoring program or archeological testing program is required, it shall be consistent with the Environmental Planning (EP) division guidelines for such programs. The ERO may also require that the project sponsors immediately implement a site security program if the archeological resource is at risk from vandalism, looting, or other damaging actions.</p> <p>The project archeological consultant shall submit a Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describing the archeological and historical research methods employed in the archeological 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.</p> <p>Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC)</p>	Project sponsors, contractor, Planning Department's archeologist or qualified archaeological consultant, and Planning Department's Environmental Review Officer.	Prior to issuance of any permit for soil-disturbing activities and during construction.	Project sponsor, ERO, archeologist.	Considered complete upon ERO's approval of FARR

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Schedule
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 bound copy, one unbound copy, 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 or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.				
<b>Mitigation Measure M-CP-3: Human Remains.</b> Human Remains and Associated or Unassociated Funerary Objects. 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 along with the following procedures. This shall include immediate notification of the Coroner of the City and County of San Francisco and the ERO. 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, as required under M-CP-3, the project sponsor, ERO, and MLD shall have up to but not beyond six days of discovery to make all reasonable efforts to develop an agreement for the treatment of human remains and associated or unassociated funerary objects with appropriate dignity (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. Nothing in existing State regulations or in this mitigation measure compels the project sponsors and the ERO to accept recommendations of an MLD. The archeological consultant shall retain possession of any Native American human remains and associated or unassociated burial objects until completion of any scientific analyses of the human remains or objects as specified in the treatment agreement if such as agreement has been made or, otherwise, as determined by the archeological consultant and the ERO.	Project sponsors, contractor, Planning Department's archeologist or qualified archaeological consultant, and Review Officer.	Throughout the duration of ground-disturbing activities	Project sponsor to notify ERO, Coroner, and, if applicable, NAHC of any discovery of human remains	Considered complete upon completion of ground-disturbing activities
<b>Air Quality</b>				
<b>Mitigation Measure M-AQ-2: Construction Air Quality</b> The project sponsors or the project sponsors' Contractor shall comply with the following A. <i>Engine Requirements.</i> 1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and have been retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement. 2. Where access to alternative sources of power are available, portable diesel engines shall be prohibited. 3. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than two minutes, at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions, safe operating conditions). The Contractor shall post legible and visible signs in English, Spanish, and Chinese, in designated queuing areas and at the construction site to remind operators of the two-minute idling limit. 4. The Contractor shall instruct construction workers and equipment operators on the maintenance and tuning of construction equipment, and require that such workers and	Project sponsors and construction contractor.	Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection, with ongoing compliance with the Construction Emissions Minimization Plan throughout the construction period.	ERO to review and approve Construction Emissions Minimization Plan; project sponsor and construction contractor to comply with, and document compliance with, Construction Emissions Minimization Plan as required by the ERO	Construction Emissions Minimization Plan considered complete upon ERO review and acceptance of Plan; measure considered complete upon completion of project construction and submittal to ERO of required documentation

Mitigation Monitoring & Reporting Program																
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule												
<p>operators properly maintain and tune equipment in accordance with manufacturer specifications.</p> <p>B. Waivers.</p> <ol style="list-style-type: none"> <li>The Planning Department’s Environmental Review Officer or designee (ERO) may waive the alternative source of power requirement of Subsection (A)(2) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the Contractor must submit documentation that the equipment used for onsite power generation meets the requirements of Subsection (A)(1).</li> <li>The ERO may waive the equipment requirements of Subsection (A)(1) if a particular piece of off-road equipment with an ARB Level 3 VDECS is technically not feasible, the equipment would not produce desired emissions reduction due to expected operating modes, installation of the equipment would create a safety hazard or impaired visibility for the operator, or there is a compelling emergency need to use off-road equipment that is not retrofitted with an ARB Level 3 VDECS. If the ERO grants the waiver, the Contractor must use the next-cleanest piece of off-road equipment, according to Table 12.</li> </ol> <p style="text-align: center;"><b>TABLE 12: OFF-ROAD EQUIPMENT COMPLIANCE STEP-DOWN SCHEDULE</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Compliance Alternative</th> <th>Engine Emission Standard</th> <th>Emissions Control</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">ARB Level 2 VDECS</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">ARB Level 1 VDECS</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">Alternative Fuel*</td> </tr> </tbody> </table> <p>** Alternative fuels are not a VDECS.</p> <p>C. <i>Construction Emissions Minimization Plan.</i> Before starting on-site construction activities, the Contractor shall submit a Construction Emissions Minimization Plan (Plan) to the ERO for review and approval. The Plan shall state, in reasonable detail, how the Contractor will meet the requirements of Section A.</p> <ol style="list-style-type: none"> <li>The Plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed, the description may include: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used.</li> <li>The project sponsors shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall include a certification statement that the Contractor agrees to comply fully with the Plan.</li> <li>The Contractor shall make the Plan available to the public for review on-site during working hours. The Contractor shall post at the construction site a legible and visible sign</li> </ol>	Compliance Alternative	Engine Emission Standard	Emissions Control	1	Tier 2	ARB Level 2 VDECS	2	Tier 2	ARB Level 1 VDECS	3	Tier 2	Alternative Fuel*				
Compliance Alternative	Engine Emission Standard	Emissions Control														
1	Tier 2	ARB Level 2 VDECS														
2	Tier 2	ARB Level 1 VDECS														
3	Tier 2	Alternative Fuel*														

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Schedule
<p>summarizing the Plan. The sign shall also state that the public may ask to inspect the Plan for the project at any time during working hours and shall explain how to request to inspect the Plan. The Contractor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right-of-way.</p> <p>D. <i>Monitoring.</i> After start of Construction Activities, the Contractor shall submit quarterly reports to the ERO documenting compliance with the Plan. After completion of construction activities and prior to receiving a final certificate of occupancy, the project sponsors shall submit to the ERO a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the Plan.</p>				
<p><b>Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators.</b> The project sponsors shall ensure that the backup diesel generator meet or exceed one of the following emission standards for particulate matter: (1) Tier 4 certified engine, or (2) Tier 2 or Tier 3 certified engine that is equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The project sponsors shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.</p>	Project sponsors and construction contractor.	Prior to issuance of site permit	ERO to review and approve the diesel emission control strategy.	Considered complete upon ERO approval of the diesel emission control strategy.

Improvement Measures				
Improvement Measures Agreed to by the Project Sponsor.	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<b>Transportation</b>				
<p><b>Improvement Measure I-TR-1: Transportation Demand Management (TDM) Plan.</b> As an improvement measure to encourage the use of sustainable modes, the project sponsors and subsequent property owners, should develop and implement a TDM Plan. The scope and number of TDM measures included in the TDM Plan should be in accordance with the Planning Commission Standards for the TDM Program (TDM Program) for the type of development proposed.<sup>1</sup> The proposed project's TDM Plan should conform to the most recent version of the TDM Program Standards available at the time of the project's approval. The Planning Department should review and approve the TDM Plan, as well as any subsequent revisions to the TDM Plan, pursuant to the TDM Program Standards. The TDM Plan should target a reduction in the vehicle miles traveled (VMT) rate (e.g., VMT per capita), monitor and evaluate project performance (actual VMT), and adjust TDM measures over time to attempt to meet VMT target reduction.</p> <p>The TDM Plan may include, but is not limited to, the types of measures summarized below for explanatory example purposes. Actual TDM measures selected should include those from the TDM Program Standards which describe the scope and applicability of candidate measures in detail and include:</p> <ol style="list-style-type: none"> <li>1. Active Transportation: Provision of streetscape improvements to encourage walking, secure bicycle parking, shower and locker facilities for cyclists, subsidized bike share memberships for project occupants, bicycle repair and maintenance services, and other bicycle-related services</li> <li>2. Car-Share: Provision of car-share parking spaces and subsidized memberships for project occupants</li> <li>3. Delivery: Provision of amenities and services to support delivery of goods to project occupants</li> <li>4. Family-Oriented Measures: Provision of on-site childcare and other amenities to support the use of sustainable transportation modes by families</li> <li>5. High-Occupancy Vehicles: Provision of carpooling/vanpooling incentives and shuttle bus service</li> <li>6. Information and Communications: Provision of multimodal wayfinding signage, transportation information displays, and tailored transportation marketing services</li> <li>7. Land Use: Provision of on-site affordable housing and healthy food retail services in underserved areas</li> <li>8. Parking: Provision of unbundled parking, short term daily parking provision, parking cash out offers, and reduced off-street parking supply.</li> </ol>	<p>This measure is no longer required because it has been superceded by the passage of the Transportation Demand Management (TDM) Program (Board File # 160925/34-17)</p>			
<p><b>Improvement Measure I-TR-2: Monitoring and Abatement of Queues.</b> To reduce the potential for queuing of vehicles accessing the project site, it should be the responsibility of the project sponsors to ensure that recurring vehicle queues or vehicle conflicts do not occur on Shannon Street. A vehicle queue is defined as one or more vehicles (destined to the parking garage) blocking any portion of the Shannon Street sidewalk or travel lanes for a consecutive period of three minutes or longer on a daily and/or weekly basis.</p> <p>If the Planning Director, or his or her designee, suspects that a recurring queue or conflict is present, the Planning Department should notify the project sponsors in writing. Upon request, the owner/operator should hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days. The consultant should prepare a monitoring report to be submitted to the Planning Department for review. If the Planning Department determines that a recurring queue or conflict does exist, the project sponsors should have 90 days from the date or the written determination to abate the recurring queue or conflict.</p>	<p>Project sponsor.</p>	<p>During project occupancy.</p>	<p>Transportation consultant, Planning Department</p>	<p>During project occupancy if a queuing of vehicles occurs.</p>

<sup>1</sup> San Francisco Planning Department, *Draft TDM Program Standards*, July 2016 are available online at: <http://sf-planning.org/tdm-materials-and-resources>.

Improvement Measures				
Improvement Measures Agreed to by the Project Sponsor.	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p><b>Improvement Measure I-TR-3: Construction Management Plan and Public Updates.</b></p> <p><i>Construction Coordination</i> - To reduce potential conflicts between construction activities and pedestrians, bicyclists, transit and vehicles at the project site, the project sponsors should require that the contractor prepare a Construction Management Plan for the project construction period. The preparation of a Construction Management Plan could be a requirement included in the construction bid package. Prior to finalizing the Plan, the project sponsor/construction contractor(s) should meet with San Francisco Public Works (Public Works), San Francisco Municipal Transportation Agency (SFMTA), the Fire Department, Muni Operations and other City agencies to coordinate feasible measures to include in the Construction Management Plan to reduce traffic congestion, including measures to reduce potential traffic, bicycle, and transit disruption and pedestrian circulation effects during construction of the proposed project. This review should consider other ongoing construction in the project vicinity. As determined necessary by the SFMTA to minimize the potential for impacting vehicle and transit traffic on O'Farrell Street, the Construction Management Plan could include restrictions on travel lane closures or construction truck deliveries or materials removal during the AM (7 to 9 AM) and PM (3 to 7 PM) peak periods when tow-away regulations are in effect on O'Farrell Street.</p> <p><i>Carpool, Bicycle, Walk and Transit Access for Construction Workers</i> - To minimize parking demand and vehicle trips associated with construction workers, the construction contractor could include as part of the Construction Management Plan methods to encourage carpooling, bicycle, walk and transit access to the project site by construction workers (such as providing transit subsidies to construction workers, providing secure bicycle parking spaces, participating in free-to-employee ride matching program from <a href="http://www.511.org">www.511.org</a>, participating in emergency ride home program through the City of San Francisco (<a href="http://www.sferh.org">www.sferh.org</a>), and providing transit information to construction workers.</p> <p><i>Construction Worker Parking Plan</i> - As part of the Construction Management Plan that could be developed by the construction contractor, the location of construction worker parking could be identified as well as the person(s) responsible for monitoring the implementation of the proposed parking plan. The use of on-street parking to accommodate construction worker parking could be discouraged. All construction bid documents could include a requirement for the construction contractor to identify the proposed location of construction worker parking. If on-site, the location, number of parking spaces, and area where vehicles would enter and exit the site could be required. If off-site parking is proposed to accommodate construction workers, the location of the off-site facility, number of parking spaces retained, and description of how workers would travel between an off-site facility and the project site could be required.</p> <p><i>Project Construction Updates for Adjacent Businesses and Residents</i> - To minimize construction impacts on access to nearby institutions and businesses, the project sponsors could provide nearby residences and adjacent businesses with regularly-updated information regarding project construction, including construction activities, peak construction vehicle activities (e.g., concrete pours), travel lane closures, and parking lane and sidewalk closures. A regular email notice could be distributed by the project sponsors that would provide current construction information of interest to neighbors, as well as contact information for specific construction inquiries or concerns.</p>	Project sponsor	Develop Construction Management Plan prior to the start of construction, and implement plan throughout the construction period.	Project sponsor and construction contractor. Planning will review and approve the Construction Management Plan (CMP).	Considered complete upon completion of project construction.