



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Planning Code Text Amendment Adoption Section 309 Review and Request for Exceptions

HEARING DATE: JUNE 16, 2016

Date: June 6, 2016
Project Address: 1066 Market Street
Project Proposal: 1) Planning Code Amendment Waiving Inclusionary Housing Requirements, Exempting Certain Floor Area from the Calculation of Gross Floor Area and Transferable Development Rights Requirements, and Authorizing Land Dedication at No Cost
2) Section 309 Review and Request for Exceptions
Case Number: 2013.1753XPCA [Board of Supervisors File Number 160550]
Zoning: C-3-G (Downtown General)
120-X Height and Bulk District
Block/Lot: 0350/003
Initiated by: Supervisor Jane Kim on May 17, 2016
Project Sponsor: Julie Burdick– (415) 772.7142
Multifamily Investments
Shorenstein Properties
235 Montgomery Street, 16th Floor
San Francisco, CA 94104
jburdick@shorentstein.com
Staff Contact: Tina Chang, Planner
tina.chang@sfgov.org, 415-575-9197
Reviewed by: AnMarie Rodgers, Senior Policy Advisor
anmarie.rodgers@sfov.org, 415-558-6395
Recommendation: **No Recommendation on Planning Code Amendment Approval of Section 309 Determination of Compliance and Request for Exceptions**

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There are two items before the Planning Commission for consideration:

1. Review of and recommendation on draft ordinance
2. Review and action on Planning Code Section 309 Project Review & Request for Exceptions.
 - a. The amended Section 309 motion allows the project to proceed under two scenarios – one, if the proposed Planning Code Amendment is approved and another if the Planning Code Amendment is not.

SECTION 309 REVIEW AND REQUEST FOR EXCEPTIONS

A Downtown Project Authorization for 1066 Market Street was previously approved on March 17, 2016, motion 19593. The Authorization would be amended to modify findings related to Sections 415 and 124 as well as conditions of approval, pursuant to the proposed Planning Code Amendment. Language in the motion and associated conditions of approval are also consistent with the project should the proposed

Planning Code Amendment is not approved. Aside from amendments to Sections 415 and 124 findings and conditions of approval, the authorization would remain the same.

The Authorization would approve the Section 309 determination of compliance and request for exceptions for rear yard per Planning Code Section 134, reduction of ground-level wind currents, per Section 148, and freight loading per Planning Code Section 161, to construct a 12-story-over-basement, approximately 120-foot tall building with up to 304 dwelling units and approximately 4,540 square feet of ground floor commercial space, 102 off-street parking spaces and 304 bicycle spaces at 1066 Market Street.

PLANNING CODE AMENDMENT

The proposed Ordinance is an uncodified amendment of the San Francisco Planning Code affecting Sections 415, 123, 124 and 128.

The Way It Is Now:

1. **Inclusionary Housing Program:** Section 415 requires any housing project that consists of 10 units or more to comply with the City’s Inclusionary Housing Program. Currently, projects may comply with the Inclusionary Housing Program in the following ways¹:
 - o Pay a fee equal to 20% of proposed units, or approximately \$17,650,000.²
 - o Provide Below Market Rate Units on-site at a rate of 12% of proposed units, equivalent to approximately \$10,590,000³.
 - o Create Below Market Rate Units off-site at a rate of 20% of proposed units.

BMR Unit Mix / Value					
		Totals	Studios	1 BD	2BD
Project	Total	304	61	132	111
On Site at 12%	Total	36	7	16	13
	Total	\$ 10,589,780 ⁴	\$ 1,449,418	\$ 4,260,326	\$ 4,880,035
In Lieu Fee at 20%	Total	61	12	26	22
	Total	\$ 17,649,633 ⁵	\$ 2,415,698	\$ 7,100,544	\$ 8,133,392
Off site at 20%	No quantified dollar requirement				

¹ The requirements are subject to change under a proposed Charter Amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election.

² Fee was calculated based on the Mayor’s Office of Housing and Community Development’s 2016 Inclusionary Housing Program Fee Schedule found here: <http://sfmohcd.org/inclusionary-housing-program-fee-schedule-2016>.

³ Fee was calculated based on the Mayor’s Office of Housing and Community Development’s 2016 Inclusionary Housing Program Fee Schedule found here: <http://sfmohcd.org/inclusionary-housing-program-fee-schedule-2016>.

⁴ Fee was calculated based on the Mayor’s Office of Housing and Community Development’s 2016 Inclusionary Housing Program Fee Schedule found here: <http://sfmohcd.org/inclusionary-housing-program-fee-schedule-2016>.

⁵ Fee was calculated based on the Mayor’s Office of Housing and Community Development’s 2016 Inclusionary Housing Program Fee Schedule found here: <http://sfmohcd.org/inclusionary-housing-program-fee-schedule-2016>.

2. **Land Dedication:** Although there is no land dedication option for properties in the C-3 Zoning Districts in the current Planning Code, Planning Code Section 419.5 allows land dedication as a way to comply with the inclusionary housing requirements in some zoning districts, like the UMU and Mission NCT. For the purposes of comparison, this report lists the least burdensome requirements provided within Section 419.5.

Please note that the requirements within 419 are slightly *higher* than the 415 Inclusionary Requirements that do apply to C-3 zoned properties (In-lieu fee is 23% in lowest tier of Section 419 vs. 20% for this property under Section 415 of the current law or 27.5% when Proposition C, approved on June 7, 2016, and the pending “trailing legislation” go into effect). The Section 419.5 requirements are set higher than the standard Section 415 Inclusionary Requirements due to a rezoning that occurred in conjunction with these requirements—the property at 1066 Market Street received no such rezoning. However, under the terms of Section 419.6, properties in the Mission Street NCT may also dedicate land as an option to meet inclusionary housing requirements at the rates delineated in Table 419.5 although the Mission Street NCT did not receive rezoning.

- o Land dedication is not currently an option for projects in the C-3-G Zoning District. Per Section 419.5, sites that have less than 30,000 square feet of developable area are required to dedicate a minimum of developable area equivalent to **35%** of the total number of units of the proposed project.

3. **Calculation of Square Footage and Floor Area Ratio Limits:** Sections 124, 124, 127 and 128 establish Basic Floor Area Ratio limits, Maximum Floor Area Ratio Limits, Transfer of Permitted Basic Gross Floor Area and Transfer of Development Rights, respectively.
 - o The Planning Code incentivizes the provision of on-site affordable units and allows buildings in C-3 Zoning Districts to exceed base floor area ratio limits by attaining Conditional Use Authorization pursuant to Sections 124 and 303 of the Planning Code.
 - o Sections 123, 127 and 128 allow buildings in the C-3 District to exceed base floor area ratio limits by purchasing transferable development rights (hereinafter “TDR”)
 - o The project procured Conditional Use Authorization on March 17, 2016 to exceed basic floor area ratio. Effectively 21,422 square feet of development devoted to on-site affordable units were exempted from floor area ratio and requirements to purchase TDR for that portion of the building exceeding base floor area ratio limits.

BMR UNIT SUMMARY			
Total Number of Units			304
BMR Required	12% of	304	36.48
BMR Provided	12% of	304	36
Total Area of BMR	12% of Net Rentable SF	178,515	21,422 SF

The Way It Would Be:

1. **Inclusionary Housing Program:** The inclusionary affordable housing requirements set forth in Section 415 of the Planning Code would be waived for the housing project at 1066 Market Street.

2. **Land Dedication:** In exchange for the waiver of the affordable housing requirements, the ordinance would require a dedication of land located at 101 Hyde Street and would authorize the City to accept this land dedication.
 - o The property at 101 Hyde would be used by the Mayor's Office of Housing and Community Development to facilitate construction of an affordable housing project containing approximately 85 dwelling units.

PARCEL SIZE	UNITS REQUIRED PER 419.5 FOR SITES <30,000 = 35%	UNITS PROVIDED
27,312 SF	106 (304 X 35%)	85 (101 Hyde, ~ 28%)

3. **Calculation of Square Footage and Floor Area Ratio Limits:** The ordinance would exempt 21,422 square feet of the proposed development from calculation of floor area ratio and the requirement to purchase TDR for this square footage.
 - o The project at 1066 Market Street would be permitted to develop above the basic floor area ratio limits by 21,422 square feet without being required to purchase TDR to allow the additional development.

BACKGROUND

The action before the Commission is to 1) provide a recommendation on the proposed Planning Code amendments described below and 2) consider approval of the modification of the Section 309 Review (a.k.a. Downtown Project Authorization) and Request for Exceptions for the associated project.

On March 17, 2016, the Commission approved the Downtown Project Authorization Application No. 2013.1753XCV and the upheld the Mitigated Negative Declaration, 2013.1753E at a duly noticed public hearing at a regularly scheduled meeting. On April 18, 2016, Donald Falk filed an appeal to the Conditional Use Authorization and Sue Hestor filed an appeal to the Mitigated Negative Declaration. On May 2, 2016, Sue Hestor filed a withdrawal of the appeal to the Mitigated Negative Declaration. The Board of Supervisors scheduled a hearing for the Conditional Use Authorization appeal on May 17, 2016, which was continued to June 21, 2016.

On May 17, 2016, the Board of Supervisors introduced the Ordinance waiving Inclusionary Affordable Housing requirements set forth in Planning Code Section 415 et seq., exempting 21,422 square feet from the calculation of gross floor area pursuant to Planning Code Section 124 to allow the additional floor area, and exempting 21,422 square feet from Planning Code Sections 123 and 128 to reduce any required transferable development rights by such amount, for a project located at 1066 Market Street in San Francisco, in exchange for the dedication of certain real property to the San Francisco Mayor's Office of Housing and Community Development at no cost; authorizing actions in furtherance of this ordinance; and adopting findings regarding the Final Mitigated Negative Declaration under the California Environmental Quality Act; making findings under Planning Code Section 302; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1.

ISSUES AND CONSIDERATIONS

- In addition to the land dedication of 101 Hyde to the City, the project sponsor will also be providing a charitable contribution amounting to approximately **\$6.5 million** to a non-profit organization. The total value of the land and gift amounts to roughly **\$19 million** – greater than the face value of both the on-site BMR at 12% or in-lieu fee at 20% options (**\$17.6 million**).

BMR Unit Mix / Value					
		Totals	Studios	1 BD	2BD
Project	Total	304	61	132	111
On Site at 12%	Total	36	7	16	13
	Total	\$ 10,589,780 ⁶	\$ 1,449,418	\$ 4,260,326	\$ 4,880,035
In Lieu Fee at 20%	Total	61	12	26	22
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Off site at 20%	No quantified dollar requirement				

- According to the Mayor’s Office of Workforce and Economic Development, on-site BMR units are valued at a cost to the developer of between \$400,000 - \$500,000 per unit. Using this estimate, the 36 units are valued at approximately **\$16.2 million**.
- Project Sponsor has indicated that the private contribution to a non-profit entity requires that the gift would be used for the “promotion of the development of an affordable housing project sponsored by a non-profit affordable housing developer that will include between seventy-five and one hundred units of affordable housing located in the vicinity of the Project (between Market Street and Larkin Street and between McAllister Street and Turk Street)” Note: unlike the payment of impact fees, it is our understanding that gifts made to 501c3 organizations allow **tax deductions of an unknown amount** to be sought by the project sponsor.
- While the inclusion of on-site BMR units would result in affordable units that are immediately available for residents, according to the Mayor’s Office of Housing and Community Development (hereinafter MOHCD), the site at 101 Hyde Street will need a contribution of approximately \$21.5 million before the 100% affordable housing project can be initiated. MOHCD estimates that 101 Hyde Street could be completed in about 8-10 years. That said, the on-site BMR units would be available to households with be available to a maximum income threshold of 60% Area Median Income (herein after “AMI”) or \$42,250 for an individual and 40% of the units will be dedicated to formerly homeless households with incomes of approximately 20-30% AMI, or approximately \$22,600 per year for an individual.
- According to MOHCD, the project appears to be well positioned for State funding from both the Veterans Housing and Homelessness Prevention Program (VHHP) and the Affordable Housing and Sustainable Communities Program (AHSC). In reviewing a potential scenario from an affordable housing developer, the assumed State loan contribution from both programs is

⁶ Fee was calculated based on the Mayor’s Office of Housing and Community Development’s 2016 Inclusionary Housing Program Fee Schedule found here: <http://sfmohcd.org/inclusionary-housing-program-fee-schedule-2016>.

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approximately \$17.5 million. Under this scenario, the City's gap funding could be as low as \$4 million, in which case the project could be developed in approximate 4-5 years.

- Project Sponsor has also indicated that a portion of the gift to a non-profit organization, capped at a dollar amount **yet to be determined**, would be used for activation of the 101 Hyde Street site, pending the construction of the affordable housing project. The developer states that they would like guidance from the City on the amount that could be capped for activation of the site. The Department recommends that the amount used for site activation not exceed \$1million.
- Under the proposed Planning Code Amendment, the 21,422 square-foot area previously devoted to on-site Below Market Rate units will be exempt from FAR calculations as well as TDR requirements without providing the on-site BMR units.
- The City's Department of Real Estate has ordered a report of the appraised value of 101 Hyde Street and the associated entitlements. This report will not be available until mid-July.

REQUIRED COMMISSION ACTION

The proposed Resolution is before the Commission so that it may approve or disapprove the initiation of the Planning Code amendment. Since the proposed amendment modifies compliance with the Downtown Project Authorization per Section 309, a modification to the previously approved Downtown Project Authorization, Motion 19593, is also required, should the Commission decide to recommend approval of the proposed amendments.

RECOMMENDATION

Planning Code Amendment. The Department *has no recommendation on the overall ordinance* due to the lack of information and the request to consider the new proposed Ordinance prior to the Conditional Use authorization appeal which is currently scheduled for June 28, 2016. However, should the Commission approve the 309 authorization and enable the Board of Supervisors to consider the proposed Ordinance; the Department does have some recommended modifications for the Commission to consider.

The Department recommends that if the Board of Supervisors decides to act on the proposed ordinance at a minimum The City should ensure that the 21,422 square feet of FAR previously dedicated to on-site below market rate units **should not be exempt** from Planning Code Sections 123 and 128 and that the requirement to purchase TDR for all portions of the building exceeding the base far of 6:1 should be maintained.

Section 309 Review and Request for Exceptions. The Planning Department does find that the production of housing at this site is supportable given the City's current housing crisis. For this reason, the Department recommends that the Commission approve the 309 request and enable the Board of Supervisors to pursue securing the additional information to enable the Board to determine if the alternative for affordable housing provided by the proposed Ordinance is in the City's interest.

BASIS FOR RECOMMENDATION

The Department does not have a recommendation on the overall ordinance, but recommends that 21,422 square feet from floor area ratio calculations not be exempt for the following reasons:

- Although the value of the land dedication and separate charitable contribution together exceed the face value of the on-site and in-lieu fee options, a fiscal analysis has not been conducted to fully weigh the costs and benefits of the proposal. For instance, the department does not have an appraised value for the land and associated entitlements at 101 Hyde Street.
- The project is not providing on-site affordable units, as intended by the exemption per Section 124 of the Planning Code nor is the project purchasing TDRs for this area as intended by the Downtown Plan's controls for this Conservation District.
- The City's TDR program supports the preservation of known historic resources; an exemption of 21,422 square feet diminishes support of that program by approximately \$500,000, assuming that TDRs cost between \$20-25 per square foot.

ENVIRONMENTAL REVIEW

Environmental review for the Downtown Project Authorization is complete. On March 17, 2016, the Planning Commission reviewed and considered the Final Mitigated Negative Declaration (FMND) and found that the contents of said report and the procedures through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

The Planning Department/Planning Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission, and that the summary of comments and responses contained no significant revisions to the Draft IS/MND, and approved the FMND for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31.

Planning Department staff prepared a Mitigation Monitoring and Reporting program (MMRP), which material was made available to the public and this Commission for this Commission's review, consideration and action. That MMRP should be adopted as a condition of approval for the amended Section 309 approval action.

PUBLIC COMMENT

As of the date of this report, the Planning Department has not received public comment regarding the proposed Planning Code amendment or modification to the Section 309, Downtown Project Authorization approval.

RECOMMENDATION:	No Recommendation on Planning Code Amendment; Approval of Section 309 Determination of Compliance and Request for Exceptions
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Attachments:

Draft Commission Resolution for Adoption Planning Code Amendment

Draft Planning Code Amendment Ordinance – Board File No. 160550

Draft Motion for Section 309 / Downtown Project Authorization Modification



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Draft Resolution

Planning Code Text Amendment

HEARING DATE: JUNE 16, 2016

Date: June 6, 2015
Case No.: **2013.1753CXVPCA**
Project Address: **1066 Market Street**
Zoning: C-3-G (Downtown General)
120-X Height and Bulk District
Block/Lot: 0350/003
Project Sponsor: Julie Burdick– (415) 772.7142
Multifamily Investments
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Staff Contact: Tina Chang – (415) 575-9197
Tina.Chang@sfgov.org
Recommendation: **No Recommendation**

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NO RECOMMENDATION ON THE OVERALL ORDINANCE RELATING TO THE ORDINANCE WAIVING INCLUSIONARY AFFORDABLE HOUSING REQUIREMENTS SET FORTH IN PLANNING CODE SECTION 415 ET SEQ., EXEMPTING 21,422 SQUARE FEET FROM THE CALCULATION OF GROSS FLOOR AREA PURSUANT TO PLANNING CODE SECTION 124 TO ALLOW THE ADDITIONAL FLOOR AREA, AND EXEMPTING 21,422 SQUARE FEET FROM PLANNING CODE SECTIONS 123 AND 128 TO REDUCE ANY REQUIRED TRANSFERABLE DEVELOPMENT RIGHTS BY SUCH AMOUNT, FOR A PROJECT LOCATED AT 1066 MARKET STREET IN SAN FRANCISCO, IN EXCHANGE FOR THE DEDICATION OF CERTAIN REAL PROPERTY TO THE SAN FRANCISCO MAYOR'S OFFICE HOUSING AND COMMUNITY DEVELOPMENT AT NO COST; AUTHORIZING ACTIONS IN FURTHERANCE OF THIS ORDINANCE; AND ADOPTING FINDINGS REGARDING THE FINAL MITIGATED NEGATIVE DECLARATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MAKING FINDINGS UNDER PLANNING CODE SECTION 302; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE SECTION 101.1.

PREAMBLE

On March 17, 2016, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Downtown Project Authorization Application No. 2013.1753XC~~V~~CV and the Appeal of the Mitigated Negative Declaration, 2013.1753E.

On March 17, 2016, the Commission upheld the PMND and approved the issuance of the Final Mitigated Negative Declaration (FMND) as prepared by the Planning Department in compliance with CEQA, the State CEQA Guidelines and Chapter 31.

On March 17, 2016, the Planning Department/Planning Commission reviewed and considered the Final Mitigated Negative Declaration (FMND) and found that the contents of said report and the procedures through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"): and

The Planning Department/Planning Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission, and that the summary of comments and responses contained no significant revisions to the Draft IS/MND, and approved the FMND for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31.

Planning Department staff prepared a Mitigation Monitoring and Reporting program (MMRP), which material was made available to the public and this Commission for this Commission's review, consideration and action.

On April 18, 2016, Donald Falk filed an appeal to the Conditional Use Authorization and Sue Hestor filed an appeal to the Mitigated Negative Declaration. On May 2, 2016, Sue Hester filed a withdrawal of the appeal to the Mitigated Negative Declaration. The Board of Supervisors scheduled a hearing for the Conditional Use Authorization appeal on May 17, 2016, which was continued to June 21, 2016.

On May 17, 2016, the Board of Supervisors introduced the Ordinance waiving Inclusionary Affordable Housing requirements set forth in Planning Code Section 415 et seq., exempting 21,422 square feet from the calculation of gross floor area pursuant to Planning Code Section 124 to allow the additional floor area, and exempting 21,422 square feet from Planning Code Sections 123 and 128 to reduce any required transferable development rights by such amount, for a project located at 1066 Market Street in San Francisco, in exchange for the dedication of certain real property to the San Francisco Mayor's Office Housing and Community Development at no cost; authorizing actions in furtherance of this ordinance; and adopting findings regarding the Final Mitigated Negative Declaration under the California Environmental Quality Act; making findings under Planning Code Section 302; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1.

On June 16, 2016, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to modify Downtown Project Authorization Application No. 2013.1753X, previously approved under Motion Number 19593, to amend Section 415 findings and conditions of approval for affordable housing and to allow land dedication instead;

Also on June 16, 2016, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the adoption of the Ordinance waiving Inclusionary Affordable Housing

requirements set forth in Planning Code Section 415 et seq., exempting 21,422 square feet from the calculation of gross floor area pursuant to Planning Code Section 124 to allow the additional floor area, and exempting 21,422 square feet from Planning Code Sections 123 and 128 to reduce any required transferable development rights by such amount, for a project located at 1066 Market Street in San Francisco, in exchange for the dedication of certain real property to the San Francisco Mayor's Office Housing and Community Development at no cost; authorizing actions in furtherance of this ordinance; and adopting findings regarding the Final Mitigated Negative Declaration under the California Environmental Quality Act; making findings under Planning Code Section 302; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1, Application No. 2013.1753PCA.

The Planning Department, Jonas P. Ionin, is the custodian of records; all pertinent documents are located in the File for Case No. 2013.1753CXVPCA, at 1650 Mission Street, Fourth Floor, San Francisco, California.

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

The Commission has reviewed the proposed Planning Code Amendment Ordinance; and

MOVED, that the Planning Commission hereby adopts the findings regarding the Final Mitigated Negative Declaration under the California Environmental Quality Act issued by Motion No. 19592, based on the findings as stated below.

FURTHER MOVED, that the Commission hereby recommends that the Board of Supervisors approve the proposed Planning Code Amendment Ordinance, with modifications, and adopt the attached Resolution to that effect.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments and the record as a whole, including all information pertaining to the Project in the Planning Department's case files, this Commission finds, concludes, and determines as follows:

1. The MND is adequate, accurate and complete, and reflects the independent judgment and analysis of the Planning Department. The Project, as shown in the analysis of the MND, could not have a significant effect on the environment. The Planning Commission adopted the MND in Resolution No. 19592.
2. The Commission finds the Project at 1066 Market and the associated dedication of real property to the San Francisco Mayor's Office of Housing and Community Development at no cost a benefit to the City.

3. The Project is desirable because it would replace an underutilized commercial building and surface parking lot with a 12-story, 14-level mixed use, residential above ground floor retail building. The Project will add 304 dwelling units to San Francisco's housing stock and includes approximately 4,540 square feet of ground floor retail and approximately 12,300 square feet of common open space.
4. As further set forth in the findings for the Downtown Project Authorization (Motion No. XXXXX), which are incorporated by reference as though fully set forth herein, the Project supports various goals of the General Plan.
5. The Planning Code Amendment should not include the exemption of floor area previously dedicated to on-site below market rate (BMR) units since BMR units are no longer provided on site;
6. **General Plan Compliance.** The Project is, on balance, consistent with the Objectives and Policies of the General Plan, for the reasons set forth in the findings for the Downtown Project Authorization (Motion No. XXXXX), which are incorporated by reference as though fully set forth herein.
7. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the Project complies with said policies, for the reasons set forth in the Downtown Project Authorization (Motion No. XXXXX), which are incorporated by reference as though fully set forth herein.
8. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) for the reasons set forth in the Downtown Project Authorization (Motion No. XXXXX), which are incorporated by reference as though fully set forth herein, and also in that, as designed, the Project would contribute to the community by adding 304 dwelling units to the City's housing stock, approximately 4,540 square feet of ground floor retail, activating the streets onto which the Project fronts, and providing approximately 12,300 square feet of common open space to residents of the Project, thereby constituting a beneficial development.
9. Based on the foregoing, the public necessity, convenience and general welfare require the proposed Planning Code amendment.

I hereby certify that the foregoing Resolution was ADOPTED by the San Francisco Planning Commission on June 16, 2016.

Jonas Ionin
Commission Secretary

Draft Resolution
Hearing Date: June 16, 2016

Case No.: 2013.1753XCVPCA

AYES:

NOES:

ABSENT:

ADOPTED: June 16, 2016

BOARD of SUPERVISORS



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May 24, 2016

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On May 17, 2016, Supervisor Kim introduced the following legislation:

File No. 160550

Ordinance waiving the Inclusionary Affordable Housing requirements set forth in Planning Code, Section 415 et seq., exempting 21,422 square feet from the calculation of gross floor area pursuant to Planning Code, Section 124, to allow the additional floor area, and exempting 21,422 square feet from Planning Code, Sections 123 and 128, to reduce any required transferable development rights by such amount, for a project located at 1066 Market Street, in exchange for the dedication of certain real property to the Mayor's Office of Housing and Community Development at no cost; authorizing actions in furtherance of this Ordinance, as defined herein; adopting findings regarding the Final Mitigated Negative Declaration under the California Environmental Quality Act; and making findings under Planning Code, Section 302, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board


By: Andrea Ausberry, Assistant Clerk
Land Use and Transportation Committee

- c: John Rahaim, Director of Planning
- Aaron Starr, Acting Manager of Legislative Affairs
- Scott Sanchez, Zoning Administrator
- Sarah Jones, Chief, Major Environmental Analysis
- AnMarie Rodgers, Legislative Affairs
- Jeanie Poling, Environmental Planning
- Joy Navarrete, Environmental Planning

1 [Planning Code - Waiving Inclusionary Housing Requirements, Exempting Certain Floor Area
2 from the Calculation of Gross Floor Area and Transferable Development Rights
Requirements, and Authorizing Land Dedication at No Cost - 1066 Market Street]

3
4 **Ordinance waiving the Inclusionary Affordable Housing requirements set forth in**
5 **Planning Code, Section 415 et seq., exempting 21,422 square feet from the calculation**
6 **of gross floor area pursuant to Planning Code, Section 124, to allow the additional floor**
7 **area, and exempting 21,422 square feet from Planning Code, Sections 123 and 128, to**
8 **reduce any required transferable development rights by such amount, for a project**
9 **located at 1066 Market Street, in exchange for the dedication of certain real property to**
10 **the Mayor's Office of Housing and Community Development at no cost; authorizing**
11 **actions in furtherance of this Ordinance, as defined herein; adopting findings regarding**
12 **the Final Mitigated Negative Declaration under the California Environmental Quality**
13 **Act; and making findings under Planning Code, Section 302, and findings of**
14 **consistency with the General Plan, and the eight priority policies of Planning Code,**
15 **Section 101.1.**

16 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
17 **Additions to Codes** are in *single-underline italics Times New Roman font*.
18 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
19 **Board amendment additions** are in double-underlined Arial font.
20 **Board amendment deletions** are in ~~strikethrough Arial font~~.
21 **Asterisks (* * * *)** indicate the omission of unchanged Code
22 subsections or parts of tables.

23 Be it ordained by the People of the City and County of San Francisco:

24 Section 1. Findings.

25 (a) It is the intention of the Board of Supervisors to (1) waive the requirements set forth
in Planning Code Section 415 to pay the Affordable Housing Fee or to provide on-site or off-

1 site inclusionary housing units, (2) exempt 21,422 square feet from the calculation of
2 allowable gross floor area set forth in Planning Code Section 124 to permit additional floor
3 area on the site, (3) exempt 21,422 square feet from the calculation of required transferable
4 development rights (“TDR”) to reduce the TDR necessary for the project located at 1066
5 Market Street, Assessor’s Block No. 0350, Lot No. 003 (“Project”), and (4) authorize 1066
6 Market LLC (“Project Sponsor”) to dedicate the real property located at 101 Hyde Street,
7 Assessor’s Block No. 0346, Lot No. 003A (“Dedicated Property”) to the San Francisco
8 Mayor’s Office of Housing and Community Development (“MOHCD”) at no cost.

9 (b) The proposed waiver and exemptions and corresponding land dedication are
10 necessary to implement construction of the Project and to allow development on the
11 Dedicated Property of a 100% affordable residential development. The Project is a multi-
12 family residential development project with ground floor retail space located on a 27,310
13 square foot project site within the Downtown Plan Area and the Downtown/Civic Center
14 neighborhood and is located within the C-3-G (Downtown General) Zoning and 120-X Height
15 and Bulk District. The floor area ratio (FAR) limit as defined by Planning Code Section 124 for
16 the C-3-G District is 6.0:1. Under Sections 123 and 128 of the Planning Code, the FAR can be
17 increased to 9.0 to 1 with the purchase of TDR.

18 (c) The Project would provide approximately 304 dwelling units and 4,540 gross
19 square feet of ground-floor commercial retail space. The Project applied to provide 36 on-site
20 inclusionary affordable dwelling units (comprising 21,422 gross square feet of floor area) to
21 comply with the requirements of Section 415 et seq. The Project sponsor also sought a
22 conditional use permit to allow the additional square footage for the affordable units pursuant
23 to Planning Code Section 124(f). The Planning Commission approved the project and the
24 conditional use permit, by Planning Commission Motion Nos. 19593 and 19594.

1 (d) The Project now proposes to provide land to the City to construct off-site affordable
2 housing. The proposed Section 415 waiver and Sections 123, 124 and 128 floor area
3 exemptions will enable the Project to be constructed without on-site inclusionary affordable
4 dwelling units, without the need to acquire an additional 21,422 gross square feet of
5 transferable development rights, and without the need to procure a conditional use permit for
6 the extra square footage as was otherwise required by Planning Code Section 124(f) for the
7 on-site affordable housing. This ordinance will allow the Project Sponsor to withdraw the
8 conditional use application approved by Planning Commission Motion No. 19594 without
9 forfeiting the Section 124 gross floor area exemption granted for the 21,422 gross square feet
10 associated with the prior on-site inclusionary affordable units. The cost to the Project Sponsor
11 of transferring the Dedicated Property to the City is not more than the cost of providing on-site
12 inclusionary housing units or payment of the Affordable Housing Fee. As set forth below,
13 dedication to the City of the Dedicated Property allows the City to provide a greater number of
14 affordable housing units than could otherwise be provided on-site.

15 (e) The Dedicated Property located at 101 Hyde Street is 10,633 square foot in land
16 area, equivalent to 39% of the land area of the Project site. The Dedicated Property is
17 already approved for construction of an 85 dwelling unit multi-family residential project. The
18 conveyance by the Project Sponsor of the Dedicated Property will allow the City, through
19 MOHCD, to provide a 100% affordable residential housing development of approximately 85
20 dwelling units on the Dedicated Property, a significant increase in the City's stock of
21 affordable housing in the Downtown/Civic Center neighborhood compared to the previously
22 approved 36 on-site inclusionary affordable units at the Project site.

23 (f) On _____, 2016, the Planning Commission conducted a duly noticed
24 public hearing on the ordinance, including the waiver of fee payments and requirements under
25 Planning Code Section 415 et seq. and the exemption of 21,422 gross square feet from the

1 calculation of gross floor area as set forth in Planning Code Section 124 and from the
2 requirements to purchase TDR under Planning Code Sections 123 and 128. The Planning
3 Commission, in Motion No. _____, found that the ordinance is, on balance, consistent with
4 the City's General Plan and the eight priority policies of Planning Code Section 101.1. A
5 copy of the Planning Commission Motion is on file with the Clerk of the Board of Supervisors
6 in File No. _____ and is incorporated herein by reference. The Board adopts the Planning
7 Commission findings as its own.

8 (g) Pursuant to Planning Code Section 302, this Board finds that this ordinance will
9 serve the public necessity, convenience, and general welfare for the reasons set forth in
10 Planning Commission Motion No. _____ and the Board incorporates such reasons
11 herein by reference.

12 (h) On March 17, 2016, the Planning Commission finalized, reviewed and considered
13 the Final Mitigated Negative Declaration (FMND) prepared for the Project located at 1066
14 Market Street and found that the contents of the FMND and the procedures through which the
15 FMND was prepared, publicized, and reviewed complied with the California Environmental
16 Quality Act, California Public Resources Code Sections 21000 et seq. (CEQA), Title 14
17 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter
18 31 of the San Francisco Administrative Code ("Chapter 31"). The Planning Commission
19 adopted the FMND, CEQA findings and a Mitigation and Monitoring Reporting Program
20 (MMRP) in its Motion No. 19593. The CEQA findings and the MMRP contained in Planning
21 Commission Motion No. 19593 are incorporated herein by this reference thereto. The
22 proposed changes contained in this ordinance are not substantial changes to the Project and
23 there are no substantial changes in Project circumstances that would require major revisions
24 to the FMND due to the involvement of new significant environmental effects, nor is there an
25

1 increase in the severity of previously identified significant impacts, or any new information of
2 substantial importance that would change the conclusions set forth in the FMND.

3 (i) This ordinance does not constitute an approval of any new or revised project
4 located at 101 Hyde Street. The Planning Commission adopted a mitigated negative
5 declaration, CEQA findings and a Mitigation and Monitoring Reporting Program in its Motion
6 No. 19389 for the Dedicated Property. The CEQA findings and the MMRP contained in
7 Planning Commission Motion No. 19389 are incorporated herein by this reference thereto, as
8 applicable to the land dedication authorized by this Ordinance. The City is not otherwise
9 approving any changes to the approved project at 101 Hyde Street. If and when any revised
10 project for the Dedicated Property is undertaken by the City, or is submitted to the City for
11 review, the City will conduct any additional environmental review required by CEQA for that
12 project.

13
14 Section 2. Planning Code Fee Waiver, Floor Area and TDR Exemption and Land
15 Dedication.

16 (a) Waiver of Inclusionary Affordable Housing Requirements. Notwithstanding the
17 requirement to pay the Affordable Housing Fee or provide on-site or off-site inclusionary
18 affordable housing alternatives to the Affordable Housing Fee pursuant to Planning Code
19 Section 415 et seq. (Inclusionary Housing Program), the requirements set forth in Planning
20 Code Section 415 to either pay the Affordable Housing Fee or provide on-site or off-site
21 inclusionary affordable housing alternatives to the Affordable Housing Fee payment for the
22 Project are hereby waived in their entirety and the Project Sponsor shall be permitted to
23 dedicate a site to the City to be used for affordable housing. In lieu of paying the Affordable
24 Housing Fee or providing on-site or off-site inclusionary affordable housing units, prior to
25 issuance of a site or building permit for the Project, the Project Sponsor shall convey in fee

1 simple absolute to MOHCD, according to the Procedures Manual, the real property located at
2 101 Hyde Street, at no cost to MOHCD, which real property shall be used by MOHCD to
3 facilitate construction of an affordable housing project of approximately 85 dwelling units.

4 (b) Exemption From Floor Area Ratio Calculations. Notwithstanding the provisions of
5 Planning Code Section 124, floor area in the Project equivalent to 21,422 square feet is
6 hereby exempt from the calculation of gross floor area pursuant to Planning Code Section
7 124. This Section 124 floor area exemption shall not reduce the Project's development
8 impact fee obligations by any amount under Article 4 of the Planning Code and the Project
9 shall pay any applicable development impact fees set forth in Planning Code Article 4 on the
10 total floor area of the Project.

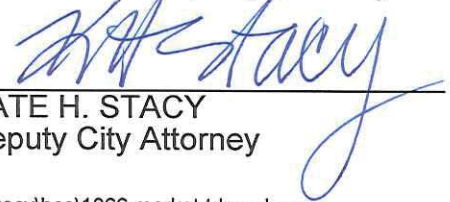
11 (c) TDR Exemption. Notwithstanding the provisions of Planning Code Sections 123
12 and 128, the Project shall be exempt from any applicable requirement to purchase TDR solely
13 for 21,422 square feet of floor area to increase the allowable density on-site. The Project
14 shall be permitted to increase density on-site by 21,422 square feet of floor area without the
15 need to purchase TDR for this amount. The Project shall be otherwise required to comply
16 with Planning Code Sections 123 and 128, and shall purchase TDR for any other necessary
17 increase in density on-site.

18
19 Section 3. The Mayor, Clerk of the Board, Property Director and MOHCD are hereby
20 authorized and directed to take any and all actions which they or the City Attorney may deem
21 necessary or advisable in order to effectuate the purpose and intent of this ordinance
22 (including, without limitation, the filing of the ordinance in the Official Records of the City and
23 County of San Francisco; acceptance of the land dedication and confirmation of satisfaction of
24 the conditions to the effectiveness of the Section 415 waiver and land dedication hereunder;
25

1 and execution and delivery of any evidence of the same, which shall be conclusive as to the
2 satisfaction of the conditions upon signature by any such City official or his or her designee).

3
4 Section 4. Effective Date. This ordinance will become effective only on or after the
5 effective date of the Charter amendment revising Section 16.110 at the June 7, 2016 election,
6 permitting the City to change the inclusionary affordable housing requirements, and after the
7 effective date of the ordinance amending Planning Code Sections 415.1 et seq. set forth in
8 Board of Supervisors File No. 160255. In the event the voters do not adopt such Charter
9 amendment, and the ordinance set forth in Board of Supervisors File No. 160255 does not
10 take effect, this ordinance shall not take effect. This ordinance otherwise shall become
11 effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance,
12 the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of
13 receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

14
15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA, City Attorney

17 By: 
18 KATE H. STACY
19 Deputy City Attorney

20 n:\landuse\kstacy\bos\1066 market tdr w.docx

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SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- First Source Hiring (Admin. Code)
- Transit Impact Dev't Fee (Sec. 411)
- Street Tree (Sec. 138.1; 428)
- Downtown Park Fee (Sec. 412)
- Public Art (Sec. 429)

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415.558.6409

Planning
Information:
415.558.6377

Planning Commission Draft Motion

HEARING DATE: JUNE 16, 2016

Date: June 6, 2016
Case No.: **2013.1753CXVPCA**
Project Address: **1066 Market Street**
Zoning: C-3-G (Downtown General)
 120-X Height and Bulk District
Block/Lot: 0350/003
Project Sponsor: Julie Burdick- (415) 772.7142
 Multifamily Investments
 Shorenstein Properties
 235 Montgomery Street, 16th Floor
 San Francisco, CA 94104
jburdick@shorenstein.com
Staff Contact: Tina Chang - (415) 575-9197
Tina.Chang@sfgov.org

ADOPTING FINDINGS RELATED TO THE APPROVAL OF A SECTION 309 DETERMINATION OF COMPLIANCE AND REQUEST FOR EXCEPTIONS FOR REAR YARD PER PLANNING CODE SECTION 134, REDUCTION OF GROUND-LEVEL WIND CURRENTS PER PLANNING CODE SECTION 148, AND FREIGHT LOADING PER PLANNING CODE SECTION 161, TO CONSTRUCT A 12-STORY-OVER-BASEMENT, APPROXIMATELY 120-FOOT TALL BUILDING WITH UP TO 304 DWELLING UNITS AND APPROXIMATELY 4,540 SQUARE FEET OF GROUND FLOOR COMMERCIAL SPACE, AND 102 OFF-STREET PARKING SPACES AT 1066 MARKET STREET WITHIN THE C-3-G (DOWNTOWN GENERAL) DISTRICT AND A 120-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On February 12, 2014, Julie Burdick of Shorenstein Residential LLC, on behalf of 1066 Market LLC (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Environmental Review, to allow the demolition of an existing two-story, 5,066 gross square foot (gsf) vacant commercial building and adjoining 23,419 gsf surface parking lot and the new

construction of a 14-level, 12-story mixed-use building containing approximately 330 dwelling units, with ground floor retail, bicycle parking and two levels of subterranean parking with 102 spaces (hereinafter “the Project”) at 1066 Market Street (hereinafter “Project Site”).

On June 18, 2014, Julie Burdick of Shorenstein Residential LLC, on behalf of the Project Sponsor filed 1) an application with the Department for Compliance with Planning Code Section 309 with exceptions for Rear Yard requirements (Section 134), parking requirements, to provide parking at a ratio exceeding 0.25 to 1 (Section 151.1) and freight loading, to provide one off-street freight loading space instead of two (Sections 161), and exception from ground level wind current (Section 148) within the C-3-G (Downtown General) Zoning and 120-X Height and Bulk District to demolish the existing structure and surface parking lot, and construction of the Project; 2) an application with the Department for Conditional Use Authorization (CUA) to a) allow a higher density of residential units, at one unit per 90 square feet instead of one unit per 125 square feet as permitted by Planning Code Section 215(a), and b) to exempt on-site inclusionary units from FAR calculations per Section 124(f); 3) an application for Variance from Section 135(G)(2), use of inner as usable open space.

On December 26, 2014, the “Uses, Conformity of Uses, Parking Requirements for Uses, and Special Use Districts” Ordinance became effective, amending Section 309 such that parking requirements were no longer modifiable per Section 309. Additionally, Section 151.1 was amended by the same Ordinance to permit up to one parking space for each two dwelling units. Therefore, the requested amount of parking no longer required an exception per Section 309. Accordingly, On November 19, 2015, Julie Burdick of Shorenstein Residential LLC, on behalf of the Project Sponsor submitted an amended application to the Department for Compliance with Planning Code Section 309 removing the request for exception to parking requirements. Updated applications for Conditional Use Authorization and a Variance were also submitted to the Department since density limits in C-3 Districts were removed and a Conditional Use Authorization was no longer required to permit a density of one dwelling unit per 90 square feet. No changes to the Variance requested were included in the updated application.

On January 13, 2016 Draft Initial Study/Mitigated Negative Declaration (IS/MND) for the Project was prepared and published for public review; and

The Draft IS/MND was available for public comment until February 2, 2016; and

On February 2, 2016, an appeal of the Mitigated Negative Declaration was filed with the Department.

On March 17, 2016, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Downtown Project Authorization Application No. 2013.1753XCV and the Appeal of the Mitigated Negative Declaration, 2013.1753E.

On March 17, 2016, the Commission upheld the PMND and approved the issuance of the Final Mitigated Negative Declaration (FMND) as prepared by the Planning Department in compliance with CEQA, the State CEQA Guidelines and Chapter 31.

On March 17, 2016, the Planning Department/Planning Commission reviewed and considered the Final Mitigated Negative Declaration (FMND) and found that the contents of said report and the procedures

through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the “CEQA Guidelines”) and Chapter 31 of the San Francisco Administrative Code (“Chapter 31”): and

The Planning Department/Planning Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission, and that the summary of comments and responses contained no significant revisions to the Draft IS/MND, and approved the FMND for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31.

Planning Department staff prepared a Mitigation Monitoring and Reporting program (MMRP), which material was made available to the public and this Commission for this Commission’s review, consideration and action.

On April 18, 2016, Donald Falk filed an appeal to the Conditional Use Authorization and Sue Hestor filed an appeal to the Mitigated Negative Declaration. On May 2, 2016, Sue Hester filed a withdrawal of the appeal to the Mitigated Negative Declaration. The Board of Supervisors scheduled a hearing for the Conditional Use Authorization appeal on May 17, 2016, which was continued to June 21, 2016.

On May 17, 2016, the Board of Supervisors introduced the Ordinance waiving Inclusionary Affordable Housing requirements set forth in Planning Code Section 415 et seq., exempting 21,422 square feet from the calculation of gross floor area pursuant to Planning Code Section 124 to allow the additional floor area, and exempting 21,422 square feet from Planning Code Sections 123 and 128 to reduce any required transferable development rights by such amount, for a project located at 1066 Market Street in San Francisco, in exchange for the dedication of certain real property to the San Francisco Mayor’s Office of Housing and Community Development at no cost; authorizing actions in furtherance of this ordinance; and adopting findings regarding the Final Mitigated Negative Declaration under the California Environmental Quality Act; making findings under Planning Code Section 302; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1.

On June 16, 2016, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to modify Downtown Project Authorization Application No. 2013.1753X, previously approved under Motion Number 19593, to amend Section 415 findings and conditions of approval for affordable housing and to allow land dedication instead;

Also on June 16, 2016, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the adoption of the Ordinance waiving Inclusionary Affordable Housing requirements set forth in Planning Code Section 415 et seq., exempting 21,422 square feet from the calculation of gross floor area pursuant to Planning Code Section 124 to allow the additional floor area, and exempting 21,422 square feet from Planning Code Sections 123 and 128 to reduce any required transferable development rights by such amount, for a project located at 1066 Market Street in San Francisco, in exchange for the dedication of certain real property to the San Francisco Mayor’s Office of Housing and Community Development at no cost; authorizing actions in furtherance of this ordinance; and adopting findings regarding the Final Mitigated Negative Declaration under the California

Environmental Quality Act; making findings under Planning Code Section 302; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1, Application No. 2013.1753PCA.

The Planning Department, Jonas P. Ionin, is the custodian of records; all pertinent documents are located in the File for Case No. 2013.1753CXVPCA, at 1650 Mission Street, Fourth Floor, San Francisco, California.

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

MOVED, that the Commission hereby approves the Downtown Project Authorization requested in Application No. 2013.1753XCVPCA, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The "L" shaped, 27,310 square foot (sf) project site has approximately 55-feet of frontage on Market Street, where it is sandwiched by a three-story commercial building to the west and two-story commercial building to the east. The Project also has frontage on Jones Street to the west, north of the aforementioned three-story commercial building, and Golden Gate Avenue to the north of the project site. A 5,066 gross square foot (gsf) vacant commercial building and adjoining 23,419 gsf surface parking lot currently occupies the project site. The commercial building, which was construction in 1966, fronts Market Street on the south side of the property. The privately owned parking lot holds approximately 102 vehicles. Existing vehicle and pedestrian access to the surface parking lot is provided on Golden Gate Avenue and Jones Street. Two curb cuts / driveways currently exist on the project site, including one on Golden Gate Avenue and one on Jones Street. Pedestrian access to the commercial building is provided on Market Street. There are no trees on the project site; five street trees are located along the sidewalks surrounding the site. The site slopes down gradually from the northwest to the southeast, with an elevation change of approximately 10 feet. The project site is located in C-3-G (Downtown General) Zoning District and a 120-X Height and Bulk District.
3. **Surrounding Properties and Neighborhood.** The project site is located within the Downtown Plan Area at 1066 Market Street in the Downtown/ Civic Center neighborhood of San Francisco. Within the Downtown / Civic Center neighborhood are smaller districts and micro-neighborhoods, such as the Market Street Theater and Loft Historic District, of which this Project is a part. Land uses in the surrounding area include a mix of low- and mid-rise mixed-use

commercial buildings, tourist and residential hotels, multifamily housing, entertainment uses and government institutions. Properties in the immediate vicinity of the project site include a three-story commercial/ retail building to the south at 1072-1098 Market Street; a 10-story, low-income and senior housing development to the west at 129 Golden Gate Avenue; a seven-story, 82 unit homeless housing facility at 41 Jones Street; a nine-story, 108-unit apartment a two-story commercial/ retail building at 1028-1056 Market to the east, which is currently occupied by a “pop-up” food and beverage court (“The Hall”). The Hall is temporarily occupying the space while the property’s project sponsor finalizes the entitlement of the proposed project which includes the demolition of the existing building and the new construction of a 12-story, mixed-use residential-over-ground-floor retail development.

4. **Project Description.** The Project includes the demolition of an existing two-story, vacant, commercial building and adjoining 23,419 square foot surface parking lot, and the new construction of a 12-story, 14-level, mixed-used building containing approximately 304 dwelling units, with commercial retail on the ground floor, bicycle parking and two levels of subterranean parking with 102 parking spaces. The building’s height ranges from approximately 113 to 120 feet tall. The proposed dwelling unit mix consists of approximately 61 studios (approximately 20 percent of total units), 76 junior one-bedroom units (approximately 25 percent of total units), 56 one-bedroom units (about 18 percent of total units) and 111 two-bedroom units (about 37 percent). Residential amenities include a lounge, lobby, fitness center, leasing office and bicycle parking. The Project will provide 304 Class 1 and 18 Class 2 bicycle parking spaces.

Approximately 4,540 square feet of commercial retail space provides active street frontage along Market Street, Golden Gate Avenue and Jones Street. Due to a grade change of approximately 13 feet between the northwest corner and southeast corner of the project site, street access to the building occurs from two separate ground floors: one with access from Market Street (Level 1) and another from Jones Street and Golden Gate Avenue (Level 2). A 6,333 square-foot open-air courtyard is located in the center of the proposed Project at Level 1, with an elevated walkway through the courtyard providing access to the at-grade lobby amenity and lounge area on Level 2. A patio intended for the 1,684 square foot commercial space fronting Market Street is located at the southeast corner of the open-air courtyard. The roof includes two terraces totaling approximately 6,000 square feet.

The Market Street façade has been designed with a tripartite vertical expression of a base, shaft and capital – typical of buildings within the Market Street Theater and Loft Historic District. The three sections of the building are delineated by a horizontal reveal. The height of the tall base references similar features on adjacent buildings that are also characterized by tall bases, and will be defined by use of a textured masonry cladding at the piers, multi-level recessed window wall and horizontal reveal. The top of the building on the Market Street façade rests above a horizontal reveal and is characterized by stucco-clad vertical piers that align with piers at the base of the building as well as double-height recessed window groupings. The middle of the building is designed with punched openings in a “basket weave” composition that suggests both the vertically expressed double-hung windows and the slightly more horizontally expressed

Chicago-style windows found in the district, which are three-part windows with a large fixed center panel flanked by two smaller windows.

The Golden Gate Avenue and Jones Street facades have also been designed with the basket weave composition found on the Market Street façade. The upper stories of the building would be clad in a panelized system of integrally colored pre-cast concrete units in graded color variations with a light, intermediate and dark shade, as well as an accent color. The base of these facades is characterized by double-height storefront windows, except for a small portion on Golden Gate Avenue, where the double-height windows could not be achieved due to on-site elevation changes. While a tripartite pattern can be found on these frontages, the expression of the three-part façade is more loosely implemented on the designs of the Golden Gate Avenue and Jones Street facades.

5. **Community Outreach and Public Comment.** As summarized in the enclosed letter from the Project Sponsor, community outreach has included meetings with the Project's neighbors, local businesses, community groups, individual residents, schools, religious organizations, and non-profits, including the Tenderloin Neighborhood Development Corporation, Tenderloin Housing Clinic, Tenderloin Economic Development Project, UC Hastings, Community Housing Partnerships, Urban Solutions, SF Bike Coalition, CounterPulse, St. Francis Foundation / Tenderloin Help Improvement Project, Central Market Community Benefit District, Housing Action Coalition, SPUR Design Review Committee, Golden Gate Theatre, Building Trades Commission, Draussalem Mosque, Market Street for the Masses, Mid-Market Business Association, as well as project sponsors, property owners, resident coordinators and tenants of neighboring properties, including but not limited to those at 950 Market Street, 1007 Market Street, 1019 Market Street, 1072 Market Street, 1029 Market Street, 1075 Market, 111 Jones Street, 205 Jones Street, 50 Golden Gate, 129 Golden Gate Avenue, 180 Golden Gate Avenue, 25 Taylor, and 55 Taylor. At times, the Project Sponsor has met with the aforementioned stakeholders multiple times throughout the past 2.5 years.

To date, the Department has not received any correspondence expressing opposition to the Project; however, an appeal was filed on the Preliminary Negative Declaration. Twenty letters of support from the following organizations, business owners, residents and tenants have been received:

- Draussalem Mosque – Mosque at 20 Jones Street
- Encore Capital – property owner in Tenderloin / Mid-Market neighborhood and neighbor
- Group I – owner of 950-974 Market Street
- The Housing Action Coalition
- Hibernia Bank – Owner at 1 Jones Street
- International Art Museum of America – tenant at 1025 Market Street
- Marinello Schools of Beauty – tenant at 1035 Market Street
- Molly Jans – Tenderloin Resident
- Khadija Eddkhissi – Resident at 317 Leavenworth Street
- Zohra Araq – Resident at 55 9th Street
- Khadija Arif – Resident at 940 Washington

- Zainaba Boudlim – Resident at 141 Eddy Street
- Mosser Companies – Property Owner of 50 Golden Gate Avenue
- Pam Coates – Resident at 41 Jones Street
- PianoFight- Business owner at 144 Taylor Street
- Thanh Nguyen – Resident at 145 Taylor Street
- Tidewater Capital – Property owner at 1028 Market
- UC Hastings
- Warm Planet Bikes – tenant at 1098a Market Street
- WeWork – Tenderloin business

6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

A. **Maximum Floor Area Ratio (Section 124).** The floor area ratio (FAR) limit as defined by Planning Code Section 124 for the C-3-G District is 6.0:1. Under Sections 123 and 128 of the Planning Code, the FAR can be increased to 9.0 to 1 with the purchase of transferable development rights (“TDR”).

The Project Site has a lot area of approximately 27,312 square feet. Therefore, up to 163,872 square feet of Gross Floor Area (“GFA”) is allowed under the basic FAR limit, and up to 245,808 square feet of GFA is permitted with the purchase of TDR. As shown in the conceptual plans for the Project, the building would include 298,278 square feet of GFA, of which 227,956 would count towards FAR. Conditions of approval are included to require the Project Sponsor to purchase TDR for the increment of development between 6.0 to 1 FAR and 9.0 to 1 FAR, for approximately 64,084 (227,956-163,872=64,084) square feet of floor area.

Pursuant to Planning Code Amendment entitled, “Waiving Inclusionary Housing Requirements, Exempting Certain Floor Area from the Calculation of Gross Floor Area and Transferable Development Rights Requirements, and Authorizing Land Dedication at No Cost – 1066 Market Street”, Board File Number 160550, 21,422 square feet will be exempt from the calculation of allowable gross floor area set forth in Planning Code Section 124 to permit additional floor area on the site. Additionally, the said 21,422 square feet will be exempt from the calculation of required transferable development rights (“TDR”) to reduce the TDR necessary for the Project.

B. *If the proposed Ordinance is not approved, 36 below market rate units would be provided on-site, equivalent to a rate of 12% or approximately 21,422 square feet. A Conditional Use Authorization was approved under Motion 19594 on March 17, 2016, to exempt from the floor area devoted to the below market rate units, pursuant to Section 124(f).* **Rear Yard Requirement.** Planning Code Section 134 requires that any building containing a dwelling unit in a Downtown Commercial District must provide a rear yard equal to 25 percent of the total lot depth at all residential levels.

The Project does not provide a rear yard that complies with this Code requirement, and as such, requires a rear yard exception under Planning Code Section 309. A 309 exception may be granted so

long as the "building location and configuration assure adequate light and air to windows within the residential units and to the usable open space provided." See Section 7, below, for 309 findings.

- C. **Residential Open Space (Section 135).** Planning Code Section 135 requires that private usable open space be provided at a ratio of 36 square feet per dwelling unit or that 48 square feet of common usable open be provided per dwelling unit.

The Project includes 304 units. The Project would provide at least 36 square feet of private open space for 50 of the dwelling units through private balconies or terraces. A total of 12,192 square feet of commonly accessible open space would be required for the remaining 254 units without balconies or terraces, which would be provided in the form of a 6,333 square-foot inner courtyard at grade and two roof decks amounting to 6,000 square feet. In all, 12,333 square feet of common open space would be provided, exceeding the common open space requirement.

Section 135(g)(2) allows the use of inner courts to be counted as usable open space, provided that the enclosed space is (1) at least 20 feet in every horizontal dimension, (2) at least 400 square feet in area, and (3) the height of the walls above the court on at least three sides is such that no point on any wall is higher than one foot for each foot that such point is horizontally distant from the opposite side of the court. The proposed inner court meets two of the three criteria; the dimensions of the inner court are approximately 65 feet wide by 100 feet long amounting to approximately 6,333 square feet. However, the height of the walls surrounding the inner court exceeds the permitted dimension. Therefore, a variance from Section 135 is required.

- D. **Public Open Space (Section 138).** New buildings in the C-3 Zoning District must provide public open space at a ratio of one square feet per 50 gross square feet of all uses, except residential uses, institutional uses, and uses in a predominantly retail/personal services building. This public open space must be located on the same site as the building or within 900 feet of it within a C-3 district.

Ground floor retail space in the C-3 Districts that is less than 5,000 square feet and less than 75 percent of the ground floor area is excluded from gross floor area and is therefore not required to provide the associated publically accessible open space. The Project includes approximately 4,578 square feet of ground floor retail space, which is exempt from the requirement.

- E. **Street Trees (Sections 138.1).** Section 138.1 requires the installation of street trees in the case of the construction of a new building. One 24-inch box tree is required for every 20 feet of property frontage along each street or alley, with any remaining fraction of ten feet or more of frontage requiring an additional tree. The species and locations of trees installed in the public right-of-way shall be subject to approval by the Department of Public Works (DPW). The requirements of Section 138.1 may be waived or modified by the Zoning Administrator, pursuant to Section 428, where DPW cannot grant approval due to practical difficulties.

The Project includes a total of approximately 370 feet of street frontage along Market Street (approximately 55 feet), Jones Street (approximately 152 feet) and Golden Gate Avenue (163 feet), resulting in a requirement of nineteen street trees. Thirteen (13) new street trees are proposed and five

exist, resulting in a total of 18 trees. Conditions of approval have to been added to require the Project to plant (13) street trees and pay an in-lieu fee for the remaining one (1) tree, thereby complying with Section 138.1 and 428.

Per Public Works Code, Article 16, Section 806, all street trees would be planted within the public right-of-way adjacent to the subject property, be of a species suitable for the site conditions; be a minimum of 24-inch box size; have a minimum 1 ¼ inch caliper, measured 6-inches above ground; be planted no higher than the adjacent sidewalk and provide a below-grade environment with nutrient-rich soils, free from overly-compacted soils and generally conducive to tree root development and be watered, maintained and replaced if necessary by the property owner in accordance with Article 16 of the Public Works Code and be in compliance with applicable water use requirements of Administrative Code Chapter 63.

- F. **Streetscape Improvements (Section 138.1).** Planning Code Section 138.1 requires that when a new building is constructed in the C-3 District, street trees and sidewalk paving must be provided. Under Section 138.1(c), the Commission may also require the Project Sponsor to install additional sidewalk improvements such as lighting, special paving, seating and landscaping in accordance with the guidelines of the Downtown Streetscape Plan if it finds that these improvements are necessary to meet the goals and objectives of the General Plan.

In addition to the street trees mentioned above, the Project proposes sidewalk widening along the Project's Golden Gate Avenue frontage, from 12-feet to 16-feet and a 6-foot bulb-out at the southeast corner of the Golden Gate Avenue and Jones Street intersection. These streetscape improvements have been vetted by the Street Design Action Team, an interagency body including the Planning Department, Municipal Transportation Authority and the Department of Public Works.

- G. **Exposure (Section 140).** Planning Code Section 140 requires all dwelling units in al use districts to face onto a public street at least 20 feet in width, side yard at least 25 feet in width or open area which is unobstructed and is no less than 25 feet in every horizontal dimension for the floor at which the dwelling unit is located and the floor immediately above it, with an increase of five feet in every horizontal dimension at each subsequent floor.

The Project complies with Section 140. All units facing public rights-of-way open onto streets greater than 20-feet wide. Units at the upper most levels of the building along Market Street and Golden Gate Avenue must expose onto an inner courtyard at least 75 feet in length. Since the north-south length of the courtyard is 100-feet wide, the Project's courtyard meets exposure requirements. Units along the Jones Street Frontage facing east meet exposure requirements, as the east-west width of the courtyard is 65 feet, and the units at the 11th and 12th floors are setback 10 feet from the edge closest to the inner court, for a total of 75 feet of open area at the upper most levels.

- H. **Active Frontages – Loading and Driveway Entry Width (Section 145.1(c)(2)).** Section 145.1(c)(2) limits the width of parking and loading entrances to no more than one-third the width of the street frontage of a structure, or 20 feet, whichever is less.

The Project includes 20-foot entry for parking along Jones Street and one off-street loading with immediately adjacent elevator access along Golden Gate Avenue. The Project complies with Section 145.1(c)(2).

- I. **Street Frontage in Commercial Districts: Active Uses (145.1(c)(3)).** Planning Code Section 145.1(c)(3) requires that within Downtown Commercial Districts, space for “active uses” shall be provided within the first 25 feet of building depth on the ground floor.

The ground floor space along Market Street, Jones Street and Golden Gate Avenue have active uses with direct access to the sidewalk within the first 25 feet of building depth and are thus compliant with this Code Section. The only non-active uses along public frontages are the parking access and off-street loading space, and mechanical spaces, and building ingress and egress which are specifically exempt from the active uses requirement. The building lobby is considered an active use because it does not exceed 40 feet per 145.1(b)(2)(C).

- J. **Street Frontage in Commercial Districts: Ground Floor Transparency (Section 145.1(c)(6)).** Planning Code Section 145.1(c)(6) requires that within Downtown Commercial Districts, frontages with active uses that are not residential or PDR must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building.

The Project complies with the Ground Floor Transparency requirements of the Planning Code. Approximately 66 percent of the Project’s Golden Gate Avenue non-residential façade is fenestrated with transparent windows and doorways, approximately 64 percent of the Jones Street non-residential façade contains transparent windows and doorways and approximately 83 percent of the Project’s Market Street frontage meets transparency requirements with fenestration of windows and doorways.

- K. **Shadows on Public Sidewalks (Section 146).** Planning Code Section 146(a) establishes design requirements for buildings on certain streets in order to maintain direct sunlight on public sidewalks in certain downtown areas during critical use periods. Section 146(c) requires that other buildings, not located on the specific streets identified in Section 146(a), shall be shaped to reduce substantial shadow impacts on public sidewalks, if it can be done without unduly creating an unattractive design and without unduly restricting development potential.

Section 146(a) does not apply to construction on the north side of Market Street, Jones Street or Golden Gate Avenue, and therefore does not apply to the Project. With respect to Section 146(c), the Project would replace an underutilized, vacant, 3-story commercial building and surface parking lot with a 12-story, 14-level residential over ground-floor retail structure. Although the Project would create new shadows on sidewalks and pedestrian areas adjacent to the site, the Project’s shadows would not increase the total amount of shading above levels that are commonly accepted in urban areas. The Project is proposed at a height that is consistent with the zoned height for the property and could not be further shaped to reduce substantial shadow effects on public sidewalks without creating an unattractive design and without unduly restricting development potential. Therefore, the Project complies with Section 146.

- L. **Shadows on Public Open Spaces (Section 147).** Planning Code Section 147 seeks to reduce substantial shadow impacts on public plazas and other publicly accessible open spaces other than those protected under Section 295. Consistent with the dictates of good design and without unduly restricting development potential, buildings taller than 50 feet should be shaped to reduce substantial shadow impacts on open spaces subject to Section 147. In determining whether a shadow is substantial, the following factors shall be taken into account: the area shaded, the shadow's duration, and the importance of sunlight to the area in question.

A shadow analysis determined that the Project would not cast shadow on the nearest public open spaces including United Nations Plaza located 500 feet southwest of the project site, which does not fall under the Recreation and Park Department (RPD) jurisdiction, or Boeddeker Park located approximately 800 feet north, which does fall under RPD jurisdiction.

Therefore, the Project complies with Section 147.

- M. **Ground Level Wind (Section 148).** Planning Code Section 148 requires that new construction in Downtown Commercial Districts will not cause ground-level wind currents to exceed pedestrian comfort levels. This standard requires that wind speeds not exceed 11 miles per hour in areas of substantial pedestrian use for more than 10 percent of the time year round, between 7:00 AM and 6:00 PM. The requirements of this Section apply either when preexisting ambient wind speeds at a site exceed the comfort level and are not being eliminated as a result of the project, or when the project may result in wind conditions exceeding the comfort criterion.

The existing conditions at the Project Site indicate that 12 of the 55 test points exceed the Planning Code's comfort criterion at grade level. With the Project, an additional 5 comfort exceedances are created at grade level for a total of 17. At above grade levels, 4 comfort exceedances would exist. According to the wind tunnel text reports, any trees at grade would help improve localized wind speeds around public areas and building entrances. To improve comfort at above grade levels, porous wind screens and furniture are recommended and will be provided. The Project includes eight new street trees along Golden Gate Avenue and five new street trees along Jones Street for a total of 15 new streets (there are two existing streets on Jones which will be removed and replaced). A Section 309 exception is being sought because the Project would not eliminate the existing locations meeting or exceeding the Planning Code's comfort criterion. Exceptions from the comfort criterion may be granted through the 309 process, but no exception may be granted where a project would cause wind speeds at the site to reach or exceed the hazard level of 26 mph for a single hour of the year. There are no hazardous wind speeds caused by the Project.

- N. **Parking (Sec. 151.1).** Planning Section 151.1 allows up to one car for each two dwelling units as-of-right, and up to three cars for each four dwelling units as a conditional use. For non-residential uses, the Code does not provide a total number of permitted spaces, but instead limits parking to an area equivalent to 7% of the total gross floor area of such uses.

The Project contains 304 dwelling units. Per Planning Section 151.1, 152 parking spaces are principally permitted ($304/2 = 152$) for residential uses. The Project proposes, as a total of 102 parked cars, which is less than the principally permitted amount and thus complies with this requirement. The Project does not propose any parking for the retail uses.

- O. **Off-Street Freight Loading (Sec. 152.1).** Planning Code Section 152.1 requires that projects in the C-3 District that include the addition of 200,001-500,000 sq. ft. of residential space must provide two off-street freight loading spaces within the project.

The Project includes 298,278 gross square feet of development (227,956 square feet that counts towards Floor Area Ratio), requiring two off-street loading spaces. One off-street loading space is provided, therefore a Section 309 exception is being sought.

- P. **Bicycle Parking (Section 155.2).** For buildings with more than 100 dwelling units, Planning Code Section 155.2 requires 100 Class 1 spaces plus one Class 1 space for every four dwelling units over 100, and one Class 2 space per 20 units. For the retail space, Section 155.2 requires a minimum of two spaces.

The Project complies with Section 155.2 because it provides 304 Class 1 parking spaces, exceeding the Planning Code requirement to provide 152 Class 1 spaces ($100 + 204/4 = 51$ (for residential uses) + 1 (for commercial use) = 152 spaces required) and 17 Class 2 spaces ($304 \text{ units}/20 = 15.2$ (for residential uses) + 2 (for commercial uses) = 17 spaces required) for the residential units. The project will provide 304 Class 1 bicycle parking spaces and 18 Class 2 spaces. All Class 1 spaces are located at the first level, accessible by elevator from the Jones Street entrance, and Class 2 spaces are located on each of the Projects street frontages; Market Street includes 10 Class 2 spaces, Jones Street provides 4 spaces and Golden Gate Avenue provides another 4 Class 2 bicycle parking spaces for a total of 18.

- Q. **Car Share (Section 166).** Planning Code Section 166 requires two car share parking spaces for residential projects with between 201 or more dwelling units plus an additional parking space for every 200 dwelling units over 200.

The Project complies with Section 166 because it provides two off-street car share parking space within the below-grade garage.

- R. **Density (Section 210.2).** Planning Code Sections 210.2 establishes no density limit in the C-3 Districts. Density is regulated by the permitted height and bulk, and required setbacks, exposure, and open space of each development lot.

The Project contains 304 dwelling units, which is allowed in the C-3-G District. The elimination of density controls in the C-3 Districts was recently approved through Ordinance No. 22-15 (Board File No. 141253); previously, density was principally permitted at a ratio of 1 unit per 125 sf of lot area and conditionally permitted above that amount.

- S. **Height (Section 260).** The property is located in a 120-X Height and Bulk District, thus permitting structures up to a height of 120 feet.

The Project would reach a height of approximately 120 feet to the roof of the building, with various features such as elevator/stair penthouses, mechanical structures, an enclosed recreation space, and parapets extending above the 120-foot height limit in accordance with the height exemptions allowed through Planning Code Section 260(b). The Project's Market Street façade reaches a height of 113-feet, 119-feet - 11-inches along Jones Street, and 120-feet on Golden Gate Avenue.

- T. **Shadows on Parks (Section 295).** Section 295 requires any project proposing a structure exceeding a height of 40 feet to undergo a shadow analysis in order to determine if the project would result in the net addition of shadow to properties under the jurisdiction of the Recreation and Park Department.

A shadow analysis was conducted and determined that the Project would not shade any properties under the jurisdiction of, or designated for acquisition by, the Recreation and Park Department.

- U. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements would apply to projects that consist of 10 or more units, where the first application (EE or BPA) was applied for on or after July 18, 2006. Pursuant to Planning Code Section 415.5 and 415.6, the current Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 12% of the proposed dwelling units as affordable. This requirement may be subject to change under the Charter amendment approved by voters at the June 7, 2016 election. Recently adopted Ordinance No. 76-16 (File No. 160255) will become effective after the election is certified and includes grandfathering provisions for projects that were submitted to the Planning Department prior to January 12, 2016.

Pursuant to Planning Code Amendment, "Waiving Inclusionary Housing Requirements, Exempting Certain Floor Area from the Calculation of Gross Floor Area and Transferable Development Rights Requirements, and Authorizing Land Dedication at No Cost – 1066 Market Street", Board File Number 160550, requirements set forth in Planning Code Section 415 to pay the Affordable Housing Fee or to provide on-site or off-site inclusionary housing units are waived. Instead, the Project Sponsor will dedicate the real property located at 101 Hyde Street, Assessor's Block No. 0346, Lot No. 003A ("Dedicated Property") to the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") at no cost, which has been entitled for 85 units

If the Planning Code Amendment is not approved or further pursued, the Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership

units and will remain as ownership units for the life of the project. The Project Sponsor submitted such Affidavit on December 12, 2014. The EE application was submitted on February 22, 2014. Pursuant to Planning Code Section 415.3 and 415.6, the current on-site requirement is 12%. 36 units (7 studios, 16 one-bedroom, and 13 two-bedroom) of the 304 units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable.

- V. **Public Art (Section 429).** In the case of construction of a new building or addition of floor area in excess of 25,000 sf to an existing building in a C-3 District, Section 429 requires a project to include works of art costing an amount equal to one percent of the construction cost of the building.

The Project would comply with this Section by dedicating one percent of the Project's construction cost to works of art. The public art concept and location will be subsequently presented to the Planning Commission at an informational presentation.

- W. **Signage (Section 607).** Currently, there is not a proposed sign program on file with the Planning Department. Any proposed signage will be subject to the review and approval of the Planning Department pursuant to the provisions of Article 6 of the Planning Code.

7. **Exceptions Request Pursuant to Planning Code Section 309.** The Planning Commission has considered the following exceptions to the Planning Code, makes the following findings and grants each exception to the entire Project (including that portion located within the Rincon Point South Beach Redevelopment Plan Area) as further described below:

- a. **Section 134: Rear Yard.** Section 134(a)(1) of the Planning Code requires a rear yard equal to 25 percent of the lot depth to be provided at the first level containing a dwelling unit, and at every subsequent level. Per Section 134(d), exceptions to the rear yard requirements may be granted provided that the building location and configuration assure adequate light and air to the residential units and the open space provided.

The Project does not meet the Code's rear yard requirement, and requests an exception in order to provide an inner court amounting to 6,333 square feet of open space on the ground floor. Section 134(d) allows for an exception to the rear yard requirement pursuant to the Section 309 Downtown Project Authorization process so long as the "building location and configuration assure adequate light and air to windows within the residential units and to the usable open space provided." The proposed inner court is adequate to allow significant glazing per the Building Code on all units facing the inner court. Further, the Project is located in the downtown area, where a pattern of rear yards does not exist. Providing a Code-compliant rear yard would disrupt the prevailing street wall on Jones Street and/or Golden Gate Avenue. Therefore, it is appropriate to grant an exception from the rear yard requirements of Planning Code Section 134 to allow for the provision of an inner court on the subject property. Rear yard exceptions are commonly granted

and appropriate in downtown locations given the lot configurations and urban design considerations informing the architecture of downtown buildings.

- b. **Section 148: Ground-Level Wind Currents.** In C-3 Districts, buildings and additions to existing buildings shall be shaped, or other wind-baffling measures shall be adopted, so that the developments will not cause ground-level wind currents to exceed more than 10 percent of the time year round, between 7:00 a.m. and 6:00 p.m., the comfort level of 11 miles per hour equivalent wind speed in areas of substantial pedestrian use and seven miles per hour equivalent wind speed in public seating areas.

When preexisting ambient wind speeds exceed the comfort level, or when a proposed building or addition may cause ambient wind speeds to exceed the comfort level, the building shall be designed to reduce the ambient wind speeds to meet the requirements. An exception may be granted, in accordance with the provisions of Section 309, allowing the building or addition to add to the amount of time that the comfort level is exceeded by the least practical amount if (1) it can be shown that a building or addition cannot be shaped and other wind-baffling measures cannot be adopted to meet the foregoing requirements without creating an unattractive and ungainly building form and without unduly restricting the development potential of the building site in question, and (2) it is concluded that, because of the limited amount by which the comfort level is exceeded, the limited location in which the comfort level is exceeded, or the limited time during which the comfort level is exceeded, the addition is insubstantial.

Section 309(a)(2) permits exceptions from the Section 148 ground-level wind current requirements. No exception shall be granted and no building or addition shall be permitted that causes equivalent wind speeds to reach or exceed the hazard level of 26 miles per hour (mph) for a single hour of the year.

Independent consultants analyzed ground-level wind currents in the vicinity of the Project Site. A wind tunnel analysis, the results of which are included in a technical memorandum prepared by RWDI Consulting Engineers & Scientists, was conducted using a scale model of the Project Site and its immediate vicinity.

Comfort Criterion

Based on existing conditions, 12 of the 55 sidewalk locations tested currently exceed the pedestrian comfort level of 11 mph at grade level, with wind speeds ranging from 12 to 15 mph, however average wind speeds generally remain below 11 mph. No above grade exceedances exist under current conditions.

With the Project, there are five additional comfort exceedances at grade, ranging from 12 to 16 mph, increasing the average wind speeds to approximately 11mph. Additionally, four exceedances above grade would be created with an average wind speed of 12mph. The range of wind speeds with the Project would be similar to existing conditions, with wind speeds in sidewalk pedestrian areas ranging from 5 mph to 16 mph. With implementation of the Project, there would be localized changes throughout the Project vicinity; average wind speeds at grade and above grade increase by

2-3 mph. The increase in wind speeds is largely a result of the exposure to the prevailing winds from the west-southwest, west, west-northwest and northwest, which are being intercepted by the building, causing down-washing off the building façade and channeling between buildings along Jones Street. The majority of winds that exceed the 11mp threshold are concentrated along the sidewalks of Market Street and the east side of Jones Street.

Because the number of exceedances increases with the Project at grade, an exception is required under Planning Code Section 309. The Project implements recommendations stated in the wind study which would help reduce localized wind speeds, such as the addition of five new street trees along Jones Street (for a total of 7) and eight new street trees along Golden Gate Avenue. At above-grade terraces, reduced wind speeds can be achieved by implementing a porous parapet, porous furniture and soft landscaping. The Project could not be designed in a manner that would affect wind conditions substantially enough to eliminate all 11 of the existing comfort exceedances, without unduly restricting the site's development potential.

Hazard Criterion

The Wind Study indicated that all test points currently meet the wind hazard criterion, and that the Project would not cause wind speeds to reach or exceed the hazard level. Therefore, the Project would comply with the hazard criterion of Section 148.

- c. **Off-Street Freight Loading (Section 161(f)).** Section 152.1 requires that projects in the C-3 District that include the addition of 200,001-500,000 sq. ft. of residential space provide two off-street freight loading spaces within the project. However, Section 161(f) recognizes that site constraints in C-3 Districts may make provision of required freight loading and service vehicle spaces impractical or undesirable, and permits a reduction of the provision of freight loading and service vehicle spaces in accordance with Section 309 provisions, provided that provision of freight loading and service vehicle spaces cannot be accomplished due to site constraints, would result in the use of an unreasonable percentage of ground-floor area precluding more desirable uses for retail, pedestrian circulation or open space, and/or or delivery functions can be provided at the adjacent curb without adverse effect on pedestrian circulation, transit operations or general traffic circulation, off-street space permanently reserved for service vehicles is provided either on-site or in the immediate vicinity of the building.

Site conditions do not allow loading and service vehicle spaces underground because site constraints make sufficient vertical clearance impractical. Additionally, providing loading and service vehicle spaces at-grade would preclude valuable ground floor square footage from being used for more desirable uses, including retail and pedestrian circulation. The proposed freight loading space on Golden Gate Avenue takes up approximately 16-feet of street frontage; and additional space would increase street frontage occupied by freight loading to 32-feet, which is undesirable and counter to both urban and street design principles. Finally, delivery functions can be provided at the adjacent curb along Golden Gate Avenue east of the project site. The transportation analysis conducted as part of environmental review concluded that the Project only generated demand for one off-street loading space. Additionally, the Project Sponsor is pursuing a

“color curb” application with the Metropolitan Transportation Authority (MTA) to ensure that the adjacent loading space can be permanently reserved for service vehicles.

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

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.8

Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

The Project supports this Policy. The proposed Project would construct a significant amount of new housing units within an existing urban environment that is in need of more access to housing. The Project proposes to demolish an underutilized three-story commercial garage and surface parking lot and construct a mixed-use residential building above ground floor retail that contains 268 market rate units, 36 on-site affordable units compliant with Section 415 of the Planning Code, and approximately 4,578 gsf of retail use. The Property is an ideal site for new housing due to its central, downtown location, and proximity to public transportation. The current development of this location, with a surface parking lot and underutilized commercial building, represents an under-utilized site within the downtown core. By developing and maintaining space dedicated to retail use within the building, the Project will continue the pattern of active ground floor retail along the Market Street, Jones Street and Golden Gate Avenue frontages.

Policy 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Project supports this Policy. It is anticipated that because of the central downtown location of the Project, most residents would either walk, bike, or use public transportation for daily travel. The Project is two blocks from Market Street, a major rail and bus-transit corridor that provides convenient access from the Property to neighborhoods throughout the City, the East Bay, and the Peninsula. It is also 1.5 blocks from the Civic Center BART and MUNI stations, and is within one block of at least 6 MUNI bus lines. The Project provides 304 Class 1 bicycle parking spaces with a convenient and separate entrance designated for bicyclists, encouraging the use of bikes as a mode of transportation.

OBJECTIVE 5:

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Policy 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

The Project supports this Policy. The Project would create 304 dwelling units, of which 61 (20%) are studios, 132 (43%) are one-bedroom units and 111 (37%) are two-bedroom units. The Project provides a range of unit types to serve a variety of needs, and will provide 12 percent on-site affordable units comprising of the similar dwelling unit mix, namely 22% studios, 43% one-bedrooms and 35% two-bedroom units.

OBJECTIVE 7:

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

In compliance with this policy, the Project would provide permanently affordable on-site housing by allocating 12% of units as affordable, in accordance with the City's Affordable Inclusionary Housing Ordinance, thereby enhancing the City's affordable housing.

OBJECTIVE 11:

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

Policy 11.1

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

Policy 11.2

Ensure implementation of accepted design standards in project approvals

Policy 11.3

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

Policy 11.4

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

Policy 11.6

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

Policy 11.7

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

The Project supports these Policies. The Project would create 304 dwelling units in the immediate vicinity of existing residential and office buildings, and complies with the existing zoning in terms of land use, height, and density. The Project's design respects the architectural design of adjacent historic resources, with a traditional tripartite façade containing defined base, shaft and top, while remaining modern in expression. This new development will greatly enhance the character of the existing neighborhood and is an ideal site for new housing due to its central, downtown location, and proximity to public transportation. The current development of this location, with a surface parking lot and underutilized commercial building, represents an under-utilized site within the downtown core. By developing and maintaining space dedicated to retail use within the building, the Project will continue the pattern of active ground floor retail along the Market Street, Jones Street and Golden Gate Avenue frontages.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 3:

MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

Policy 3.1

Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3.2

Avoid extreme contrasts in color, shape and other characteristics which will cause new buildings to stand out in excess of their public importance.

Policy 3.6

Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

The Project employs design to relate to existing development in the neighborhood, which is characterized by mid- to high-rise, mixed-use buildings that help compose a district of Renaissance Revival-style buildings. Renaissance Revival-style buildings are typically expressed by tripartite design, vertical expression, punched windows, decorative brickwork and modillion cornices. The proposed project would replace an underutilized 3-story commercial building and surface parking lot that respects its context by providing a high-rise, mixed-used building of tripartite design, separated with horizontal reveals and punched openings. The proposed structure complies with land use and development controls of the Planning Code and the surrounding development.

COMMERCE AND INDUSTRY ELEMENT

Objectives and Policies

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development that has substantial undesirable consequences that cannot be mitigated.

Policy 1.2

Assure that all commercial and industrial uses meet minimum, reasonable performance standards.

Policy 1.3

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The Project would add approximately 4,578 square feet of new commercial space – divided between two tenant spaces – that is intended to serve residents in the building and surrounding neighborhood. Retail is encouraged and principally permitted on the ground floor of buildings in the Downtown General District, and is thus consistent with activities in the commercial land use plan.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 1:

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT, AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

Policy 1.2:

Ensure the safety and comfort of pedestrians throughout the city.

A primary objective of the proposed Project is to create a pedestrian-oriented environment at the Project Site that encourages walking as a principal means of transportation. Proposed improvements to the sidewalks would improve pedestrian safety, including the widening of the sidewalk along the Project's Golden Gate Avenue frontage and a 6-foot bulb-out at the Golden Gate Avenue and Jones Street intersection, intended to reduce vehicular speed and provide greater refuge for pedestrians. The Project would also plant a consistent row of street trees along Jones Street and Golden Gate Avenue, along with bicycle racks enhance the pedestrian experience and provide convenience to bicyclists.

Policy 1.3:

Give priority to public transit and other alternatives to the private automobile as the means of meeting San Francisco's transportation needs particularly those of commuters.

Policy 1.6:

Ensure choices among modes of travel and accommodate each mode when and where it is most appropriate.

The Project would promote Objective 1 and its associated policies by providing for an amount of parking which is sufficient to meet the needs of the future residents so as to not overburden the surrounding neighborhood parking. However, the parking that is being provided is not expected to generate substantial traffic that would adversely impact pedestrian, transit, or bicycle movement. Given the proximity of the Project site to the employment opportunities and retail services of the Downtown Core, it is expected that residents will opt to prioritize walking, bicycle travel, or transit use over private automobile travel. The Project would provide a merely sufficient rather than excessive amount of parking in order to accommodate the parking needs of the future residents of the Project and the neighborhood, while still supporting and encouraging walking, bicycle travel and public transit use.

OBJECTIVE 2:

USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

Policy 2.1:

Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development, and coordinate new facilities with public and private development.

The Project would promote Objective 2 and its associated policies by constructing a residential building with ground floor retail in the Downtown Core, which is the most transit rich area of the City. The Project would provide only 0.5 parking spaces per dwelling and will not provide any parking for the proposed retail uses. All of these parking spaces would be located underground, and thus be less intrusive from an urban design standpoint.

OBJECTIVE 11:

ESTABLISH PUBLIC TRANSIT AS THE PRIMARY MODE OF TRANSPORTATION IN SAN FRANCISCO AND AS A MEANS THROUGH WHICH TO GUIDE FUTURE DEVELOPMENT AND IMPROVE REGIONAL MOBILITY AND AIR QUALITY.

Policy 11.3:

Encourage development that efficiently coordinates land use with transit service, requiring that developers address transit concerns as well as mitigate traffic problems.

The Project is located within a neighborhood rich with public transportation and the people occupying the building are expected to rely heavily on public transit, bicycling, or walking for the majority of their daily trips. The project includes bicycle parking for 322 bicycles (304 Class 1, 18 Class 2). Within a few blocks of the Project Site, there is an abundance of local and regional transit lines, including MUNI bus lines, MUNI Metro rail lines and BART. Additionally such transit lines also provide access to AC Transit (Transbay Terminal) and Cal Train.

DOWNTOWN AREA PLAN

Objectives and Policies

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which produces substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences which cannot be mitigated.

The Project would bring additional housing into a neighborhood that is well served by public transit on the edge of Downtown. The Project would not displace any housing because the existing structure at 1066 Market Street is a vacant 2-story commercial space and surface parking lot. The Project would improve the existing character of the neighborhood by removing the surface parking lot and vacant structure. The proposed retail space, which includes ground floor retail space, is consistent and compatible with the existing retail uses in the neighborhood and is also consistent with the pedestrian-friendly uses in the immediate neighborhood and the downtown core.

The Project therefore creates substantial net benefits for the City with minimal undesirable consequences.

OBJECTIVE 7:

EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

Policy 7.1.1

Promote the inclusion of housing in downtown commercial developments.

Policy 7.2

Facilitate conversion of underused industrial and commercial areas to residential use.

The Project would demolish an underutilized commercial space and surface parking lot, constructing a 120-foot tall, 12-story-over-basement (14 levels), 304-unit residential building over ground floor retail, within easy commuting distance of downtown jobs.

The Project includes approximately 4,578 square feet of ground floor commercial space, with tenant spaces on Market Street and the corner of Jones Street and Golden Gate Avenue; these spaces would provide services to the immediate neighborhood, and would create pedestrian-oriented, active uses on each of the three frontages.

OBJECTIVE 16:

CREATE AND MAINTAIN ATTRACTIVE, INTERESTING URBAN STREETSCAPES.

Policy 16.4

Use designs and materials and include amenities at the ground floor to create pedestrian interest.

The Project would promote Objective 16 by including a ground floor retail use which would promote pedestrian traffic in the vicinity. The Project would provide floor-to-ceiling, transparent windows in retail spaces, inviting pedestrians, and landscape the sidewalk area surrounding the Project Site with street trees and bike racks. This space would increase the usefulness of the vicinity surrounding the Project Site to pedestrians and serve to calm the speed of traffic on the street.

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the Project complies with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The Project would not displace existing neighborhood-serving retail uses because no retail uses currently exist at the Project Site. In addition to 304 residential units, the Project would include approximately 4,578 square feet of retail space in two separate commercial spaces. The Project would have a positive effect on existing neighborhood-serving retail uses because it would bring additional residents to the neighborhood, thus increasing the customer base of existing neighborhood-serving retail. Moreover, the Project would not displace any existing neighborhood-serving retail uses. Instead, the Project would enhance neighborhood-serving retail by adding new retail space, which could strengthen nearby neighborhood retail uses by attracting pedestrians and passersby and broadening the consumer base and demand for existing neighborhood-serving retail services. The addition of this new space would also complement the pedestrian-friendly Downtown core and would continue the pattern of active ground floor retail along the Market Street, Jones Street and Golden Gate Avenue frontages.

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

The Project would not negatively affect the existing housing and neighborhood character. The Project would not displace any housing because the existing structure at 1066 Market Street is an underutilized, vacant commercial building and surface parking lot. The Project would improve the existing character of the neighborhood by removing the vacant structure and surface parking lot. The proposed retail space is consistent and compatible with the existing retail uses in the neighborhood and is also consistent with the pedestrian-friendly uses in the immediate neighborhood and the downtown core.

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

There is currently no housing on the site; therefore, no affordable housing will be lost as part of this Project. The Project would enhance the City's supply of affordable housing by dedicating the real

property located at 101 Hyde Street, Assessor's Block No. 0346, Lot No. 003A to the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") at no cost or by providing 36 on-site affordable dwelling units, in compliance with the affordable housing requirements of Planning Code Section 415 if the proposed ordinance to allow land dedication of 101 Hyde Street does not pass or is not further pursued.

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

The Project would not impede MUNI transit service or overburden local streets or parking. The Project is at a location well-served by transit as it is located in a major transit corridor and would promote rather than impede the use of MUNI transit service. Future residents and employees of the Project could access both the existing MUNI rail and bus services and the BART system. The Project also provides a sufficient amount of off-street parking for future residents so that neighborhood parking will not be overburdened by the addition of new residents.

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

The Project would not negatively affect the industrial and service sectors because it is largely residential in nature and would not displace any existing industrial uses. The Project would also be consistent with the character of existing development in the neighborhood, which is characterized by commercial office buildings and residential high-rise buildings.

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

The Project will be consistent with the City's goal to achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake. The building will be constructed in compliance with all current building codes to ensure a high level of seismic safety.

- G. That landmarks and historic buildings be preserved.

The Planning Department has determined that the 1066 Market Street a two-story, vacant commercial space and surface parking lot, is not individually eligible for listing on the California Register, but is located in an historic district. Accordingly, the building has been designed to respect the character defining features of the district. As such, the Project would not have an indirect impact on historic resources by negatively altering the existing visual setting of these resources.

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

The Project would not cast any new shadows on parks under the jurisdiction of the San Francisco Parks and Recreation Department.

10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

11. The Commission hereby finds that approval of the Downtown Project Authorization and Request for Exceptions would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Downtown Project Authorization Application No. 2013.1753XCV** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated February 23, 2016 and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission has reviewed and considered the Mitigated Negative Declaration (MND) and the record as a whole and finds that there is no substantial evidence that the Project would have a significant effect on the environment with the adoption of the mitigation measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and hereby adopts the MND and the MMRP attached hereto as Exhibit C.

The Planning Commission hereby adopts the MND and the MMRP, attached to the CEQA Findings Motion No. 19593. All required improvement and mitigation measures identified in the MND and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 309 Determination of Compliance and Request for Exceptions to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals in person at 1650 Mission Street, Room 304, San Francisco, CA 94103, or call (415) 575-6880.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on June 16,, 2016.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: June 16,, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a **Downtown Project Authorization and Request for Exceptions** relating to a Project that would demolish an existing three-story, vacant commercial structure and surface parking lot and construct a new, 12-story-over-basement, 14-level approximately 120-foot tall, 298,278 gross square foot building (of which 227,956 counts towards Floor Area Ratio (FAR)) containing approximately 4,578 gross square feet of ground floor commercial space, and 304 dwelling-units located at 1066 Market Street, Assessor's Block 0350, Lot 003, pursuant to **Planning Code Sections 309, 134, 148 and 152.1** within the C-3-G Zoning District and a 120-X Height and Bulk District; in general conformance with plans, dated February 23, 2016, and stamped "EXHIBIT B" included in the docket for Case No. **2013.1753XCV** and subject to conditions of approval reviewed and approved by the Commission on **March 17, 2016** under Motion No. 19593. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on **March 17, 2016** under Motion No. 19593.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19593 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Downtown Project Authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

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

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

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

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

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

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

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

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

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

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

6. **Additional Project Authorization.** The Project Sponsor obtained a Variance from Section 135(g)(2) on March 31, 2016, since the project does not provide the one-to-one ratio of depth to

building height required by Section 135(g)(2) of the Planning Code. The Project Sponsor also obtained a Conditional Use Authorization under Motion 19594 on March 17, 2016 pursuant to Planning Code Sections 124(f) and 303, to exempt on-site inclusionary units from Floor Area Ratio calculations per Planning Code Section 124(f), which is required if the Planning Code Amendment entitled, "Waiving Inclusionary Housing Requirements, Exempting Certain Floor Area from the Calculation of Gross Floor Area and Transferable Development Rights Requirements, and Authorizing Land Dedication at No Cost – 1066 Market Street", Board File Number 160550, is not approved for further pursued. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

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

7. **Transferable Development Rights.** Pursuant to Section 128, the Project Sponsor shall purchase the required number of units of Transferrable Development Rights (TDR) and secure a Notice of Use of TDR prior to the issuance of an architectural addendum for all development which exceeds the base FAR of 6.0 to 1, up to a maximum FAR of 9.0 to 1 except for the portions exempt under the Planning Code Amendment entitled, "Waiving Inclusionary Housing Requirements, Exempting Certain Floor Area from the Calculation of Gross Floor Area and Transferable Development Rights Requirements, and Authorizing Land Dedication at No Cost – 1066 Market Street", Board File Number 160550" or Section 124(f) if the subject Planning Code Amendment is not approved. The net addition of gross floor area subject to the fee shall be determined based on drawings submitted with the Building Permit Application.

For information about compliance, contact the Planning Department at 415-558-6378, www.sf-planning.org

8. **Improvement and Mitigation Measures.** Improvement and Mitigation measures described in the MMRP attached as **Exhibit C** to the CEQA Findings Motion associated with the Subject Project are necessary to avoid potential significant impacts of the Project and have been agreed to by the Project Sponsor. Their implementation is a condition of Project approval.

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

DESIGN – COMPLIANCE AT PLAN STAGE

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

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

10. **Street Trees.** Pursuant to Planning Code Section 138.1 and 806 of the Public Works Department, the Project Sponsor shall submit a site plan to the Planning Department prior to Planning approval of the Site Permit application indicating that street trees, at a ratio of one street tree of an approved species for every 20 feet of street frontage along public or private streets bounding the Project, with any remaining fraction of 10 feet or more of frontage requiring an extra tree, shall be provided. The street trees shall be evenly spaced along the street frontage except where proposed driveways or other street obstructions do not permit. The exact location, size and species of tree shall be as approved by the Department of Public Works (DPW). In any case in which DPW cannot grant approval for installation of a tree in the public right-of-way, on the basis of inadequate sidewalk width, interference with utilities or other reasons regarding the public welfare, and where installation of such tree on the lot itself is also impractical, the requirements of this Section 806 of the Public Works Code may be modified or waived by the Director of the Public Works Department. The Project currently shows the installation of ten of the fifteen required street trees, with an in-lieu fee requirement applicable for five street trees. The Project shall install the thirteen (13) street trees and pay the in-lieu fee for the one (1) tree as set forth in Condition Number 23 below, unless the installation of the 13 trees proves infeasible, in which case the Project shall pay an in-lieu fee for any of the 13 trees not so installed.

Also, all street trees must meet the standards per Article 16 of the Public Works Code, Section 806.

For information about compliance, contact the Department of Urban Forestry at 415-554-6700, www.sf-planning.org

11. **Streetscape Elements.** Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with other City agencies, to refine the design and programming of the required Streetscape features so that it generally meets the standards of the Better Streets and Downtown Plans, as well as all applicable City standards. This includes, but is not limited to the widening of the sidewalk to 16-feet along the Project's Golden Gate Avenue frontage, and a the provision of a 6-foot bulb out at the southeast corner of the Jones Street and Golden Gate Avenue intersection. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of the architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy.

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

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

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

13. **Rooftop Mechanical Equipment.** Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the architectural addendum to the Site Permit application. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

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

14. **Lighting Plan.** The Project Sponsor shall submit an exterior lighting plan to the Planning Department prior to Planning Department approval of the architectural addendum to the site permit application.

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

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

- a. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
- b. On-site, in a driveway, underground;
- c. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- d. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
- e. Public right-of-way, underground; and based on Better Streets Plan guidelines;
- f. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- g. On-site, in a ground floor façade (the least desirable location).
- h. Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

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

16. **Overhead Wiring.** The Property owner will allow MUNI to install eyebolts in the building adjacent to its electric streetcar line to support its overhead wire system if requested by MUNI or MTA.

For information about compliance, contact San Francisco Municipal Railway (Muni), San Francisco Municipal Transit Agency (SFMTA), at 415-701-4500, www.sfmta.org

PARKING AND TRAFFIC

17. **Parking Maximum.** Pursuant to Planning Code Section 151.1, the Project shall provide no more than one parking space per two dwelling units as of right. With 304 dwelling units proposed, there is a maximum of 102 off-street parking spaces allowed as-of-right. With 102 off-street parking spaces total included, the Project Sponsor must design and designate 4 off-street parking spaces for persons with disabilities.

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

18. **Off-street Loading.** Pursuant to Planning Code Section 152.1, the Project shall provide one off-street loading space and attain one dedicated on-street loading space with the Metropolitan Transportation Authority.

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

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

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

20. **Bicycle Parking (Mixed-Use: New Commercial/Major Renovation and Residential).** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 152 Class 1 bicycle parking spaces (151 for the residential portion of the Project and 1 for the retail portion) and 17 Class 2 spaces - fifteen for residential and 7 for commercial).

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

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

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

PROVISIONS

22. **Street Tree In-Lieu Fee.** Pursuant to Planning Code Section 806 of the Public Works Code, the Project Sponsor shall pay an in-lieu fee for one (1) street trees that is required under Planning Code Section 138.1, but that according to the Department of Public Works, cannot be planted. The in-lieu fee shall be paid prior to the issuance of the first construction document. An in-lieu fee must also be paid for any of the 13 street trees that cannot be planted according to the Department of Public Works.

For information about compliance, contact the Department of Urban Forestry, Department of Public Works at 415-554-6700, www.sf-planning.org

23. **Transit Sustainability Fee.** Pursuant to Planning Code Section 411, the Project Sponsor shall pay the Transit Sustainability Fee (TSF) for the new residential and retail space based on drawings submitted with the Building Permit Application. The fee shall be paid prior to the issuance of the first construction document.

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

24. **Art - Residential Projects.** Pursuant to Planning Code Section 429, the Project Sponsor must provide on-site artwork, pay into the Public Artworks Fund, or fulfill the requirement with any combination of on-site artwork or fee payment as long as it equals one percent of the hard construction costs for the Project as determined by the Director of the Department of Building Inspection. The Project Sponsor shall provide to the Director necessary information to make the determination of construction cost hereunder. Payment into the Public Artworks Fund is due prior to issuance of the first construction document. If the Project Sponsor elects to provide the artwork on-site, the Conditions set forth in Conditions Numbers 28-30 below shall govern.

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

25. **Art Plaques.** Pursuant to Planning Code Section 429(b), the Project Sponsor shall provide a plaque or cornerstone identifying the architect, the artwork creator and the Project completion date in a publicly conspicuous location on the Project Site. The design and content of the plaque shall be approved by Department staff prior to its installation.

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

26. **Art – Concept Development.** Pursuant to Planning Code Section 429, the Project Sponsor and the Project artist shall consult with the Planning Department during design development regarding the height, size, and final type of the art. The final art concept shall be submitted for review for consistency with this Motion by, and shall be satisfactory to, the Director of the Planning Department in consultation with the Commission. The Project Sponsor and the Director shall report to the Commission on the progress of the development and design of the art concept prior to the approval of the first building or site permit application.

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

27. **Art - Installation.** Pursuant to Planning Code Section 429, prior to issuance of any certificate of occupancy, the Project Sponsor shall install the public art generally as described in this Motion and make it available to the public. If the Zoning Administrator concludes that it is not feasible to install the work(s) of art within the time herein specified and the Project Sponsor provides adequate assurances that such works will be installed in a timely manner, the Zoning Administrator may extend the time for installation for a period of not more than twelve (12)

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

Affordable Units

28. Pursuant to Planning Code Amendment, "Waiving Inclusionary Housing Requirements, Exempting Certain Floor Area from the Calculation of Gross Floor Area and Transferable Development Rights Requirements, and Authorizing Land Dedication at No Cost – 1066 Market Street", Board File Number 160550, requirements set forth in Planning Code Section 415 to pay the Affordable Housing Fee or to provide on-site or off-site inclusionary housing units are waived.

Instead, the Project Sponsor will dedicate the real property located at 101 Hyde Street, Assessor's Block No. 0346, Lot No. 003A ("Dedicated Property") to the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") at no cost.

29. The fee title to the land dedication site must be transferred to the City prior to the issuance of the first construction document for the Project, at which time the Project will have fully complied with requirements contained within the Planning Code Amendment entitled, "Waiving the Inclusionary Affordable Housing Requirements, Exempting Certain Floor Area from the Calculation of Gross Floor Area and Transferable Development Rights Requirements, and Authorizing Land Dedication at No Cost – 1066 Market." In the event, for whatever reason, fee title to the land dedication site is not transferred to the City by issuance of the first construction document for the Project, the Project Sponsor will be subject to the requirements of Planning Code Section 415.

If the Planning Code Amendment is not approved or pursued, conditions 30-35 would apply.

30. **Number of Required Units.** Pursuant to Planning Code Section 415.6, the Project is currently required to provide 12% of the proposed dwelling units as affordable to qualifying households, but is subject to change under a proposed Charter amendment approved by voters at the June 7, 2016 election. Recently adopted Ordinance No. 76-16 (File No. 160255) will become effective after the election is certified and includes grandfathering provisions for projects that were submitted to the Planning Department prior to January 12, 2016. The Project contains 304 units; therefore, 36 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the 36 affordable units on-site. If the Project is subject to a different requirement when Ordinance No. 76-16 (File No. 160255), goes into effect, the Project will comply with the applicable requirements at the time of compliance. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development("MOHCD").

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

31. Unit Mix. The Project contains 61 studios, 132 one-bedroom, and 111 two-bedroom units; therefore, the required affordable unit mix is 7 studios, 16 one-bedroom, and 13 two-bedroom units, or the unit mix that may be required if the inclusionary housing requirements change as discussed above. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

32. Unit Location. The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

33. Phasing. If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than twelve percent (12%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

34. Duration. Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

35. Other Conditions. The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or MOHCD websites, including on the internet at:

<http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>. As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

- a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection (“DBI”). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- b. If the units in the building are offered for sale, the affordable unit(s) shall be sold to first time home buyer households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average of ninety (90) percent of Area Median Income under the income table called “Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco ” but these income levels are subject to change when Proposition C, approved on June 7, 2016, and the pending “trailing legislation” go into effect. If the Project is subject to a different income level requirement when Proposition C, approved on June 7, 2016, and the pending “trailing legislation” go into effect, the Project will comply with the applicable requirements. The initial sales price of such units shall be calculated according to the Procedures Manual. Limitations on (i) reselling; (ii) renting; (iii) recouping capital improvements; (iv) refinancing; and (v) procedures for inheritance apply and are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.
- d. Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.

- f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the Project.
- g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.

OPERATION

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

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

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

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

MONITORING

38. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the

specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

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

39. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

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

MITIGATION MONITORING AND REPORTING PROGRAM for the 1066 MARKET STREET MITIGATED NEGATIVE DECLARATION

<i>Adopted Mitigation Measures</i>	<i>Responsibility for Implementation</i>	<i>Mitigation Schedule</i>	<i>Monitoring/Reporting Responsibility</i>	<i>Monitoring Actions/Schedule and Verification of Compliance</i>
MITIGATION MEASURES AGREED TO BY PROJECT SPONSOR				
CULTURAL RESOURCES				
<p>Mitigation Measure M-CR-1: Vibration Monitoring and Management Plan</p> <p>The project sponsor shall retain the services of a qualified structural engineer and preservation architect that meet the Secretary of the Interior's Historic Preservation Professional Qualification Standards to conduct a Pre-Construction Assessment of the Golden Gate Building (1028 Market Street) and former Praeger's Department Store (1072 Market Street). Prior to any ground-disturbing activity, the Pre-Construction Assessment should be prepared to establish a baseline, and shall contain written and/or photographic descriptions of the existing condition of the visible exteriors of the adjacent buildings and in interior locations upon permission of the owners of the adjacent properties. The Pre-Condition Assessment should 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 will be submitted to the Planning Department along with the Demolition and/or Site Permit Applications.</p> <p>The structural engineer and/or preservation architect shall develop, and the project sponsor shall adopt, a vibration management and continuous monitoring plan to protect the Golden Gate Building (1028 Market Street) and former Praeger's Department Store (1072 Market Street) 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/second, or a level determined by the site-specific assessment made by the structural engineer and/or preservation architect for the project. The vibration management and monitoring plan should document the criteria used in establishing the maximum vibration level for the project. The vibration management and monitoring plan shall include pre-construction surveys and continuous vibration monitoring throughout the duration of the major structural project</p>	Project sponsor and contractor	Before and during project construction.	Project sponsor; Environmental Review Officer.	Review Demolition and/or Site Permit Applications. Considered complete when construction is completed.

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>activities to ensure that vibration levels do not exceed the established standard. The vibration management and monitoring plan shall be submitted to Planning Department Preservation Staff prior to issuance of any construction permits.</p> <p>Should vibration levels be observed in excess of the standard, or if damage to either the Golden Gate Building (1028 Market Street) and/or former Praeger's Department Store (1072 Market Street) is observed, construction shall be halted and alternative techniques put in practice, to the extent feasible. The structural engineer and/or historic preservation consultant should 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 preconstruction conditions as shown in the Pre-Construction Assessment with the consent of the building owner. Any remedial repairs shall not require building upgrades to comply with current San Francisco Building Code standards.</p>				
<p>Improvement Measure I-CR-1: Construction Best Practices for Historical Architectural Resources</p> <p>The project sponsor will incorporate into construction specifications for the proposed project a requirement that the construction contractor(s) use all feasible means to avoid damage to the Golden Gate Building (1028 Market Street) and former Praeger's Department Store (1072 Market Street), including, but not limited to, staging of equipment and materials as far as possible from historic buildings to limit damage; using techniques in demolition, excavation, shoring, and construction that create the minimum feasible vibration; maintaining a buffer zone when possible between heavy equipment and historic 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 will be submitted to the Planning Department along with the Demolition and Site Permit Applications.</p>	Project sponsor and contractor	Prior to the issuance of any site activity or building permits.	Environmental Review Officer	Review construction specifications. Considered complete after construction is completed.
<p>Mitigation Measure M-CR-4: Archaeological Testing Program</p> <p>Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of an archaeological consultant from the rotational Planning</p>	Project sponsor	Testing Plan: Completed prior to issuance of any permit authorizing soils disturbance	Environmental Review Officer	Review ATP and any subsequent reports. Considered complete upon completion and approval of reports.

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>Department Qualified Archaeological Consultants List (QACL) maintained by the Planning Department archaeologist. The project sponsor shall contact the Planning Department archaeologist to obtain the names and contact information for the next three archaeological consultants on the QACL. The archaeological consultant shall undertake an archaeological testing program as specified herein. In addition, the consultant shall be available to conduct an archaeological monitoring and/or data recovery program if required pursuant to this measure. The archaeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment and shall be considered draft reports subject to revision until final approval by the ERO. Archaeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means by which to reduce to a less-than-significant level the potential effects on a significant archeological resource, as defined in State CEQA Guidelines Section 15064.5 (a)(c).</p> <p>Consultation with Descendant Communities. On discovery of an archeological site associated with descendant Native Americans, the Overseas Chinese, or other descendant group, an appropriate representative of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and consult with the ERO regarding appropriate archeological treatment of the site, recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archaeological Resources Report (FARR) shall be provided to the representative of the descendant group.</p> <p>Archeological Testing Program. The archeological consultant shall prepare and submit to the ERO for review and approval an Archeological Testing Plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and identify and evaluate whether any archeological resource encountered on the site constitutes a historical resource under</p>		<p>Testing program: Completed prior to commencement of any soils disturbing construction activity</p> <p>Testing Report: Completed prior to commencement of any soils disturbing activity</p>		

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>CEQA.</p> <p>At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If, based on the archeological testing program, the archeological consultant finds that significant archeological resources may be present, the ERO, in consultation with the archeological consultant, shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist. If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor, either:</p> <p>A) The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or</p> <p>B) A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive rather than research significance and that interpretive use of the resource is feasible.</p> <p>Archeological Monitoring Program. If the ERO, in consultation with the archeological consultant, determines that an archeological monitoring program shall be implemented, the archeological monitoring program shall include, at a minimum, the following provisions:</p> <ul style="list-style-type: none"> • The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the Archeological Monitoring Program (AMP) reasonably prior to any project-related soil-disturbing activities commencing. The ERO, in consultation with the archeological consultant, shall determine what project activities shall be archeologically monitored. In most cases, any soil-disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, drilling of piers (foundation work, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archaeological resources and their depositional context; • The archeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), know how to identify the evidence of the expected 				

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>resource(s), and know the appropriate protocol in the event of apparent discovery of an archeological resource;</p> <ul style="list-style-type: none"> The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits; The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis; If an intact archeological deposit is encountered, all soil-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to redirect demolition/excavation/pile-drilling/construction activities and equipment temporarily until the deposit is evaluated. If, in the case of pile-drilling activity (foundation work, shoring, etc.), the archeological monitor has cause to believe that the pile-drilling activity may affect an archeological resource, the pile-drilling activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit and present the findings of this assessment to the ERO. <p>Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.</p>	Project sponsor	Data Recovery Plan: Development of Program work scope, in conjunction with work scope for Archeological Monitoring Program prior to	Environmental Review Officer	Review ADRP and any subsequent reports. Considered complete upon completion and approval of reports.
<p>Archeological Data Recovery Program. The archeological data recovery program shall be conducted in accord with an Archeological Data Recovery Plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research</p>				

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.</p> <p>The scope of the ADRP shall include the following elements:</p> <ul style="list-style-type: none"> ● Field Methods and Procedures. Descriptions of proposed field strategies, procedures, and operations. ● Cataloguing and Laboratory Analysis. Description of selected cataloguing system and artifact analysis procedures. ● Discard and Deaccession Policy. Description of and rationale for field and post-field discard and deaccession policies. ● Interpretive Program. Consideration of an on-site/off-site public interpretive program during the course of the archeological data recovery program. ● Security Measures. Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities. ● Final Report. Description of proposed report format and distribution of results. ● Curation. Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities. 		<p>commencement of soils disturbance construction activity. More specific or detailed subsequent work scope may be required by OCII upon completion of Cultural and Paleontological Resources, Initial Study Section E4 (cont.) Archeological Monitoring Program and Report</p> <p>Data Recovery program: Activity to occur during and subsequent to construction activity, as per Data Recovery Program</p>		
<p>Human Remains and Associated or Unassociated Funerary Objects. The treatment of human remains and associated or unassociated funerary objects discovered during any soil-disturbing activity shall comply with applicable state and federal laws. This shall include immediate notification of the Coroner of the City and County of San Francisco and, in the event of the coroner's determination that the human remains are Native American</p>	<p>Project sponsor</p>	<p>Upon discovery, if applicable</p>	<p>Coroner: Environmental Review Officer</p>	<p>Review agreement. Complete upon Applicant notification to Environmental Review Officer, Coroner, and, if applicable, California State Native American Heritage Commission</p>

Adopted Mitigation Measures

remains, notification of the California Native American Heritage Commission (NAHC), which shall appoint a Most Likely Descendant (MLD) (PRC Section 5097.98). The archeological consultant, project sponsor, ERO, and MLD shall have up to, but not beyond, six days from the time of discovery to make reasonable efforts to develop an agreement for the treatment of human remains and associated or unassociated funerary objects with appropriate dignity (State CEQA Guidelines Section 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 sponsor and the ERO to accept the 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.

Monitoring/Reporting Responsibility	Mitigation Schedule	Responsibility for Implementation	Monitoring Actions/Schedule and Verification of Compliance
		<p>Project sponsor</p>	<p>Review Final Archeological Resources Report. Complete upon project sponsor submittal of final approved report as specified in measure</p>
<p>Environmental Review Officer</p>	<p>Upon completion of testing, monitoring and data recovery programs: Prior to issuance of Certificate of Temporary or Final Occupancy, whichever occurs first</p>	<p>Final Archeological Resources Report. The archeological consultant shall submit a draft FARR to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.</p> <p>Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archaeological Site Survey, Northwest Information Center (NWIC), shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning Division of the Planning Department shall receive one bound copy, one unbound copy, and one unlocked and searchable PDF copy of the FARR on CD, along with copies of any formal site recordation forms (California Department of Parks and Recreation [DPR] 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.</p>	

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>Mitigation Measure M-CR-6: Tribal Cultural Resources Interpretive Program</p> <p>If the Environmental Review Officer (ERO) determines that preservation-in-place of previously unidentified archeological resources pursuant to Mitigation Measure M-CR-4, Archeological Monitoring, is not a sufficient or feasible option, and if in consultation with the affiliated Native American tribal representatives, the ERO determines that the resource constitutes a TCR, the project sponsor shall implement an interpretive program of the TCR in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the ERO and affiliated tribal representatives, at a minimum, and approved by the ERO would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and interpretation, and educational panels or other informational displays.</p>	<p>Project sponsor and contractor</p>	<p>After project construction.</p>	<p>Environmental Review Officer and tribal representatives</p>	<p>Review interpretive program. Considered complete upon ERO's approval of preservation-in-place of previously unidentified archeological resources.</p>
<p>TRANSPORTATION AND CIRCULATION</p>				
<p>Improvement Measure I-TR-1a: Monitoring and Abatement of Queues</p>				
<p>As an improvement measure to reduce the potential for queuing from vehicles that are attempting to access the project site, it shall be the responsibility of the project sponsor or subsequent property owner to ensure that recurring vehicle queues do not occur adjacent to the site.</p> <p>Because the proposed project would include a new off-street parking facility with more than 20 parking spaces (excluding loading and car-share spaces), the project is subject to conditions of approval set forth by the San Francisco Planning Department related to monitoring and abatement of queues. It shall be the responsibility of the owner/operator of any off-street parking facility with more than 20 parking spaces (excluding loading and car-share spaces) to ensure that recurring vehicle queues do not occur on the public right-of-way. A vehicle queue is defined as one or more vehicles (destined to the parking facility) that block any portion of any public street, alley, or sidewalk for a consecutive period of three minutes or longer on a daily or weekly basis. If a recurring queue occurs, the owner/operator of the parking facility shall employ abatement methods, as needed, to abate the queue. Appropriate abatement methods will vary, depending on the characteristics and causes of</p>	<p>Project sponsor</p>	<p>After project construction if recurring queue occurs.</p>	<p>San Francisco Planning Department or SFMTA as designee</p>	<p>Review monitoring report(s). Ongoing; may be considered complete after it is determined from the monitoring report(s) that a recurring queue no longer exists.</p>

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>the recurring queue as well as the characteristics of the parking facility, the street(s) to which the facility connects, and the associated land uses (if applicable). Suggested abatement methods include, but are not limited to, the following: redesign of facility to improve vehicle circulation and/or on-site queue capacity; employment of parking attendants; installation of LOT FULL signs, with active management by parking attendants; use of valet parking or other space-efficient parking techniques; use of off-site parking facilities or shared parking with nearby uses; use of parking occupancy sensors and signage that directs drivers to available spaces; travel demand management strategies, such as additional bicycle parking, customer shuttles, or delivery services; and/or parking demand management strategies, such as parking time limits, paid parking, time-of-day parking surcharge, or validated parking.</p> <p>If the Planning Director, or his or her designee, suspects that a recurring queue is present, the Planning Department shall notify the property owner in writing. Upon request, the owner/operator shall hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days.</p> <p>The consultant shall prepare a monitoring report, which will be submitted to the Planning Department for review. If the Planning Department determines that a recurring queue does exist, the facility owner/operator shall have 90 days from the date of the written determination to abate the queue.</p>				
<p>Improvement Measure I-TR-1b: Implement Transportation Demand Management Strategies to Reduce Single-Occupancy Vehicle Trips</p>				
<p>The project sponsor and subsequent property owner should implement a Transportation Demand Management (TDM) program to minimize the number of single-occupancy vehicle (SOV) trips generated by the proposed project for the lifetime of the project. The TDM program targets SOV trips by encouraging persons to select other modes of transportation, including walking, bicycling, transit, car-share options, carpooling, and/or other modes. The Project Sponsor–approved TDM checklist is also provided in Appendix K of the TIS prepared for the proposed project.</p> <p>The project sponsor has agreed to implement the following TDM measures:</p> <ul style="list-style-type: none"> Identify TDM Coordinator: The project sponsor should identify a TDM coordinator for the project site. The TDM coordinator is responsible for implementation and ongoing operation of all TDM measures described below. The TDM coordinator could be a brokered service provided through an existing transportation management association (e.g., the Transportation Management 	Project sponsor	During project design.	TDM coordinator; San Francisco Planning Department or SFMTA as designee	Considered complete after TDM measures have been implemented.

Monitoring/ Reporting Responsibility	Mitigation Schedule	Responsibility for Implementation	Monitoring Actions/Schedule and Verification of Compliance
		<p>Adopted Mitigation Measures</p> <p>Association of San Francisco (TMASF)), or the TDM coordinator could be an existing staff member (e.g., property manager). The TDM coordinator need not work full time at the project site. However, the TDM coordinator should be the single point of contact for all transportation-related questions from building occupants and City staff members. The TDM coordinator should provide TDM training to the building staff about the transportation amenities and options available at the project site and nearby.</p> <ul style="list-style-type: none"> • Transportation and Trip Planning Information: <ul style="list-style-type: none"> ○ Move-in packet: Provide a transportation insert for the move-in packet that includes information regarding transit service (local and regional schedules and fares), where transit passes can be purchased, the 511 Regional Rideshare Program and nearby bike- and car-share programs, and where to find additional web-based alternative transportation materials (e.g., the NextMuni phone app). This move-in packet should be continuously updated because local transportation options change. The packet should be provided to each new building occupant, and Muni maps, San Francisco bicycle route maps, and pedestrian maps should be provided upon request. ○ New-hire packet: Provide a transportation insert in the new-hire packet that includes information regarding transit service (local and regional schedules and fares), where transit passes can be purchased, the 511 Regional Rideshare Program and nearby bike- and car-share programs, and where to find additional web-based alternative transportation materials (e.g., the NextMuni phone app). This new hire packet should be continuously updated because local transportation options change. The packet should be provided to each new building occupant, and Muni maps, San Francisco bicycle route maps, and pedestrian maps should be provided upon request. ○ Posted and real-time information: A local map and real-time transit information could be installed on-site in a prominent and visible location, such as within a building lobby. The local map should clearly identify transit, bicycle, and key 	

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>pedestrian routes and also depict nearby destinations and commercial corridors. Real-time transit information through NextMuni and/or regional transit data should be displayed on a digital screen.</p> <ul style="list-style-type: none"> • Data Collection: <ul style="list-style-type: none"> ○ City Access: As part of an ongoing effort to quantify the efficacy of TDM measures, City staff members may need access to the project site (including the garage) to perform trip counts, intercept surveys, or other types of data collection. All on-site activities shall be coordinated through the TDM coordinator. The project sponsor ensures future access to the site by City staff members. Providing access to existing developments for data collection purposes is also encouraged. • Bicycle Measures: <ul style="list-style-type: none"> ○ Parking: Increase the number of on-site secured bicycle parking spaces beyond Planning Code requirements and/or provide additional bike facilities in the public right-of-way adjacent to or within a quarter mile of the project site (e.g., sidewalks, on-street parking spaces). ○ Bay Area Bike Share: The project sponsor shall cooperate with the SFMTA, San Francisco Department of Public Works, and/or Bay Area Bike Share (agencies) and allow a bike-share station to be installed in the public right-of-way along the projects frontage. • Car-Share Measures: <ul style="list-style-type: none"> ○ Parking: Provide optional car-share spaces, as described in Planning Code Section 166(g). <p>Improvement Measure I-TR-1c: Coordination of Move-in/Move-out Operations and Large Deliveries</p> <p>To reduce the potential for delivery vehicles parking within the travel lane adjacent to the curb lane on Jones Street or Golden Gate Avenue (in the event that the off-street loading space is occupied), residential move-in and move-out activities and large deliveries shall be scheduled and coordinated</p>	Project sponsor	During move-in/move-out activities and large deliveries.	SFMTA	Ongoing.

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>through building management. Appropriate move-in/ move-out procedures shall be enforced to avoid any blockages of Jones Street or Golden Gate Avenue over an extended period of time and reduce any potential conflicts between movers and pedestrians walking along Jones Street or Golden Gate Avenue. Curb parking on Jones Street and Golden Gate Avenue shall be reserved through the SFMTA or by directly contacting the local 311 service. No loading activities (freight/delivery or residential move-in/-out activities) shall be conducted along Market Street.</p> <p>The project sponsor shall enforce strict truck size regulations for the off-street loading space in the proposed freight loading area. Trucks that exceed 30 feet shall be prohibited from entering the off-street loading area and shall utilize the existing on-street loading spaces along Golden Gate Avenue, Jones Street, or McAllister Street, adjacent to or near the project site. Appropriate signage shall be located at the parking garage entrance to notify drivers of truck size regulations and notify drivers of on-street loading spaces on adjacent streets. The project sponsor shall notify building management and related staff members as well as retail/restaurant tenants of imposed truck size limits in the proposed freight loading area.</p> <p>Appropriate move-in/move-out and loading procedures shall be enforced to avoid any blockages of any streets adjacent to the project site over an extended period of time and reduce any potential conflicts between other vehicles and users of adjacent streets as well as movers and pedestrians walking along Golden Gate Avenue and Jones Street. Curb parking on Jones Street or Golden Gate Avenue shall be reserved through the SFMTA or by directly contacting the local 311 service.</p>				
<p>Improvement Measure I-TR-1d: Construction Truck Deliveries during Off-Peak Periods</p> <p>Any construction traffic occurring between 7:00 a.m. and 9:00 a.m. or between 3:30 p.m. and 6:00 p.m. would coincide with peak-hour traffic and could temporarily impede traffic and transit flow, although it would not be considered a significant impact. Limiting truck movements to the hours between 9:00 a.m. and 3:30 p.m. (or other times, if approved by the SFMTA) would further minimize any disruption of the general traffic flow on adjacent streets during the AM and PM peak periods.</p> <p>As required, the project sponsor and construction contractor(s) shall meet with the Sustainable Streets Division of the SFMTA, the fire department, Muni, and the Planning Department to determine feasible measures to reduce traffic congestion, including potential transit disruptions and</p>	Project sponsor	Prior to construction.	SFMTA	Considered complete once construction has been completed.

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>pedestrian circulation impacts during construction of the project. To minimize cumulative traffic impacts due to project construction, the project sponsor shall coordinate with construction contractors regarding any concurrent nearby projects that are planned for construction or later become known.</p> <p>Improvement Measure I-TR-1e: Construction Management Plan</p> <p>In addition to items required in the Construction Management Plan, the project sponsor shall include the following:</p> <ul style="list-style-type: none"> • Carpool and Transit Access for Construction Workers – As an improvement measure to minimize parking demand and vehicle trips associated with construction workers, the construction contractor shall include methods to encourage carpooling and transit use to the project site by construction workers in the Construction Management Plan contracts. • Project Construction Updates – As an improvement measure to minimize construction impacts on nearby businesses, the project sponsor shall provide regularly updated information (typically in the form of website content, news articles, on-site postings, etc.) regarding project construction and the schedule as well as contact information for specific construction inquiries or concerns. 	Project sponsor	Prior to construction.	SFMTA	Considered complete once the Construction Management Plan is approved by the Transportation Advisory Staff Committee.
<p>Improvement Measure I-TR-4: Installation of Traffic Calming Devices at Underground Garage Exit Lane</p> <p>The project sponsor should install appropriate traffic calming devices (e.g., speed bumps, rumble strips, "slow speed" signage, etc.) at the exiting travel lane along the garage driveway to reduce the speed of vehicles while exiting the underground parking garage and further reduce potential conflicts between pedestrians and bicyclists within the sidewalk area or the travel lane along Jones Street.</p> <p>AIR QUALITY</p> <p>Mitigation Measure M-AQ-2: Construction Emissions Air Quality</p> <p>A. Construction Emissions Minimization Plan. Prior to issuance of a construction permit, the project sponsor shall submit a Construction Emissions Minimization Plan (Plan) to the Environmental Review Officer (ERO) for review and approval by an Environmental Planning Air Quality Specialist. The Plan shall detail project compliance with</p>	Project sponsor	Before project construction.	SFMTA and Planning Department	Considered complete once the traffic calming devices have been installed.
<p>A. Construction Emissions Minimization Plan. Prior to issuance of a construction permit, the project sponsor shall submit a Construction Emissions Minimization Plan to the Environmental Review Officer for review and approval by an Air Quality Specialist. Considered complete upon submittal of final</p>	Project sponsor	Prior to the issuance of the demolition permit and construction and implementation of	Environmental Review Officer	Project sponsor to submit a Construction Emissions Minimization Plan to the Environmental Review Officer for review and approval by an Air Quality Specialist. Considered complete upon submittal of final

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>the following requirements:</p> <ol style="list-style-type: none"> 1. All off-road equipment greater than 25 horsepower and operating for more than 20 total hours over the entire duration of construction activities shall meet the following requirements: <ol style="list-style-type: none"> a. Where access to alternative sources of power is available, portable diesel engines shall be prohibited; b. All off-road equipment shall have: <ol style="list-style-type: none"> i. Engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 3 off-road emission standards; and ii. Engines that are retrofitted with an ARB Level 3 VDECS.¹ c. Exceptions: <ol style="list-style-type: none"> i. Exceptions to A(1)(a) may be granted if the project sponsor has submitted information providing evidence to the satisfaction of the ERO that an alternative source of power is limited or infeasible at the project site and that the requirements of this exception provision apply. Under this circumstance, the applicant shall submit documentation of compliance with A91)(b) for onsite power generation. ii. Exceptions to A(1)(b)(ii) may be granted if the project sponsor has submitted information providing evidence to the satisfaction of the ERO that a particular piece of off-road equipment with an ARB Level 3 VDECS would not be technically feasible, would not produce the desired emissions reductions because of the expected operating modes, or would create a safety hazard or impair visibility for the operator after installing the control device or there is a compelling emergency need to use off-road equipment that are not retrofitted with an ARB Level 3 VDECS and the applicant has submitted documentation to the ERO that the requirements of this exception provision apply. If granted an exception to A(1)(b)(ii), the project sponsor must comply with the 		<p>plan ongoing during construction; Final plan within six months of the completion of construction.</p>		<p>construction report to the Environmental Review Officer.</p>

¹ Equipment with engines than meet Tier 4 Interim or Tier 4 Final emission standards automatically meet this requirement; therefore, a VDECS would not be required.

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<p>iii. requirements of A(1)(c)(iii). If an exception is granted pursuant to A (1)(ii), the project sponsor shall provide the next cleanest piece of off-road equipment provided by the step down schedule, as follows, and document that emissions are sufficiently reduced to ensure excess cancer risks and PM2.5 concentrations would not exceed the air pollution exposure zone criteria:</p> <ol style="list-style-type: none"> 1. Compliance Alternative 1: Engine Emissions Standard 2 with ARB Level 2 VDECS 2. Compliance Alternative 2: Engine Emissions Standard 2 with the ARB Level 1 VDECS 3. Compliance Alternative 3: Engine Emissions Standard 2 with alternative fuels (alternative fuels are not a VDECS) <p>If the requirements of A(1)(b) cannot be met, then the project sponsor would need to meet Compliance Alternative 1. Should the project sponsor not be able to supply off-road equipment that meets Compliance Alternative 1, then Compliance Alternative 2 would need to be met. Should the project sponsor not be able to supply off-road equipment that meets Compliance Alternative 2, then Compliance Alternative 3 would need to be met.</p>				
<ol style="list-style-type: none"> 2. The project sponsor shall require the idling time for off-road and on-road equipment to be limited to no more than two minutes, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment. Legible and visible signs shall be posted in multiple languages (English, Spanish, Chinese) in designated queuing areas and at the construction site to remind operators of the two-minute idling limit. 				
<ol style="list-style-type: none"> 3. The project sponsor shall require construction operators to maintain and tune equipment in accordance with manufacturers' specifications. 				
<ol style="list-style-type: none"> 4. The Plan shall include estimates of the construction timeline by 				

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>phase, with a description of each piece of off-road equipment required for every construction phase. Off-road equipment descriptions and information 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 the VDECS installed, the information 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, reporting shall indicate the type of alternative fuel being used.</p> <p>5. The Plan shall be kept on-site and available for review by any persons who request it, and a legible sign shall be posted at the perimeter of the construction site, indicating to the public the basic requirements of the Plan and a way to request a copy of the Plan. The project sponsor shall provide copies of the Plan to members of the public as requested.</p>				
<p>B. Reporting. Monthly reports shall be submitted to the ERO that indicate the construction phase and off-road equipment information used during each phase, including the information required in A(4). In addition, for off-road equipment that uses alternative fuels, reporting shall include the actual amount of alternative fuel used.</p> <p>Within six months of the completion of construction activities, the project sponsor shall submit a final report to the ERO that summarizes the construction activities. The final report shall indicate the start and end dates and the duration of each construction phase. For each phase, the report shall include the detailed information required in A(4). In addition, for off-road equipment using alternative fuels, reporting shall include the actual amount of alternative fuel used.</p>				
<p>C. Certification Statement and On-site Requirements. Prior to the commencement of construction activities, the project sponsor must certify (1) compliance with the Plan and (2) that all applicable requirements of the Plan have been incorporated into contract specifications.</p>				

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
<p>Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators</p> <p>All diesel generators shall have engines that (1) meet Tier 4 Final or Tier 4 Interim emission standards or (2) meet Tier 2 emission standards and are equipped with an ARB Level 3 VDECS.</p>	<p>Project sponsor and contractor</p>	<p>Prior to and during construction.</p>	<p>Environmental Review Officer; Department of Building Inspection</p>	<p>Project sponsor to submit documentation to the Environmental Review Officer for review and approval by an Air Quality Specialist. Considered complete when construction has been completed.</p>
<p>GEOLOGY AND SOILS</p>				
<p>Mitigation Measure M-GE-4: Paleontological Resource Accidental Discovery</p>				
<p>Given the potential for paleontological resources to be present within the project site at excavation depths within the Marsh deposit, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on paleontological resources. Before the start of any earthmoving activities, the project sponsor shall retain a qualified paleontologist, as defined by the Society of Vertebrate Paleontology (SVP), who is experienced in teaching non-specialists. The qualified paleontologist shall train all construction personnel who are involved with earthmoving activities, including the site superintendent, regarding the possibility of encountering fossils, the appearance and types of fossils that are likely to be seen during construction, and proper notification procedures should fossils be encountered. Procedures to be conveyed to workers include halting construction within 50 feet of any potential fossil find and notifying a qualified paleontologist, who shall evaluate the significance.</p>	<p>Project sponsor</p>	<p>Prior to and during any earthmoving activities.</p>	<p>Environmental Review Officer</p>	<p>Review recovery plan and any subsequent reports. Considered complete when all earthmoving activities have been completed.</p>
<p>If paleontological resources are discovered during earthmoving activities, the construction crew shall immediately cease work near the find and notify the project sponsor and the San Francisco Planning Department. Construction work in the affected areas shall remain stopped or be diverted to allow recovery of fossil remains in a timely manner. The project sponsor shall retain a qualified paleontologist to evaluate the resource and prepare a recovery plan in accordance with SVP guidelines.111 The recovery plan may include a field survey, construction monitoring, sampling and data recovery procedures, museum storage coordination for any specimen recovered, and a report of findings. Recommendations in the recovery plan that are determined by the City of San Francisco (City) to be necessary and feasible shall be implemented before construction activities can resume at the site where the paleontological resources were discovered. The City shall be</p>				

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Actions/Schedule and Verification of Compliance
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responsible for ensuring that the monitor's recommendations regarding treatment and reporting are implemented.

HAZARDS AND HAZARDOUS MATERIALS

Mitigation Measure M-HZ-2: Hazardous Building Materials Abatement.

The project sponsor shall ensure that, prior to demolition, the building is surveyed for hazardous building materials, including electrical equipment that contains polychlorinated biphenyl (PCBs), fluorescent light ballasts that contain PCBs or bis(2-ethylhexyl) phthalate (DEHP), and fluorescent light tubes that contain mercury vapors. These materials shall be removed and properly disposed of prior to the start of demolition or renovation. Light ballasts that are proposed to be removed during renovation shall be evaluated for the presence of PCBs. In cases where the presence of PCBs in the light ballasts cannot be verified, it shall be assumed that they contain PCBs and handled and disposed of accordingly under applicable laws and regulations. Any other hazardous building materials identified either before or during demolition or renovation shall be abated according to federal, state, and local laws and regulations.

Project sponsor

Prior to demolition.

Department of Building Inspection

Considered complete when demolition has been completed.