



# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

**DATE:** February 7, 2019

**TO:** San Francisco Planning Commission

**FROM:** Josh Pollak, Planning Department, Environmental Planning Division

**RE:** Appeals of Preliminary Mitigated Negative Declaration for 5 Third Street, Assessor's Block 3707, Lot 057, Planning Department Case No. 2016-007303ENV

**HEARING DATE:** February 14, 2019

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## Original Hearing Date Continuance

On November 15, 2018, the Planning Commission was scheduled to hear two appeals of the Preliminary Mitigated Negative Declaration for the 5 Third Street project. On the day of the hearing, one of the appellants provided a letter containing comments from the State Historic Preservation Officer (SHPO), which stated that the project as proposed did not meet the Secretary of Interior's Standards for Rehabilitation. The Planning Department requested a continuance of the hearing to review and adequately respond to the concerns raised in the supplemental letter. The Commission continued the item to December 13, 2018, then to February 14, 2019.

## Project Revisions to Satisfy SHPO

Following the November hearing, the project sponsor revised the project to address comments by the SHPO, and SHPO determined that the revised project met the Secretary of Interior Standards. These changes to the project included moving the position of lobby doors into existing niches adjacent to the elevator banks, reducing the height of the elevator machine room, and adjusting the position of internal doors from the 4<sup>th</sup> floor upward to retain over 90 percent of the existing marble wall cladding. Below for your reference is a summary project description, with changes to the project description shown in ~~strike through~~ for deletions and double underline for additions.

## Project Comments by San Francisco Heritage

The project sponsor requested that San Francisco Heritage, a non-profit historic preservation organization, review and comment on the proposed project following the November 15, 2018 Planning Commission hearing, in part in response to a request by the Friends of the Hearst Building. San Francisco Heritage provided a comment letter dated January 23, 2019, which states that, in summary, San Francisco Heritage supports the proposed project, as the organization feels that the project is appropriate for the long-term preservation of the building.

## Revised Planning Commission Hearing Packet

The enclosed materials supplement and supersede the Planning Commission transmittal provided on November 8, 2018. Enclosed are the following items:

- The original appeal letters dated September 11, 2018, and supplemental material received before November 15, 2018

Memo

- The supplemental letter received from the Friends of the Hearst Building on November 15, 2018
- A letter from San Francisco Heritage, received on January 23, 2019
- Amended Planning Department responses to the appeal letters, including the November 15, 2018 supplemental letter. Note that amended responses are Responses 1, 3, 5, 7, 8, 9, and 10.
- The revised Mitigated Negative Declaration, revised to reflect the revised project description and associated analysis of historic resources impacts. The analysis of historic resource impacts is based on an updated Historic Resource Evaluation Part 2 report
- A draft motion.

**Case No. 2016-007303ENV – 5 Third Street:** The project site is located on the southeast corner of Market and Third streets at the Hearst Building, an approximately 131,650-gross-square-foot, 13-story, ~~187~~189-foot-tall<sup>1</sup> building. The project site currently houses a bar/nightclub within the basement level, ground floor retail uses, and commercial office space on floors 2 through ~~12~~13. The Hearst Building (which consists of two buildings with an internal connection: 5 Third Street, a 13-story building with street frontage on Market and Third streets, and 17-29 Third Street, a three-story building on Third and Stevenson streets), built in 1909, is designated as Category I under Article 11 of the Planning Code, and is Category A (historic resource present) for the purpose of environmental review pursuant to CEQA.<sup>2</sup> The project site is within the C-3-O (Downtown Office) Use District and a 120-X Height and Bulk District.

The proposed project would convert the existing Hearst Building from office use to a mixed-use hotel, including modifications to the rooftop to include new event space, rooftop bar and patio. In the basement, new structural walls would be added as part of a seismic retrofit that would reconfigure existing tenant space by shifting the location of existing storage space and restrooms. The new mixed-use building would include ground level retail, restaurant/bar, and hotel lobby space. In the basement, new structural walls would be added as part of a seismic retrofit that would reconfigure and reduce the existing tenant space. Levels 2 and 3 would include a mix of commercial office space, hotel rooms, and event space. Levels 4 through 12 would be occupied by hotel rooms. Level 4 would have an outdoor terrace event space overlooking Stevenson Street, and level 13 will be used as an indoor/outdoor event space with a kitchen, rooftop bar and patio overlooking the adjacent Monadnock building (685 Market Street) to the east. The proposed project would result in an approximately 131,550 gross square foot building, with up to 170 hotel rooms, 5,920 square feet of office space, and 11,393 square feet of retail space, including 422 square feet of general retail, and 4,005 square feet of restaurant/bar uses. The project would include seismic and structural building system upgrades and would also meet LEED Gold building efficiency standards. No off-street parking would be provided. The sponsor would

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<sup>1</sup> The existing building is measured as taller than the previously noted height in the original PMND. This is because Third Street is now used as base point for measuring the height rather than Market Street, per Planning Code Section 260.

<sup>2</sup> San Francisco Property Information Map. 5 Third Street Preservation Information. <http://propertymap.sfplanning.org/>. Accessed: September 27, 2018.

request reconfiguration of the curb on Stevenson Street to include a 60-foot long passenger loading zone. Valet service would be provided on the Stevenson Street frontage.

If you have any questions related to this project's environmental evaluation, please contact me at 415.575.8766 or [josh.pollak@sfgov.org](mailto:josh.pollak@sfgov.org).

Thank you.







# SAN FRANCISCO PLANNING DEPARTMENT

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## Appeal of Preliminary Mitigated Negative Declaration Executive Summary

HEARING DATE: February 14, 2019 (continued from November 15, 2019)

*Date:* February 7, 2019  
*Case No.:* 2016-007303ENV  
*Project Address:* 5 Third Street  
*Zoning:* C-3-O (Downtown Office) Use District  
120-X Height and Bulk District  
*Block/Lot:* 3707/057  
*Project Sponsor:* Caroline Guibert Chase  
Coblentz, Patch, Duffy & Bass  
415-772-5793  
*Staff Contact:* Josh Pollak  
(415) 575-8766  
josh.pollak@sfgov.org

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### PROPOSED COMMISSION ACTION:

Consider whether to uphold staff's decision to prepare a Mitigated Negative Declaration (MND) under the California Environmental Quality Act (CEQA), or whether to overturn that decision and require the preparation of an Environmental Impact Report (EIR) due to alleged potential significant environmental effects of the proposed project.

### PROJECT REVISIONS SINCE NOVEMBER 15, 2018:

On November 15, 2018, the day of the appeal hearing, one of the appellants provided a letter containing comments from the State Historic Preservation Officer (SHPO), which stated that the project as proposed did not meet the Secretary of Interior's Standards for Rehabilitation. Subsequently, the project sponsor submitted a revised project to the SHPO, and the SHPO has determined that the revised project meets the Secretary of Interior Standards. The changes to the project included moving the position of lobby doors into existing niches adjacent to the elevator banks, reducing the height of the elevator machine room, and adjusting the position of internal doors from the 4<sup>th</sup> floor upward to retain over 90 percent of the existing marble wall cladding. The project description below incorporates these modifications.

### PROJECT DESCRIPTION:

The 13,333-square-foot project site is located on the southeast corner of Market and Third streets on the block bounded by Market Street to the north, New Montgomery Street to the east, Mission Street to the south and Third Street to the west in San Francisco's Financial District. The project site is occupied by the Hearst Building (which consists of two buildings with an internal connection: 5 Third Street, a 13-story building with street frontage on Market and Third streets, and 17-29 Third Street, a three-story building on Third and Stevenson streets), an approximately 131,650-gross-square-foot, 13-story, 189-foot-tall building, which currently houses a

bar/nightclub within the basement level, ground floor retail uses, and commercial office space on floors 2 through 13. The Hearst Building, built in 1909, is designated as Category I under Article 11 of the Planning Code, and is status Category A (historic resource present) for the purpose of environmental review pursuant to CEQA.<sup>1</sup>

The project would alter the existing building to provide a mixed-use hotel that would include retail, restaurant/bar, and hotel lobby space at the ground level. In the basement, new structural walls would be added as part of a seismic retrofit that would reconfigure and reduce the existing tenant space. Levels 2 and 3 would include a mix of commercial office space, hotel rooms, and event space. Levels 4 through 12 would be occupied by hotel rooms. Level 4 would have an outdoor terrace event space overlooking Stevenson Street, and level 13 will be used as an indoor/outdoor event space with a kitchen, rooftop bar and patio overlooking the adjacent Monadnock building (685 Market Street) to the east. The proposed project would result in an approximately 131,550 gross square foot building, with up to 170 hotel rooms, 5,920 square feet of office space, and 11,393 square feet of retail space, including 422 square feet of general retail, and 4,005 square feet of restaurant/bar uses. The project would include seismic and structural building system upgrades and would also meet LEED Gold building efficiency standards. No off-street parking would be provided. The sponsor would request reconfiguration of the curb on Stevenson Street to include a 60-foot-long passenger loading zone. Valet service would be provided on the Stevenson Street frontage.

The proposed project was modified on November 20, 2018 to address comments from the State Historic Preservation Office. These modifications include: relocation of the lobby doors to the existing niches adjacent to the elevator banks; adjusting the position of doors from the 4th floor upwards to retain existing marble wall cladding; and reducing the height of the proposed elevator machine room, such that the proposed final height of the building would be about 5 feet less than the existing height.

The project site is located in a Downtown-Office (C-3-O) zoning district and a 120-X height and bulk district. The proposed project would require a Major Permit to Alter from the Historic Preservation Commission, a Conditional Use Authorization from the Planning Commission for the proposed hotel uses, a Downtown Project Authorization from the Planning Commission for substantial alterations to the building, a legislative amendment to Planning Code Section 188 to allow for alterations and enlargements to the existing noncomplying rooftop structures, a building permit from the Department of Building Inspection, a street space occupancy permit for construction staging from San Francisco Public Works, and approval of a passenger loading zone from the San Francisco Municipal Transit Agency.

## CONCERNS:

The Planning Department published a Preliminary Mitigated Negative Declaration (PMND) on August 22, 2018. On September 11, 2018, two separate appellants, Rachel Mansfield-Howlett of Provencher & Flatt, LLP, on behalf of Friends of Hearst Building, and Yasin Salma, filed letters

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<sup>1</sup> San Francisco Property Information Map. 5 Third Street Preservation Information. <http://propertymap.sfplanning.org/>. Accessed: September 27, 2018.

appealing the determination to issue an MND. Both appellants provided supplemental appeal letters, which are addressed in the Department's response. The supplemental letter and material from Friends of Hearst Building was received November 15, 2018. Accordingly, the Department requested a continuance in order to assess the information and prepare a supplemental response, which the Planning Commission granted.

As described above, the proposed project has been revised since November 15, 2018. In addition, historic resource analysis of the modified project has been prepared, and the Planning Department has further amended the PMND to reflect these changes. Note that appeal responses 8, 9, and 10 have been added, and responses 1, 3, 5, and 7 have been amended since the prior packet submission. In addition, Department responses to Mr. Salma's concerns are unchanged, but have been renumbered as responses 11, 12, and 13.

The appeal letters allege that the PMND fails to adequately address the following concerns:

1. Impacts to Historic Resources: The project would alter or destroy character-defining features of a historic resource, which may constitute a significant impact under CEQA.
2. Land Use Entitlements: Potentially significant impacts may occur in relation to each discretionary project approval.
3. Hazardous Materials: The project site is identified as the site of a former leaking underground storage tank, and toxic underground contamination would be exacerbated by excavation.
4. Displacement of Non-Profit Businesses: The displacement of non-profit businesses from the historic office building may be a potentially significant impact.
5. BART Tunnel Impacts: Construction adjacent to the BART tunnel under Market Street may be a potentially significant impact.
6. Site-specific and Cumulative Significant Impacts: A full range of environmental resource impacts, both site-specific and cumulative, may result from the proposed project.
7. Preparation of an EIR: The Initial Study contains substantial evidence supporting a fair argument that the project may have significant environmental effects, and an EIR should be prepared to study potential project impacts and feasible alternatives and mitigation.
8. Addressing State Historic Preservation Office's (SHPO's) Review of Application: The proposed project should be revised to meet the Secretary of Interior's Standards.
9. Historic Preservation Commission (HPC) Process-Related Concerns: The HPC should review the project prior to the issuance of a CEQA determination by the Planning Department.
10. Input from San Francisco Heritage: The proposed project should be reviewed by San Francisco Heritage, a non-profit historic preservation organization.
11. Change of Use from Retail to Valet Parking for the Hearst Hotel: The proposed project would change the use of the first floor from retail to valet parking use.
12. Inclusion of Public Art/Green Walls for Hearst Garage: The proposed project should install public art or a green wall to beautify the Hearst Garage.

13. Analysis of Parking, Noise, and Pollution: The report for the proposed project should analyze parking, noise, and pollution.

No other comments (nor appeals of the PMND) were received during the public comment period for the PMND. All the concerns raised in the appeal letters, including supplemental information, have been addressed in the attached materials, which include:

1. A draft motion upholding the decision to issue an MND (Motion);
2. Exhibit A to draft Motion (Planning Department Response to the Appeal Letters);
3. Exhibit B (Appeal letter from Rachel Mansfield-Howlett of Provencher & Flatt, LLP on behalf of the Friends of the Hearst Building);
4. Exhibit C (Supplementary Information provided by Susan Brandt-Hawley on behalf of the Friends of the Hearst Building)
5. Exhibit D (Appeal letter from Yasin Salma and supplemental information provided in emails);
6. Exhibit E (State Historic Preservation Office's updated response to the project's revised Historic Preservation Certification Application)
7. Exhibit F (Letter from San Francisco Heritage)
8. Exhibit G: PMND and Initial Study as amended, with deletions shown in ~~striketrough~~ and additions shown in double underline. The amendments to the PMND provide updates to the project description following project revision to address preservation-related comments, supplement and provide clarifications to the analysis of project-specific historic resource impacts under CEQA, and add a description of issues raised in the appellants' letters. The amendments to the PMND do not change the overall conclusions.

## RECOMMENDATION:

Staff recommends that the Planning Commission adopt the motion to uphold the PMND. The amendments to the PMND and Initial Study do not change the overall conclusions. No substantial evidence supporting a fair argument that a significant environmental effect may occur as a result of the project has been presented that would warrant preparation of an EIR. By upholding the PMND (as recommended), the Planning Commission would not prejudice or restrict its ability to consider whether the proposed project's uses or design is appropriate for the neighborhood.



# SAN FRANCISCO PLANNING DEPARTMENT

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## Draft Planning Commission Motion [XXXX]

HEARING DATE: February 14, 2019

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### ADOPTING FINDINGS RELATED TO THE APPEAL OF THE PRELIMINARY MITIGATED NEGATIVE DECLARATION, FILE NUMBER 2016-007303ENV FOR THE PROPOSED DEVELOPMENT ("PROJECT") AT 5 THIRD STREET.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby AFFIRMS the decision to issue a Mitigated Negative Declaration, based on the following findings:

1. On May 18, 2016, pursuant to the provisions of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code, the Planning Department ("Department") received an Environmental Evaluation Application for the Project, in order that it might conduct an initial evaluation to determine whether the Project might have a significant impact on the environment.
2. On August 22, 2018, the Department determined that the Project, as proposed, could not have a significant effect on the environment.
3. On August 22, 2018, a notice of determination that a Mitigated Negative Declaration would be issued for the Project was duly published in a newspaper of general circulation in the City, and the Preliminary Mitigated Negative Declaration posted in the Department offices, and distributed all in accordance with law.
4. On September 11, 2018, two separate appellants, Rachel Mansfield-Howlett of Provencher & Flatt, LLP, on behalf of Friends of Hearst Building, and Yasin Salma, timely filed appeals of the decision to issue a Mitigated Negative Declaration.
5. On September 17, 2019, a notice of appeal hearing was published in a newspaper of general circulation in the City, sent to the two appellants, and those who requested notification related to the project.
6. On November 15, 2018, Susan Brandt-Hawley of Brandt-Hawley Law Group, on behalf of appellant Friends of Hearst Building, submitted a supplemental appeal letter.

7. On November 15, 2018, the Planning Commission considered a request by the Planning Department for continuance of the appeal hearing to December 13, 2018, and granted such request. By agreement of all parties, the matter was subsequently continued to February 14, 2019.
8. A staff memorandum, dated February 7, 2019, addresses and responds to all points raised by appellants in the appeal letters. That memorandum is attached as Exhibit A and staff's findings as to those points are incorporated by reference herein as the Commission's own findings. Copies of that memorandum have been delivered to the City Planning Commission, and a copy of that memorandum is on file and available for public review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California 94103.
9. On February 7, 2019, amendments were made to the Preliminary Mitigated Negative Declaration, adding text for information and clarification. Such amendments do not include new, undisclosed environmental impacts and do not change the conclusions reached in the Preliminary Mitigated Negative Declaration. The changes do not require "substantial revision" of the Preliminary Mitigated Negative Declaration, and therefore recirculation of the Preliminary Mitigated Negative Declaration would not be required.
10. On February 14, 2019, the Commission held a duly noticed and advertised public hearing on the appeals of the Preliminary Mitigated Negative Declaration, at which testimony on the merits of the appeals, both in favor of and in opposition to, was received.
11. All points raised in the appeal of the Preliminary Mitigated Negative Declaration at the February 14, 2019 City Planning Commission hearing have been responded to either in the Memorandum or orally at the public hearing.
12. After consideration of the points raised by appellants, both in writing and at the February 14, 2019 hearing, the San Francisco Planning Department reaffirms its conclusion that the proposed project could not have a significant effect upon the environment.
13. In reviewing the Preliminary Mitigated Negative Declaration issued for the Project, the Planning Commission has had available for its review and consideration all information pertaining to the Project in the Planning Department's case file.
14. The Planning Commission finds that Planning Department's determination on the Mitigated Negative Declaration reflects the Department's independent judgment and analysis.

The City Planning Commission HEREBY DOES FIND that the proposed Project, could not have a significant effect on the environment, as shown in the analysis of the Mitigated Negative Declaration, and HEREBY DOES AFFIRM the decision to issue a Mitigated Negative Declaration, as prepared by the San Francisco Planning Department.

**Motion No. XXXXX**  
**Hearing Date: February 14, 2019**

**Case No. 2016-007303ENV**  
**5 Third Street**

I hereby certify that the foregoing Motion was ADOPTED by the City Planning Commission on February 14, 2019.

Jonas Ionin  
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: February 14, 2019





## **Exhibit A**

### **Planning Department Response to Appeal Letters**

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# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

## Exhibit A to Draft Motion Planning Department Revised Response to Appeal of Preliminary Mitigated Negative Declaration

CASE NO. 2016-007303ENV – 5 THIRD STREET  
PUBLISHED AUGUST 22, 2018, AMENDED FEBRUARY 7, 2019

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### BACKGROUND

An environmental evaluation application (2016-007303ENV) for the proposed project at 5 Third Street (assessor's block 3707, lot 057) was filed by Harry O'Brien on behalf of Bespoke Hospitality, LLC on May 18, 2016 for a proposal to convert the existing Hearst Building from office and retail use to a mixed-use hotel, including modifications to the rooftop to construct a bar and patio.

The project site is located on the southeast corner of Market and Third streets at the Hearst Building, an approximately 131,650-gross-square-foot, 13-story, 189-foot-tall building, which currently houses a bar/nightclub within the basement level, ground floor retail uses, and commercial office space on floors 2 through 13. The project site is occupied by two buildings: (1) a 13-story building (5 Third Street), which includes an eight-story annex, located on the corner of Third and Market streets; and (2) a three-story building (17-29 Third Street), located at the corner of Third and Stevenson streets, which shares an internal connection with the adjacent 5 Third Street (collectively, the two structures comprise the Hearst Building). The Hearst Building, built in c. 1909, is designated as Category I under Article 11 of the Planning Code, which means the building is judged to be individually important and to have excellent or very good architectural design for historic preservation purposes. In addition, the existing building has status of Category A (historic resource present) for the purpose of environmental review pursuant to CEQA.

The new mixed-use hotel would include ground level retail, restaurant/bar, and hotel lobby space. In the basement, new structural walls would be added as part of a seismic retrofit that would reconfigure and reduce the size of the existing tenant space. Levels 2 and 3 would include a mix of commercial office space, hotel rooms, and event space. Levels 4 through 12 would be occupied by hotel rooms. Level 4 would have an outdoor terrace event space overlooking Stevenson Street, and level 13 will be used as an indoor/outdoor event space with a kitchen, and a rooftop bar and patio overlooking the adjacent Monadnock building (685 Market Street) to the east. The proposed project would result in an approximately 131,550 gross-square-foot, 184-foot-tall building, with up to 170 hotel rooms, 5,920 square feet of office space, and 11,393 square feet of retail space, including 422 square feet of general retail, and 4,005 square feet of restaurant/bar uses. The project would include seismic and structural building system upgrades and would also meet LEED Gold building efficiency standards. No off-street parking would be provided. The sponsor would request reconfiguration of the curb on Stevenson Street to include a 60-foot long passenger loading zone. Valet service would be provided on the Stevenson Street frontage.

The project site is located in a Downtown-Office (C-3-O) zoning district and a 120-X height and bulk district. The proposed project would require a Major Permit to Alter from the Historic Preservation Commission, a Conditional Use Authorization from the Planning Commission for the proposed

hotel uses, a Downtown Project Authorization from the Planning Commission for substantial alterations to the building, a legislative amendment to Planning Code Section 188 to allow for alterations and enlargements to the existing noncomplying rooftop structures, a building permit from the Department of Building Inspection, a street space occupancy permit for construction staging from San Francisco Public Works, and approval of a passenger loading zone from the San Francisco Municipal Transit Agency.

A Preliminary Mitigated Negative Declaration (as revised, “PMND”) was published by the Planning Department on August 22, 2018. On September 11, 2018, two separate appellants, (1) Rachel Mansfield-Howlett of Provencher & Flatt, LLP, on behalf of Friends of the Hearst Building, an unincorporated association, and (2) Yasin Salma, filed letters appealing the environmental determination in the PMND.

The Planning Department received a supplemental letter from Susan Brandt-Hawley of Brandt-Hawley Law Group, on behalf of the Friends of the Hearst Building, on November 15, 2018, which contained additional comments and, as an attachment, a letter from the State Historic Preservation Officer (“SHPO”) dated November 9, 2018, regarding the project’s Historic Preservation Certification Application. Since the supplemental letter and material were received just before the scheduled appeal hearing, the Planning Department requested a continuance in order to consider and respond to the new information. The Planning Commission continued the appeal hearing to December 13, 2018 to allow the project sponsor to address comments from the SHPO related to the project’s consistency with the *Secretary of the Interior’s Standards for the Treatment of Historic Properties – Rehabilitation* (the Standards).<sup>1</sup> Subsequently, all parties agreed to a further continuance to February 14, 2019.

In response to the SHPO’s November 9, 2018 letter, the project sponsor submitted an amended Historic Preservation Certification Application seeking the SHPO’s review of project plans modified as described below. Specifically, instead of removing and relocating the glazed gold leaf panels in the lobby accessed from Market Street in order to create lobby doors for the hotel use, the proposed location of the doors was moved further into the lobby from the street entrance to create two doorway openings in the existing niches adjacent to the elevator banks. The position of the corridor doors from the 4<sup>th</sup> floor upward was adjusted to retain over 90 percent of the existing marble wall cladding and to further retain decommissioned doors. In addition, the height of the proposed elevator machine room was lowered by approximately two feet, so the final proposed building height would be 184 feet, about five feet lower than the existing building height of 189 feet. Access to the rooftop terrace proposed for 17-29 Third Street would be through proposed 4<sup>th</sup> floor window to door conversions that would retain existing window openings and would be visually consistent with the existing window design. The interconnecting stairs between the 2<sup>nd</sup> and 3<sup>rd</sup> floors would be relocated so that they do not intersect windows and new interior partitions have been relocated to avoid intersecting with existing windows.

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<sup>1</sup> National Park Service. The Secretary of the Interior’s Standards for Treatment of Historic Properties. <https://www.nps.gov/tps/standards/four-treatments/treatment-rehabilitation.htm>. Accessed: September 27, 2018.

On December 18, 2018, the SHPO issued an amended response to the project's amended Historic Preservation Certification Application, which stated that the elements of the modified project discussed above meet the Standards.<sup>2</sup>

The Planning Department requested the historic resource evaluation previously prepared for the environmental review of the project be updated to reflect the modified project.<sup>3</sup> In addition, Department preservation staff reviewed and concurred with the amended evaluation.<sup>4</sup> The PMND has been revised to include analysis of the project revisions made in response to the SHPO's comments. The conclusions in the PMND, before and after its revision, remain the same. There would be no significant historic resource impacts as a result of the project.

The concerns listed below are summarized from the initial appeal letters and supplemental letters, copies of which are included within the appeal packet. The concerns are listed by appellant in the order presented in the appeal letters.

## **APPELLANT ISSUES AND PLANNING DEPARTMENT RESPONSES**

### **Appeal 1 - Appellant Friends of the Hearst Building**

The concerns raised in the September 11, 2018 Friends of the Hearst Building appeal letter, supplemental letter dated November 15, 2018, and verbal comments at the November 15, 2018 Planning Commission hearing are cited below and are followed by the Planning Department's responses. Changes made to the project to address the SHPO concerns since the letters were received have been highlighted when relevant.

#### **RESPONSE TO CONCERN:**

**CONCERN 1: Impacts to Historical Resources: The appellant asserts that the project would alter or destroy character-defining features of the Hearst Building, including the gable/flat-roofed penthouse suites added by Julia Morgan in 1938 and a portion of the marble-clad walls and gold leaf panels in the lobby, as well as the removal of marble in the upstairs corridors, and that these changes may constitute a significant impact under CEQA.**

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<sup>2</sup> SHPO has remained conditioned the following work which is listed under Undeveloped and Future Work in the Conditions Sheet Historic Preservation Certification Application Part 2 dated November 9, 2018: interior improvements, systems and services, signage, and lighting. The Department's CEQA review of interior work has included identified character-defining interior spaces which include the lobby, that has determined, with SHPO agreement, that proposed work meets the Standards. The portions of the historic exposed interior brick in the commercial units of 17-29 3<sup>rd</sup> Street is also identified as a character-defining feature and will remain. All future signage will be reviewed by department's preservation staff to ensure that it meets Article 1111.2 of the Planning Code, which requires that signs meets the Standards and Department's sign guidelines. All lighting proposals will be reviewed and approved through the Major Permit to Alter, which also requires that all proposed lighting meeting the Standards.

<sup>3</sup> Page & Turnbull, Inc. January 24, 2019. The Hearst Building and 17-29 3<sup>rd</sup> Street Historic Resource Evaluation, Part 2. This document, and all other documents cited in this response, unless otherwise noted, are available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2016-0073030ENV.

<sup>4</sup> San Francisco Planning Department. January 24, 2019. Preservation Team Review Form, Hearst Building.

**RESPONSE TO CONCERN 1:** The PMND appropriately treats the Hearst Building as an historic resource under CEQA. Pursuant to CEQA Guidelines Sections 15064.5(a)(1) and 15064.5(a)(2), historical resources are buildings or structures that are listed, or are eligible for listing, in the California Register of Historical Resources (CRHR)<sup>5</sup> or are identified in a local register of historical resources, such as Articles 10 and 11 of the San Francisco Planning Code. The PMND describes that the Hearst Building, consisting of the buildings at 5 Third Street and 17-29 Third Street, is a historic resource for the purpose of environmental review. The PMND states on p. 1 that the project site is occupied with a “Category A” property (historic resource present) for purposes of CEQA review. The PMND also notes on p. 20 that each of the buildings on the project site (the Hearst Building and 17-29 Third Street) is designated as a historic resource under Article 11 of the San Francisco Planning Code and are historic resources for the purposes of CEQA review.

As both buildings are historic resources according to CEQA, the PMND evaluated whether the proposed project would cause a substantial adverse change in the significance of a historical resource. A “substantial adverse change” means “physical demolition, destruction, relocation, or alterations of [a] resource or its immediate surroundings such that the significance of an historical resource would be materially impaired.” CEQA Guidelines Section 15064.5(b)(1). The significance of an historical resource is “materially impaired” when a project “[d]emolishes or materially alters in an adverse manner those physical characteristics of an historical resource that convey its historical significance and that justify its inclusion in, or eligibility for, inclusion in the California Register of Historical Resources[.]” CEQA Guidelines Section 15064.5(b)(2)(A). The PMND found that the project would have a less-than-significant impact with respect to historic resources and would not cause a substantial adverse effect in the significance of a historic resource as described in more detail below.

The historic resource analysis in the original PMND was based on the Historic Resource Evaluation (HRE) Part 2 report prepared by Page & Turnbull, Inc.<sup>6</sup> The report analyzed the proposed project for compliance with the Standards, in the case of this rehabilitation project, the *Standards for Rehabilitation*, a series of 10 standards addressed in pp. 23 through 29 of the PMND. Projects that comply with the Standards would have a less-than-significant adverse impact on a historic resource, pursuant to CEQA Guidelines Section 15064.5(b)(3). The Planning Department concurred with the HRE Part 2 report, and found that the project complies with the Standards and would therefore have a less than significant impact on the historic resources for the purposes of CEQA.

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<sup>5</sup> With respect to eligibility for the CRHR, a property may be considered a historical resource if it meets any of the CRHR criteria related to (1) events, (2) persons, (3) architecture, or (4) information potential, that make it eligible for listing in the California register, or if it is considered a contributor to a potential historic district. Neither building is listed on the CRHR, but both were found to be eligible for CRHR listing in the historic resource evaluation. The Hearst Building would be eligible for the CRHR under Criteria 1, 2, and 3, and that 17-29 Third Street building would be eligible for listing in the CRHR under Criterion 3.

<sup>6</sup> Page & Turnbull, Inc. July 31, 2018. The Hearst Building and 17-29 3<sup>rd</sup> Street Historic Resource Evaluation, Part 2.

As described above, the project sponsor modified the project to address comments from the SHPO.<sup>7</sup> As a result, the HRE Part 2 report has been updated to analyze the modified project.<sup>8</sup> The Planning Department concurs with the updated report and analysis, and has completed a Preservation Team Review Form,<sup>9</sup> which finds that the modified project continues to comply with the Standards and would therefore have a less than significant impact on the historic resources for the purposes of CEQA.

With respect to the character-defining features cited in the appellant's letter, the Standards analysis in the PMND (strikethrough/additions shown below comparing original and revised PMND) addresses retaining and preserving the historic character of the project site:

As proposed, the project would not remove distinctive materials and character-defining features of the Hearst Building's exterior facades. Exterior alterations would occur at portions of storefront systems that are not character-defining. At the rooftop of 5 Third Street, the proposed project would demolish the ~~gable/flat-roofed~~ gable and flat-roofed conference penthouse suite added designed by Julia Morgan ca.1938. The Julia Morgan-designed penthouse which is considered a character-defining feature as it dates to the building's period of significance and possesses high artistic value. However, the penthouse is not visible from the public right-of-way and is not publicly accessible (nor was it historically). The spatial relationships between 5 Third Street and neighboring buildings would not change. At the interior of 5 Third Street, the The proposed project would remove a portion of the ~~distinctive non-gilded~~ marble-clad walls ~~and eight gold leaf panels~~ within the historic lobby to accommodate two new door openings, each with a single sidelight. The gold leaf panels new door openings would be located perpendicular to two existing doors at the north and south niches of the lobby's semi-circular area salvaged and re-used in the building's upstairs public areas. The lobby and the exterior of the Hearst Building would retain all other character-defining features and would continue to be able to convey its historic significance.<sup>10</sup>

The project calls for alteration, relocation, and selective demolition of the several rooftop structures include the gable/flat roofed penthouse suite, a character-defining feature as described above. However, the penthouse suite is not visible from the public right-of-way. Even with the proposed removal of the penthouse suite, the building would retain its character so that it would continue to convey its historical significance. In addition, the modified project was determined to be in compliance with the Standards, which allow for limited changes to historic buildings in order to accommodate new contemporary uses.

The PMND describes the project revisions that would preserve the gold leaf panels within the historic lobby, and instead a portion of the non-gilded marble-clad walls within recessed alcoves in

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<sup>7</sup> Forge and Bespoke Hospitality. November 20, 2018. Heart Hotel San Francisco, Project Plans.

<sup>8</sup> Page & Turnbull, Inc. January 24, 2019. The Hearst Building and 17-29 3<sup>rd</sup> Street Historic Resource Evaluation, Part 2.

<sup>9</sup> San Francisco Planning Department. January 24, 2019. Preservation Team Review Form, Hearst Building.

<sup>10</sup> Page & Turnbull, Inc. January 24, 2019. The Hearst Building and 17-29 3<sup>rd</sup> Street Historic Resource Evaluation, Part 2, pg. 19.

the historic lobby would be used to accommodate two new door openings, which would be less impactful, as it would leave the gold leaf panels intact. The project would not affect the buildings' eligibility for listing in the California Register. According to CEQA Guidelines Section 15126.4(b)(1), if a project complies with the Standards, the project's impact "shall generally be considered mitigated below a level of significance and thus is not significant."<sup>11</sup> Because the modified project at the Hearst Building complies with the Standards, it would not cause a significant impact to historic resources under CEQA.

While the project is deemed to have a less-than-significant impact as defined by CEQA, two improvement measures would be implemented to reduce the project's less-than-significant historic resources impact. Improvement Measure I-CR-1a: HABS Documentation, would record through measured drawings, photographs, and a written report the pre-project condition of the building and its character-defining architectural features, which would be reviewed and approved by the Planning Department's Preservation Coordinator prior to submission to History Room of the San Francisco Public Library, San Francisco Architectural Heritage, and the Northwest Information Center of the California Historical Information Resource System. Additionally, Improvement Measure I-CR-1b: Construction Best Practices for Historic Resources, would put in place procedures to ensure the masonry and terra cotta cladding are protected throughout the selective demolition, construction activity, and rehabilitation work.<sup>12</sup>

Regarding marble in the upstairs corridors, the HRE Part 2 report does not include the marble in upstairs corridors as part of the list of character-defining features of the Hearst Building. While some marble in the upstairs corridors is proposed for removal as part of the modified project to accommodate the relocation of interior doors, over 90 percent of the existing marble wall cladding would be retained. Where doors are relocated, the existing marble would be reinstalled to infill existing door openings. The appellant has not provided evidence that the marble in the upstairs corridors should be considered a character-defining feature. In addition, the *Guidelines for Rehabilitating Historic Buildings* (Guidelines)<sup>13</sup> note that in building interiors, which include hallways, "extensive changes can often be made in these less important areas without having a detrimental effect on the overall historic character." The Guidelines also recommend that historic material be reused within the rehabilitation project, which the proposed project would do for the marble in the upstairs corridors.

The proposed hotel use is compatible with the existing building in that it retains the historic character of the building while making changes in focused areas of previous alterations and secondary areas, and relocating specific elements so that the new use retains the functionality of original historic spaces.

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<sup>11</sup> See also CEQA Guidelines § 15064.5(b)(3).

<sup>12</sup> Full text of the improvement measures is contained on pp. 30 to 32 of the PMND.

<sup>13</sup> National Park Service. The Secretary of the Interior's Guidelines for Rehabilitating Historic Buildings. <https://www.nps.gov/tps/standards/rehabilitation/rehabilitation-guidelines.pdf>. Accessed: February 6, 2019



In summary, the HRE Part 2 report and the SHPO's assessment found that the modified project complies with the Standards and the department concurs with that finding.<sup>14</sup> The department determined that the project would therefore have a less-than-significant impact on the historic resources for the purposes of CEQA.

The appellant has not provided any evidence that the project as modified would have significant impacts to historic resources. Therefore, no further response is possible. As described in CEQA Guidelines Section 15384, argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly erroneous or inaccurate, or evidence of social or economic impacts which do not contribute to or are not caused by physical impacts on the environment does not constitute substantial evidence. The appellant has not provided any evidence that potentially significant environmental impacts not identified in the PMND would occur.

**CONCERN 2: Land Use Entitlements: The appellant lists the required approvals for the proposed project and asserts that potentially significant impacts may occur in relation to each discretionary project approval during construction and operation of the proposed project.**

**RESPONSE TO CONCERN 2:** The PMND identifies the physical environmental effects of the whole of the proposed project for each resource topic in the initial study as required by CEQA. For environmental impacts determined to be significant (cultural resources, noise, and air quality), the PMND has identified mitigation measures that would reduce significant impacts to less than significant as summarized on p. 12. The required approvals identified would enable the proposed project to proceed and would not result in any additional physical environmental effects beyond those of the proposed project as described in the PMND. The appellant has not identified any specific environmental impacts that are not addressed in the PMND, nor has the appellant provided any evidence that potentially significant environmental impacts not identified in the PMND would occur in relation to the project approvals listed.

**CONCERN 3: Hazardous Materials: The appellant states that the project site is identified by the State Water Resources Control Board as a leaking underground storage tank site and that toxic underground contamination would be exacerbated by excavation due to the project, thereby resulting in a significant environmental impact.**

**RESPONSE TO CONCERN 3:** As described in the on p. 113 of the PMND, the project site is on a list of hazardous materials sites compiled by the California Department of Toxic Substance Control pursuant to Government Code Section 65962.5. According to the State Water Resource Control Board, the site was listed as containing a leaking underground storage tank with heating/fuel oil in May 1996, but the site investigation and remedial action for the underground storage tank were completed and the case was closed in October 1999.<sup>15</sup> The San Francisco Department of Public Health, which is the

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<sup>14</sup> As noted above, SHPO has remained conditioned some interior changes, systems and services, signage, and lighting,

<sup>15</sup> State Water Resource Control Board, Leaking Underground Tank Sites, Geotracker, The Hearst Corporation (T0607501172), 38-1287 (Regional Board), 11164 (Local Agency). Added to list: May 23, 1996. Case Closed: October 8, 1999. Available online at: <https://geotracker.waterboards.ca.gov>, accessed July 31, 2018.

Local Oversight Program for the State Water Resources Control Board, stated that no further action related to the underground tank is required.<sup>16</sup>

The cleanup that occurred on the project site is the reason that the project site is included in the Maher Area, which is a list of areas that are known or suspected to contain contaminated soil and/or groundwater.<sup>17</sup> If the proposed project were to disturb at least 50 cubic yards of soil, and the site history indicated that hazardous substances may be present, the proposed project would be required to enroll in the Maher program, which is administered and overseen by the San Francisco Department of Public Health.

Less than 50 cubic yards of soil would be disturbed or excavated as part of the proposed project. The foundation reinforcement for the proposed project would require approximately 50 micropiles, which would be about 8 inches in diameter. The micropile installation would require excavation to a depth of approximately 50 feet in depth, which would require excavation and removal of up to 40 cubic yards of soil. As the proposed project would remove less than 50 cubic yards of soil and the project does not propose sensitive land uses, it would not be subject to the Maher Ordinance. Based on guidance from the San Francisco Department of Public Health, excavation of less than 50 cubic yards of soil would not be expected to result in significant impacts to the environment or human health.<sup>18</sup>

In addition, Health Code Article 21 provides for the safe handling of hazardous materials in the City by requiring any business that handles specified quantities of hazardous materials (which includes contaminated soil) to keep a current certificate of registration and to implement a hazardous material plan.

In conclusion, the site contained a leaking underground storage tank, which was remediated in October 1999, and is the reason the project site is within the Maher Area. The volume of soil excavated for the project would be below the 50 cubic yards of soil threshold set by the Department of Public Health to prevent significant impacts to the environment or human health. Any hazardous materials which may be encountered during construction would be required to be handled according to Health Code Article 21. The appellant has not submitted any evidence that hazardous material would be encountered during project construction and that this would result in a potentially significant impact.

**CONCERN 4: Displacement of Non-Profit Businesses: The appellant asserts that the displacement of non-profit businesses from the office uses currently in the building may be a potentially significant impact.**

**RESPONSE TO CONCERN 4:** The potential displacement of non-profit businesses under the existing office uses is considered an economic or social effect, and not a physical effect on the

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<sup>16</sup> Remediation Action Completion Certification, Underground Storage Tank (UST) Case, The Hearst Corporation, 5 Third Street, San Francisco, LOP Case No. 11164, October 8, 1999, available online at: <https://geotracker.waterboards.ca.gov>, accessed October 23, 2018.

<sup>17</sup> See San Francisco Health Code Article 22A (the “Maher Ordinance”).

<sup>18</sup> San Francisco Department of Public Health. February 21, 2014. Interagency Memo—Sites Excavating Less than 50 Cubic Yards of Soil and Maher Ordinance Compliance.

environment. CEQA Guidelines Section 15064(e) states that economic and social changes resulting from a project shall not be treated as significant effects on the environment, but such economic and social changes may be used to determine that a physical change shall be regarded as a significant effect on the environment. The appellant has not provided any evidence that displacement of non-profit businesses would result in a potentially significant environmental effect.

**CONCERN 5: BART Tunnel Impacts: The appellant asserts that construction adjacent to the BART tunnel under Market Street may be a potentially significant impact.**

**RESPONSE TO CONCERN 5:** As noted in the PMND, the project site is located adjacent to the below grade BART right-of-way along Market Street. BART requires that structures over or adjacent to BART's subway structures shall be designed and constructed so as not to impose any temporary or permanent adverse effects on subway. To achieve this, BART has issued *General Guidelines for Design and Construction Over or Adjacent to BART's Subway Structures*,<sup>19</sup> and *General Guidelines for Design and Construction Over or Adjacent to BART's At-grade and Aerial Structures*.<sup>20</sup> In addition, BART implements a construction permit review process. Portions of the project construction work may be within the BART Zone of Influence.<sup>21</sup> Due to the proximity of the project site to the BART tunnel, project plans must be reviewed by BART and cannot impose any temporary or permanent adverse effects on the BART tunnel structure. Therefore, the project sponsor must submit an application for a construction permit to BART, and if BART determines that inspection or monitoring would be needed for the project, a permit issued by BART would be required prior to the commencement of construction. The potential need for a permit from BART does not indicate the potential for a significant impact to BART infrastructure, nor would the application for a permit require the preparation of an EIR.

In addition, the Department of Building Inspection will not issue site permits for the proposed project without BART's review of, and input regarding, the construction permit application. Overall, review of proposed construction for the project by BART and the building department permit review process would ensure that construction of the project would not result in a significant environmental impact.

In addition, the project sponsor has met with BART's engineering department three times, submitted studies analyzing potential impacts to BART infrastructure to demonstrate that the project would not impact their infrastructure, and submitted detailed engineering calculations. In response, BART issued a letter indicating that BART has no objection to the project proceeding to

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<sup>19</sup> Bay Area Rapid Transit District (BART). July 2003. *General Guidelines for Design and Construction Over or Adjacent to BART's Subway Structures*. Online at [https://www.bart.gov/sites/default/files/docs/Gen\\_Guide\\_Subway\\_062012.pdf](https://www.bart.gov/sites/default/files/docs/Gen_Guide_Subway_062012.pdf). Accessed October 19, 2018.

<sup>20</sup> Bay Area Rapid Transit District. October 2001. *General Guidelines for Design and Construction Over or Adjacent to BART's Subway Structures*. Online at [https://www.bart.gov/sites/default/files/docs/Gen\\_Guide\\_At\\_Grade\\_062012.pdf](https://www.bart.gov/sites/default/files/docs/Gen_Guide_At_Grade_062012.pdf). Accessed October 19, 2018.

<sup>21</sup> The BART Zone of Influence is defined as the area above a line of influence, which is a line from the critical point of BART structures at a slope of 1 ½ horizontal to 1 vertical (as a line sloping towards ground level). See: [https://www.bart.gov/sites/default/files/docs/Gen\\_Guide\\_Subway\\_062012.pdf](https://www.bart.gov/sites/default/files/docs/Gen_Guide_Subway_062012.pdf), Accessed: October 16, 2018.

at Planning Commission hearing and BART is currently reviewing the project to determine whether the project would require a permit from BART.<sup>22</sup>

**CONCERN 6: Site-Specific and Cumulative Impacts: The appellant states that a full range of site-specific and cumulative environmental resource impacts may occur as a result of the project.**

**RESPONSE TO CONCERN 6:** The PMND for the proposed project analyzed all potentially significant environmental impacts associated with the proposed project, both at a project-specific and a cumulative level. Each of the 17 resource topics covered in the PMND contains project-specific analysis and an analysis of potential cumulative impacts. All potentially significant impacts were mitigated to a less-than-significant level, with mitigation measures implemented for cultural resources (archeology and tribal cultural resources only), noise, and air quality.

**CONCERN 7: Preparation of an EIR: The appellant seeks preparation of an Environmental Impact Report (EIR) to study potential project impacts and feasible alternatives and mitigation.**

**RESPONSE TO CONCERN 7:** Following preparation of an Initial Study, the Planning Department issued a PMND, which found that the proposed project could not have a significant effect on the environment. The finding is based on the criteria of CEQA Guidelines Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance), and 15070 (Decision to prepare a Negative Declaration), and the reasons documented in the PMND. The PMND does not contain, nor has appellant provided, any substantial evidence that the proposed project would result in potential significant environmental impacts that have not already been addressed and determined to be “Less Than Significant with Mitigation Incorporated” in the PMND.

According to CEQA Guidelines Section 15063(b)(1), an EIR is required to be prepared if the agency determines there is substantial evidence that any aspect of the project, either individually or cumulatively, may cause a significant effect on the environment that cannot be mitigated to a less-than-significant level. As described above, for each concern raised by the appellant, the appellant has not provided substantial evidence that would support a fair argument that any significant environmental effect may occur as a result of the proposed project. Speculation and argument does not constitute evidence that a significant effect on the environment could occur.

In addition, according to CEQA Guidelines Section 15063(b)(2), a Negative Declaration shall be prepared if there is no substantial evidence that the project or any of its aspects may cause a significant effect on the environment. As required by CEQA, the PMND provides an accurate characterization of the proposed project and the proposed project’s potential environmental impacts. The PMND and its supporting technical studies provide substantial evidence that the proposed project could not result in significant impacts to the environment. Therefore, preparation of an EIR is not required.

**CONCERN 8: Concerns Raised in the SHPO’s November 9, 2018 Letter: The appellant requested that the appeal be continued pending submission and review of a project that meets the Standards.**

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<sup>22</sup> Gary Anderson, Senior Real Estate Engineer, BART. October 29, 2018, File: M-07.0-002-SF. “Re Hearst Hotel—Tunnel Force Analysis.”

**RESPONSE TO CONCERN 8:** The Planning Department requested a continuance of the hearing to review and adequately respond to the concerns raised in the letter. In response to the concerns raised in the SHPO's November 9, 2018 letter, the project sponsor modified the project as described above and as analyzed in the revised PMND. On December 18, 2018, the SHPO issued an amended response to the project's Historic Preservation Certification Application, which stated that the revised elements of the project, as revised, meet the Standards. Per SHPO's response this work included revisions and clarifications concerning the historic lobby, corridors, main elevator penthouse height, rooftop and related landscape work, and the interconnected stairway between the second and third floors.

**CONCERN 9: HPC Process-Related Concerns: The appellant states that the Historic Preservation Commission should review the project to provide its expertise on historic resource impacts and appropriate mitigation prior to review by the Planning Commission.**

**RESPONSE TO CONCERN 9:** Pursuant to Section 31.04 of Chapter 31 of the San Francisco Administrative Code, the Historic Preservation Commission (HPC) has the authority to review and comment on environmental documents and determinations, including the PMND. The HPC and Planning Commission as decision-makers for the project were provided with the PMND when it was released on August 22, 2018 through a Notice of Availability of and Intent to Adopt a Mitigated Negative Declaration, which specified a hyperlink to the full PMND document online. No comments were received during the PMND review period from the HPC. Therefore, the HPC had an opportunity to review and comment on the proposed project, and the HPC did not comment on the proposed project. The HPC did not request a hearing or additional information on the PMND from staff.

CEQA must be completed before any discretionary action related to the project may be taken. For this project, the MND would be finalized before the HPC could consider approval of the Major Permit to Alter, required for this project under Article 11 of the Planning Code. According to Section 4.135 of Article 4 of the San Francisco Charter, for projects that require multiple planning approvals (such as this project), the HPC must review and act on any permit to alter before any other planning approval action. The HPC has the authority to approve, disprove, or modify applications for permits to alter as part of their review of projects requiring such actions. Following an approval of the Major Permit to Alter by the HPC (which would include adopting the FMND), the proposed project would then return to the Planning Commission, and subsequently to the Board of Supervisors, for project approvals as outlined in the PMND. In summary, HPC was provided the PMND for review and comment, including the historic resource analysis and determination of the level of significance of project cultural resource impacts. The HPC will review the project during its consideration of the Major Permit to Alter, but CEQA review must be completed before the HPC can act on approval of the project.

**CONCERN 10: Input from San Francisco Heritage: The appellant requests review of the proposed project by San Francisco Heritage, a non-profit historic preservation organization.**

**RESPONSE TO CONCERN 10:** The proposed entitlements do not require review by San Francisco Heritage, nor is there a requirement under CEQA for the project to be reviewed by San Francisco Heritage. However, the project sponsor provided San Francisco Heritage the opportunity to review

and comment on the project, as revised. Following its review, San Francisco Heritage provided a comment letter dated January 23, 2019, which has been added to the appeal packet. In summary, the letter states that San Francisco Heritage “feels that the proposed adaptive reuse as a hotel is appropriate and sympathetic to the long-term preservation of the historic building,” “applauds the sponsor for its efforts so far to incorporate multiple design changes recommended by the [California Office of Historic Preservation],” and “Heritage is reassured by the project sponsor’s demonstrated commitment to fully comply with the Secretary’s Standards.”<sup>23</sup> Overall, while San Francisco Heritage’s review is not required by department process or under CEQA, the letter received from the organization indicates the organization has reviewed the project and feels that the project’s proposed adaptive reuse is appropriate and sympathetic to the long-term preservation of the building.

## **Appeal 2 – Appellant Yasin Salma**

The concerns raised by Yasin Salma, in an appeal letter filed September 11, 2018 and supplemental e-mails dated September 19 and 20, are cited below and are followed by the Planning Department’s responses. The second appellant’s concerns are numbered sequentially, continuing the numbering of the concerns addressed above.

### **CONCERN 11: Change of Use for Parking: The appellant asserts that the proposed project would illegally change a portion of the use of the first floor from retail to valet parking use.**

**RESPONSE TO CONCERN 11:** The appellant has indicated the basis for his appeal regards the parking for the proposed hotel. No parking, including by valet, would be provided onsite for the proposed hotel. As described in the Transportation topic of the PMND on p. 3, the project sponsor would provide valet service that would be available for all building guests through a contracted third-party valet service. The third-party valet company would be responsible for securing parking contracts with existing local parking garages to accommodate the daily valet parking demand. The valet service would operate in the right-of-way on Stevenson Street. The valet stand would be located at the eastern end of a proposed 60-foot on-street passenger loading zone, approximately 70 feet east of the Third and Stevenson Street intersection. The project sponsor would request that the SFMTA install a 60-foot-long passenger loading zone (3 spaces) for hotel valet service along the project frontage on the north side of Stevenson Street.

The proposed project’s valet operations would not displace existing retail uses at the project site, as there are no existing retail uses along Stevenson Street at the project site. In addition, the appellant states that the first floor would be illegally changed from all retail use to retail use on Third Street and “changing 50 percent of first floor from retail to valet parking for the Hearst Hotel.” This is incorrect. The proposed project would not alter any existing retail uses at the Hearst Garage (block 3707, lot 057, the block bound by Stevenson Street, Annie Street, Jessie Street and Third Street), which is across Stevenson Street from the site, but not part of the project site. As such, there would be no effect from the proposed project to the existing retail uses at the Hearst Garage. The proposed

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<sup>23</sup> San Francisco Heritage, January 23, 2019. Letter Regarding Hearst Building Rehabilitation Project.

project would, however, alter the first floor of the project site by eliminating existing retail east of the building entrance along the building frontage on Third Street in order to accommodate a lobby and lounge, as shown in Figure 3 of the PMND.

The valet service would be located curbside on the north side of Stevenson Street, and would primarily park vehicles at the Hearst Garage across from the project site on Stevenson Street, using the vehicle entrance from the south side of Stevenson Street, approximately 70 feet east of the project site. The proposed project would not result in any physical changes to the Hearst Garage. Currently, there are two retail tenants in the Hearst Garage along Third Street. The proposed project would not affect these retail spaces. The Hearst Garage has been operating based on code-conforming uses. The facility is currently permitted as a continuation of an existing parking facility in the C-3-O zoning district, per sections 178 and 210.2 of the Planning Code. There are currently no open complaints regarding the Hearst Garage, and no applications on file at the Planning Department for the Hearst Garage.

In summary, there is no evidence that the proposed project would result in a change of use or loss of existing retail uses along Third Street in the Hearst Garage, nor has the appellant provided any evidence of a proposed change in use. The proposed changes to retail uses in the Hearst Building on the project site have been described in the PMND. To the extent that this Concern 8 alleges a potential land use change that is not part of proposed project, Concern 8 does not relate to the analysis of the project under CEQA.

**CONCERN 12: Inclusion of Public Art/Green Wall: The appellant states that the sponsor should install a green wall or other artwork to beautify the Hearst Garage.**

**RESPONSE TO CONCERN 12:** As stated above, the Hearst Garage is not located on the project site and is not part of the proposed project. Vehicles utilizing the proposed valet service may be parked in the Hearst Garage or elsewhere in the project's vicinity. The appellant's suggestion to include a green wall or other artwork on the outside of the Hearst Garage is noted and has been provided to the project sponsor, which does not own or otherwise control the Hearst Garage. There is no requirement for the proposed project to provide a green wall or other artwork on an adjacent building outside of the project site. This comment does not relate to the analysis of the project under CEQA, nor has the appellant provided any evidence that a green wall or artwork relates to the analysis of the proposed project under CEQA.

**CONCERN 13: Analysis of Parking, Noise and Pollution: The appellant asserts that parking, noise, and pollution should be included in the report for the proposed project.**

**RESPONSE TO CONCERN 13:** Parking, noise, and pollution from the proposed project are analyzed as required by CEQA in the PMND. The analysis summarized in the PMND is documented in the supporting technical reports cited. As noted on p. 13 of the PMND, parking impacts are not considered significant environmental impacts for infill projects located within a transit priority area in accordance with California Public Resources Code Section 21099. The transportation impact study (summarized under topic 4, Transportation and Circulation, beginning on p. 40 of the PMND) prepared for the proposed project did, however, analyze vehicular site circulation as well as commercial and passenger loading, among other topics, and no significant impacts were identified. Noise was analyzed under topic 5, beginning on p. 57 of the PMND. All

noise impacts were found to be less than significant with mitigation or less than significant. Three mitigation measures related to noise were identified to reduce outdoor fixed noise, 4<sup>th</sup> floor terrace noise, and rooftop deck noise. Air quality was analyzed in topic 6, beginning on p. 66 of the PMND. All air quality impacts were found to be less than significant with mitigation or less than significant, and two mitigation measures were identified to reduce construction emissions and diesel generator emissions below significant levels.

The PMND analyzed the topics stated by the appellant, and the appellant has not provided any specific information or any evidence about any of these topics that requires further analysis.

## **CONCLUSION**

According to CEQA Guidelines section 15063(b)(1), an EIR is required to be prepared if there is substantial evidence that any aspect of a project, either individually or cumulatively may, cause a significant effect on the environment that cannot be mitigated to a less-than-significant level. Neither appellant has provided substantial evidence that would indicate that the proposed project would have a significant impact on the environment that cannot be mitigated to a less-than-significant level, necessitating the preparation of an EIR. The PMND provides an accurate characterization of the proposed project (as modified) as required by CEQA and provides substantial evidence that the proposed project would not result in significant impacts to the environment. Therefore, preparation of an EIR is not required.

Staff recommends that the Planning Commission adopt the motion to uphold the MND. The appellants have not presented any substantial evidence supporting a fair argument that a significant environmental effect may occur as a result of the project, and that would warrant preparation of an EIR.



## **Exhibit B**

### **Friends of the Hearst Building Appeal Letter**



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OF COUNSEL  
Rachel Mansfield-Howlett  
Roz Bateman Smith

September 11, 2018

San Francisco Planning Department  
Attention: Lisa Gibson, Environmental Review Officer  
1650 Mission Street, Suite 400  
San Francisco, CA 94103  
*via email* [lisagibson@sfgov.org](mailto:lisagibson@sfgov.org)

Subject: Appeal of Preliminary Mitigated Negative Declaration (PMND)  
2016-007303ENV  
Project Title: 5 Third Street  
Zoning: C-3-O (Downtown Office) Use District  
120-X Height and Bulk District

Dear Ms. Gibson:

The unincorporated association Friends of the Hearst Building appeals the PMND for the above-referenced project. The grounds for the appeal substantially rely on the City's own Initial Study, which contains ample substantial evidence supporting a fair argument that the project may have significant environmental impact. Additional substantial evidence will be presented to the Planning Commission regarding significant project impacts including, *inter alia*:

- **Impacts to Historical Resources:** The project would convert the historic Hearst building to a hotel. Article 11 of the San Francisco Planning Code designates the Hotel as a Category I: Significant Building. It must therefore be treated as historic under the California Environmental Quality Act (CEQA). Expansion of the Article 11-designated New Montgomery-Mission-Second Street Conservation District in 2012 includes the site within its expanded boundaries. The Initial Study presents evidence that the buildings on the site are eligible for listing in the California Register of Historical Resources.

The Initial Study (IS) concedes that the project will alter or destroy identified *character-defining* features of the Hearst building at 5 Third Street, including the

gable/flat-roofed penthouse suite added by Julia Morgan in 1938 “that dates from the building’s period of significance and possesses high artistic value” (IS at pp. 23-24) and “a portion of the distinctive marble-clad walls and eight gold leaf panels within the historic lobby” (IS at 24). Other significant impacts to historic fabric abound, including alteration of upstairs corridors with removal of marble.

- **Land Use Impacts.** The proposed project requires a Major Permit to Alter from the Historic Preservation Commission, a Conditional Use Authorization from the Planning Commission for the proposed hotel uses, a Downtown Project Authorization from the Planning Commission for substantial alternations to the building, a legislative amendment to Planning Code Section 188 to allow for alterations and enlargements to the existing noncomplying rooftop structures, a building permit from the Department of Building Inspection, a street space permit for construction staging from San Francisco Public Works, and approval of a passenger loading zone from the San Francisco Municipal Transit Agency. The project site is identified by the State Water Resources Control Board as a leaking underground storage tank site.

Potential significant impacts may occur in relation to each discretionary project approval, both during construction and in operation, including impacts to historic resources, impacts relating to the change of use including but not limited to displacement of non-profit businesses from the historic office building, impacts to the BART tunnel under Market Street, and a full range of environmental resource impacts both site-specific and cumulative, springing from the project and its approvals, including toxic underground contamination that would be exacerbated by excavation.

This complex project to change use and alter a Category I building at a key historic city intersection cannot lawfully proceed based on this MND. This appeal reasonably seeks preparation of an EIR to study potential project impacts and feasible alternatives and mitigation — all in the prescribed public process mandated by CEQA.

A check for the \$617 appeal filing fee made payable to the San Francisco Planning Department will be hand-delivered to the Planning Information Center on the first floor of 1660 Mission Street, San Francisco, before 5 pm today.

Thank you.

Sincerely,  
  
Rachel Mansfield-Howlett

## **Exhibit C**

### **Supplementary Information Provided on Behalf of Friends of the Hearst Building**

---



## Brandt-Hawley Law Group

Chauvet House • PO Box 1659  
Glen Ellen, California 95442  
707.938.3900 • fax 707.938.3200  
preservationlawyers.com

November 15, 2018

Rich Hillis, President  
and Members of the Planning Commission  
City of San Francisco  
*via email*

Subject: Appeal of Negative Declaration for 5 Third Street  
Hearst Hotel project  
Planning Department Case No. 2016-007303ENV  
Regular Calendar 11/15/18 Item 13

Honorable President Hillis and Commissioners:

On behalf of the appellant Friends of the Hearst Building (Friends), I write as co-counsel to Rachel Mansfield-Howlett to supplement this appeal. We continue to urge the arguments we set forth in the initial appeal letter. The timing of this letter is based on our receipt last night of the (attached) response to our public records act request for the official comments of the California State Historic Preservation Officer (SHPO) regarding the project's Historic Preservation Certification Application. While the project sponsors — and therefore the city's planning staff and perhaps even the members of this Commission — may have received this document last week, we did not.

The comments of the SHPO speak for themselves. While the city's staff report lists substantial impacts to the Hearst Building's character-defining historic features, it concludes that they will be insignificant. *The conclusions are not well-supported and rely on undefined project elements.* The SHPO's comments now provide substantial evidence supporting a 'fair argument' to

the contrary: the proposed project would in fact damage character-defining features of the historic Hearst Building and would not comply with the *Secretary's Standards* due to significant impacts on historic resources.

As this Commission knows, the fair argument standard for preparation of an EIR creates a very low threshold. Because only an EIR process requires consideration of feasible alternatives to reduce or avoid potentially significant environmental impacts, it is favored by the California Legislature. *A fact-based dispute among experts as to the significance of a proposed project's impacts requires preparation of an EIR.* (CEQA Guidelines, § 15064 (g).)

Here, reliance on a negative declaration is precluded by evidence of significant aesthetic and historic impacts inconsistent with CEQA's mandate that a negative declaration may be approved only when there are "clearly" no potential significant impacts. "A project with an effect that *may* cause a substantial adverse change in the significance of an historic resource ... may have a significant effect on the environment." (CEQA Guidelines, § 15064.5 (b), italics added; *Protect Niles v. City of Fremont* (2018) 25 Cal.App.5th 1129.) There is simply no reason to compromise or destroy the magnificent lobby and other important features of the Hearst Building.

In light of the timing of this letter and the Friends' desire to ensure that the Commission in fact receives the SHPO's comments regarding the insufficiency of the current design to protect the historic Hearst Building as soon as possible, the comments are not here discussed in detail. But the SHPO repeatedly requests submission of "revised plans for review and approval" as to numerous substantial alterations that violate the *Secretary's Standards*. Without that information about significant project revisions, assuming the project applicant is willing to tackle such revisions, this



Commission has no adequate basis upon which to approve the negative declaration and the public has not yet been informed of the project parameters that affect CEQA compliance.

The Commission will note that the SHPO did not simply require specific changes to avoid impacts on historic resources. It will receive and review project revisions before deciding whether the *Secretary's Standards* are met. It is not yet known whether impacts on aesthetics and historic resources can in fact be feasibly avoided. An EIR process is required *unless* the Commission upon its future review of a revised project finds that there is no longer a fair argument that the project may have any significant impact.

The Friends respectfully request that the appeal be granted or that the appeal be continued pending submission and review of a revised project that meets the *Secretary's Standards*. Before further review by this Commission, the City's Historic Preservation Commission should also review any such revised project to provide its expertise on impacts and appropriate mitigation. The sponsor also has not yet presented its project for review by San Francisco Heritage; the input of Heritage will also assist this Commission's review.

Other issues raised in the appeal letter may yet continue to preclude reliance on a negative declaration, including but not limited to impacts of the changed use on the Hearst Building's non-profit business tenants.

Thank you very much for your consideration.

Sincerely,



Susan Brandt-Hawley

UNITED STATES DEPARTMENT OF THE INTERIOR  
NATIONAL PARK SERVICE

**CONDITIONS SHEET**

**Historic Preservation Certification Application**

**Part 2**

Property Name: Hearst Building

Project Number: 35701

OHP Ref. # 537.9-38-0246

Property Address: 5 Third Street, San Francisco, CA 94103

The rehabilitation of this property as described in the Historic Certification Application will meet the Secretary of the Interior's Standards for Rehabilitation provided that the following condition(s) is/are met:

**Historic Lobby**

Original glass side walls must remain intact. If physical connections are required between the historic lobby and the rest of the ground floor areas, the openings must be provided in locations that have the least impact on the main lobby (e.g. walls within the niches flanking the elevators). Submit revised plans for review and approval.

**Corridors**

Existing door locations must remain in place per the 9/27/18 response drawings. Decommissioned door locations (further than 5'-0" away from any existing or new door locations) must remain in place as blank doors). Submit revised plans for review and approval.

**Main Elevator Penthouse Height**

A definitive height for the main elevator penthouse must be provide for review and approval, along with line-of-site views to determine the visibility of the height increase. The new stair and access door to elevator machine room must not be visible from the public right of way (including views towards the building from Market and Kearny).


**Undeveloped and Future Work**

This review does not extend to work not submitted or fully described or detailed, including but not limited to: all Hearst Building and 17-29 Third St. rooftop and related landscape work, overall interior improvements (including ground floor and typical upper floors), interconnected stairway between the second and third floors, systems and services, signage, lighting, and any future work not yet contemplated as part of the project, details of which have not been submitted for review and approval to the State Historic Preservation Office and the National Park Service (NPS).

Federal regulations governing this program require evaluation of the entire project. This approval may be superseded if it is found that the overall rehabilitation does not meet the Secretary's Standards. Submit drawings and project descriptions as the project is further developed and information regarding any additional work for review as soon as available to ensure conformance of the overall project with the Secretary's Standards.

11/9/2018

Date

  
Julianne Polanco, CA SHPO

Timothy Brandt, Architectural Review Unit (916-445-7049)

State Contact Telephone Number

The National Park Service has determined that this project will meet the Secretary of the Interior Standards for Rehabilitation if the condition(s) listed in the box above are met.

Date

National Park Service Signature

NUMBER 3	<b>ISSUES:</b>	
	<u>XX</u> Additions, including rooftop <b>New rooftop development and height increases</b>	<u>      </u> Alteration of significant exterior features or surfaces
	<u>XX</u> Alteration, removal, or covering of significant interior finishes or features <b>Historic lobby alterations; upper floor corridor impacts</b>	<u>      </u> Adjacent new construction, extensive site work, or demolition of adjacent structures
	<u>      </u> Changes to significant interior spaces or plan features (including circulation patterns).	<u>      </u> Window replacements on any major elevation that do not match historic configuration, material, and profiles
	<u>      </u> Damaging or inadequately specified masonry treatments	<u>XX</u> Other (Explain) <b>Not all work fully described or detailed</b>

NUMBER 4	Basis for Recommendation. Focus on how the issues checked in NUMBER 3 are being addressed. Where denial is recommended, explain fully. Comment on noteworthy aspects of the project, including any technical or design innovations, or creative solutions.
	<b>STATE EVALUATION OF PROJECT &amp; CONCERNS:</b>

This project involves the rehabilitation and adaptive reuse of the Hearst Building constructed in 1910 and an interconnected adjacent non-historic building, 17-29 Third Street constructed in 1911. The buildings will be converted from office and retail use into hotel and retail use. Although the original historic lobby in the Hearst Building will remain operable, the new main hotel entrance will be at the alley (south) elevation of 17-29 Third Street.

Work will consist of: overall rehabilitation work, including exterior cleaning; selective demolition to accommodate the new uses; storefront and window work (including the installation of new interior acoustical sash and replacement of wire glazing with clear glass); roof work, including installation of a roof terrace on the roof of 17-29 (connected to 4th floor level of Hearst Building), activation of the Hearst rooftop level, and increasing the height of the existing main elevator penthouse and construction of new penthouses; infill of a non-visible lightwell with two floors of new construction; a seismic retrofit, including new shear walls that block selective windows (most notably on the recessed Stevenson Street side elevation); new systems and services; lighting; accessibility, and; extensive interior improvements.

Of primary concern is the proposed non-compliant work at the historic lobby, as well as work involving the typical upper floor corridors, rooftops, and the extent of work not yet developed and/or submitted for review.

It appears that the overall project may be deemed to meet the Standards if the enclosed recommendations and conditions are successfully incorporated into the project and the work is further developed and detailed in accordance with the Standards.

### See Continuation and Conditions Sheets.

#### INNOVATIVE SOLUTIONS/NOTEWORTHY ASPECTS:

       new technical process             creative design solution             noteworthy project

XX See attachments: xx plans           specifications    xx photographs    xx other: Exhibits

       Items sent separately:        plans           specifications           photographs           other:

       Other documentation on file in State:

#### NPS COMMENTS:

Number 4
-------------

Basis for recommendation: Continued:

**STATE EVALUATION OF PROJECT AND CONCERNS:****Review Notes**

An initial Part 2 received on 12/27/17 was not complete enough to commence review and was placed on hold (1/19/18) pending a more sufficiently developed application. A more complete Part 2 application received on 7/13/18 superseded the original submittal. Based on the review of this second submittal, an RFI was issued on 8/2/18 outlining project concerns. A response to this RFI was received on 10/11/18 (with revised drawings dated 9/27/18). Therefore this review is based both on the second submittal and work described in that submittal as well as revisions to certain scopes of work as described in the response submittal.

Of primary concern are the proposed new openings in the historic lobby which do not meet the Standards. There are also concerns over the impacts of the new use on the upper floor corridors, and the rooftop scopes of work. Additional concerns exist over the amount of work not sufficiently described or detailed in the application and the impact of that work on the historic character of the building and in the context of the overall project.

**Primary concern**

- Historic lobby.

**Secondary concerns**

- Upper floor corridors.
- Hearst building rooftop.
- 17-29 Third Street rooftop (4<sup>th</sup> floor terrace).

**Additional concerns**

- Incomplete information
  - Interior improvements.
  - Lighting.
  - Signage.

**Primary concern****Historic lobby**

The proposed new openings on each of the historic lobby's front section side walls do not meet the Standards. To bring this work into compliance, any connections required by the new use must be located and designed to have minimal impact on the lobby (e.g. in one of the walls within the niches flanking the elevators). New or enlarged openings in the niche walls are possible as long as the openings are designed to be compatible with the historic character of the lobby, and have a cased opening appearance.

***See Condition.***

Number 4
-------------

Basis for recommendation: Continued:

**STATE EVALUATION OF PROJECT AND CONCERNS:****Secondary concerns****Upper floor corridors**

Of concern with the originally proposed corridor work was the relocation of doors on floors six through twelve to fit the new program layout, and the impact of that relocation on the existing marble wainscot (e.g. removal, cutting and resizing, etc.). The original proposal also removed all door locations that were not needed by the new use and infilled them with marble (instead of leaving the openings and installing blank doors).

***Notes***

- The response to the RFI package provided a more compatible solution by retaining most of the doorways in their original location (albeit with new doors). This would preserve more of the marble in its original location (and prevent it from being resized to accommodate the new door locations and reduce the need to infill areas where the doors are being removed).
- It would appear that many of the door locations that are no longer needed to facilitate the new use could remain in place as fixed in place blank doors to further reduce the need for marble infill.

***See Condition.*****Hearst building rooftop**

Of concern is the visibility of the height increase and added stairway and door to the main elevator penthouse.

The build-out of the rooftop for active use involves: the demolition of several penthouses, including a gabled historic office suite structure; construction of new penthouses, increasing the height of the existing main elevator penthouse and installation of a new access stair and door; interior and exterior tenant improvements, and; landscaping.

***Notes***

- The historic office suite is not visible from the street and although it has some extant character defining features, the structure as a whole does not appear to retain enough integrity that its removal would be cause to deny the overall project.
- While the existing stair penthouse (to be demolished) is visible from certain views of the building, this penthouse will be demolished as part of the project. The existing main elevator penthouse will be increased to accommodate elevator access to the roof or 13<sup>th</sup> floor (the elevators currently only go to the 12<sup>th</sup> floor). The consultant has stated that the new elevator penthouse height will be 2'-0" feet below the height of the existing stair penthouse, however an exact dimension has not been provided.

Number 4
-------------

Basis for recommendation: Continued:

**STATE EVALUATION OF PROJECT AND CONCERNS:****Hearst building rooftop, continued****Concern**

- The drawings are not definitive on the height of the added construction (dimensions range from +5 feet to +6.5 feet). Concern exists over the visibility of the added height if the new height of the main elevator penthouse is approximate to the existing stair penthouse height.

**See Condition.****17-29 Third Street rooftop (4<sup>th</sup> floor terrace)**

Of concern is the approach to the window to door conversion on the south elevation (Stevenson St. elevation) of the Hearst Building at the new 4<sup>th</sup> floor terrace, and the final detailing of the proposed hardscape and landscape features.

**Strong Recommendation**

- Retaining the original (two) window openings (heights and widths) and designing the two new door assemblies to better take advantage of the existing openings would appear more compatible than the proposed infilling of the openings to accommodate new narrower doors and patching the terra cotta. However it does appear that these two locations are not visible from the street.

**Condition**

- Submit more developed plans and specifications for review and approval to ensure compatibility of the final hardscape and landscape scopes of work.

**Incomplete information**

A determination of the following work cannot be made based on the information and level of drawings submitted.

**Interior improvements**

All tenant improvements must be submitted for review and approval.

**Concerns**

- Of particular concern are all ground floor improvements including but not limited to all interior finishes, ceiling work, the new openings between the two buildings and the related interconnecting stair and lift must be described and detailed.
- The design of the interconnecting stair between the 2<sup>nd</sup> and 3<sup>rd</sup> floor office areas does not meet the Standards as indicated on the submitted drawings. The plans indicate what appears to be a full height wall intersecting a window on the primary corner elevation. The stair design must be revised to be compatible and drawings submitted reflecting that change.

Number 4
-------------

Basis for recommendation: Continued:

**STATE EVALUATION OF PROJECT AND CONCERNS:****Incomplete information, continued**Lighting

Provide a description and specifications for all light fixtures. Cut sheets must be provided for all exterior fixtures, as well as any interior light fixtures in a public space.

Signage

A full description and drawings for all proposed signage must be submitted for review and approval.

***See Conditions (for all incomplete, undeveloped, and future work).***





## **Exhibit D**

### **Appeal Letter and Supplemental Information from Yasin Salma**

---



S.F. Planning Dept.

Sept 11, 2010

①

CASE # 2016-007303 ENV

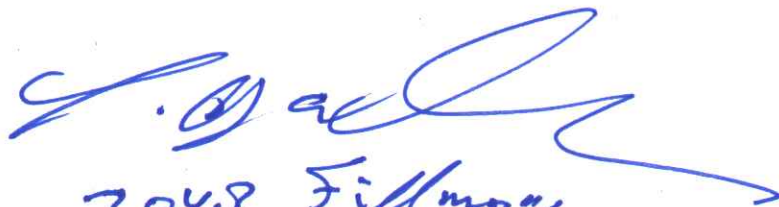
Project title 5 Third St.

Block/Lot 3707-057

ATT. Lisa Gibson

I am appealing the Parking  
for the Hotel.

they illegally changed the first  
floor from 100% retail to  
some retail on third and changing  
50% of the first floor from  
retail to VALET parking  
for HEART Hotel.

  
3048 Fillmore  
(415) 931-8259

\* Please See Attached  
Exh A

(2)

I am the owner of a building  
across the street 163-165 Jersey

Thank you for your consideration

Y. M. R.



## THE HEARST PARKING CENTER

CONVENIENT DOWNTOWN SF PARKING

A

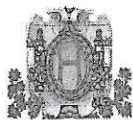
HOME

MAP & DIRECTIONS

RATES & HOURS

NEARBY ATTRACTIONS

CONTACT US



VISIT THE  
HEARST BUILDING

### WELCOME TO THE HEARST PARKING CENTER

We are centrally located off Third Street onto Stevenson Street, just past Mission Street and one block before Market Street.

The garage is a self-park 10 story structure and has convenient hours. With recently modernized elevators, new lighting and on-site security, it is a pleasant and safe place to park your vehicle while enjoying your visit to San Francisco.

We have an attractive California Pizza Kitchen restaurant on the ground floor of the Parking Center for casual, light fare while you are in The City. There is also a car wash & detail service on the main floor (415-568-0909). Have your car washed while you are shopping and dining!

Our facility is conveniently located just one block from the Museum of Modern Art, Yerba Buena Gardens, the Moscone Civic Center and several outstanding hotels. We are a short walk from the Union Square Shopping District and the Westfield Shopping Center which houses Nordstrom's. We are also nearby several excellent restaurants.



HEARST PARKING CENTER

45 THIRD STREET  
(STEVENSON STREET)

BRENNAN ZERBE, MANAGER  
PH: 415-777-7377  
[BZERBE@HEARST.COM](mailto:BZERBE@HEARST.COM)

## Pollak, Josh (CPC)

---

**From:** Sal Salma <yasalma@aol.com>  
**Sent:** Wednesday, September 19, 2018 11:39 AM  
**To:** Pollak, Josh (CPC)  
**Subject:** Re: 5 Third Street, San Francisco ( The Hearst Hotel).

Hello Josh

Correction for an early e-mail.

It seems that the detail /wax shop is still in business( they do 3-4 cars a day). and its a good family business

The Hearst plan is to remove it and replace it with Valet upon completion of the Hotel.

Sal

**Sal Salma**

**Salma & Company**  
3048 Fillmore Street  
San Francisco, CA 94123

415.931.8259 T  
415.929.1530 F

[www.salma-co.com](http://www.salma-co.com)

**From:** Sal Salma [<mailto:yasalma@aol.com>]  
**Sent:** Monday, September 10, 2018 4:14 PM

## Pollak, Josh (CPC)

---

**From:** Sal Salma <yasalma@aol.com>  
**Sent:** Thursday, September 20, 2018 12:40 PM  
**To:** Pollak, Josh (CPC)  
**Subject:** Fwd: Hearst Garage/ Annie& Jessie  
**Attachments:** IMG\_5840.JPG; IMG\_5841.JPG; IMG\_5842.JPG; IMG\_5843.JPG

Hello Josh,

You might also want to address the following:

There is not one single door of retail on Jessie St.or Annie St.

This is unfair for all neighbors (residents in the area and merchants).

Imagine if this concrete block of walls (covering Jessie, Annie and Stevenson) were covered with a living wall! It would become a big destination and likely, the finest public garage on the west coast.

I will next send you an email with an example of a living wall at Drew School at Broderick St. @ California.

Thanks,  
Sal

**Sal Salma**

**Salma & Company**  
3048 Fillmore Street  
San Francisco, CA 94123

415.931.8259 T  
415.929.1530 F

[www.salma-co.com](http://www.salma-co.com)

-----Original Message-----

From: Yasin Salma <yasalma@aol.com>  
To: Yasin Salma <yasalma@aol.com>  
Sent: Thu, Sep 20, 2018 12:19 pm  
Subject: Hearst Garage/ Annie& Jessie





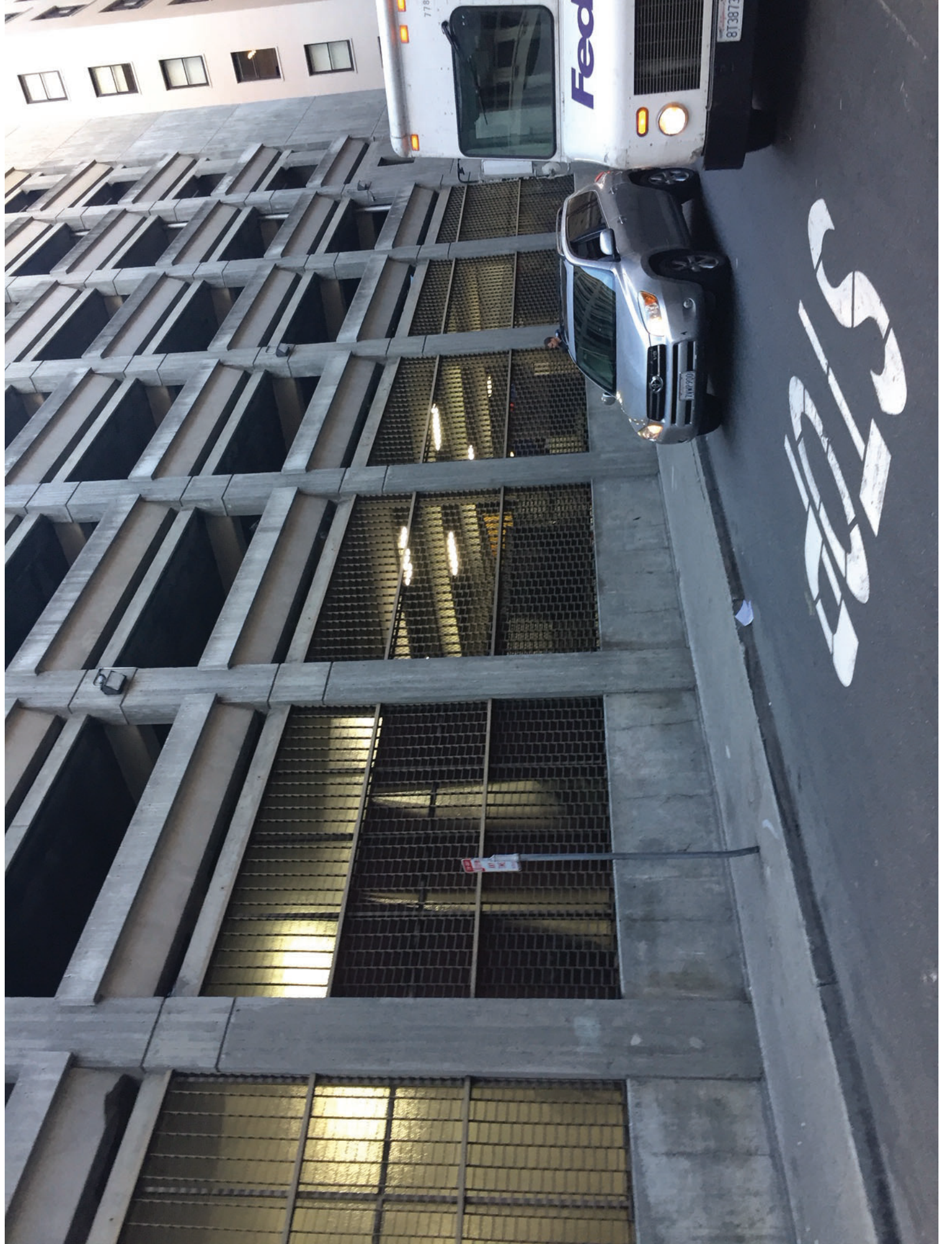












## Pollak, Josh (CPC)

---

**From:** Sal Salma <yasalma@aol.com>  
**Sent:** Thursday, September 20, 2018 12:41 PM  
**To:** Pollak, Josh (CPC)  
**Subject:** Fwd: Drew school/ Broderick & California Living wall  
**Attachments:** IMG\_5827.JPG; IMG\_5826.JPG

Sal Salma

Salma & Company  
3048 Fillmore Street  
San Francisco, CA 94123

415.931.8259 T  
415.929.1530 F

[www.salma-co.com](http://www.salma-co.com)

-----Original Message-----

From: Yasin Salma <yasalma@aol.com>  
To: Yasin Salma <yasalma@aol.com>  
Sent: Thu, Sep 20, 2018 12:23 pm  
Subject: Drew school/ Broderick & California Living wall

Sent from my iPhone



DREW

MANUAL STANDPIPE  
200' CALL "RINIA STREIF"  
750 GPM AT 133 PSI  
REQUIRED TO PROVIDE  
75 PSI AT ROOF









## Pollak, Josh (CPC)

---

**From:** Sal Salma <yasalma@aol.com>  
**Sent:** Thursday, September 20, 2018 2:31 PM  
**To:** Pollak, Josh (CPC)  
**Subject:** Hearst Parking Center

Hello Josh,

I do believe that parking, noise, pollution should be part of your report.  
If you google Hearst parking Center, you will see some of the photos they advertise, as well as the Google reviews that users submit their own photos.  
Please check it out here: [Hearst Parking Center](#)

The link shows photos of their ten story concrete building, the neighborhood, the beautiful Hearst building and other stores.  
It also shows a beautiful wall with Art Work as high as 3-stories: Each word covers one floor level.

**LOVE**

**OVER**

**RULES**

This Art work covers the back of my building at Jessie & Annie. The neighborhood, Friends of Annie and other Civic organizations who are working daily to beautify our Little alleys. asked me if they can use my wall for the good of the neighborhood. I was more than glad to contribute the wall for free to them because it is great for the community to see this art. After all, when it unveiled last year, it was the 50th anniversary of Summer of Love in San Francisco and my contribution was more than appropriate, it was a necessary act for the community.

The Hearst Garage has a wall about the same size of mine, yet they advertise VODKA, which I can only assume brings in \$30-50/k month as revenue for the parking center.

If you look at my wall, you will smile and I have witnessed many people since the art has been up doing the same. It's wonderful to see.

I do believe that it is the duty of the SF Planning Department to work hard to force these billion dollar corporations to beautify their neighborhoods.

I think If Mr. Hearst was alive today, he will see it our way. This is the only chance for us to improve their dreadful concrete walls, which covers one square block of our beautiful downtown.

The Garage center is a gold mine, and its about time to improve the looks of the neighborhood.

Thanks  
Sal

[Sal Salma](#)

**Salma & Company**  
3048 Fillmore Street  
San Francisco, CA 94123

415.931.8259 T  
415.929.1530 F

**[www.salma-co.com](http://www.salma-co.com)**



## **Exhibit E**

### **State Historic Preservation Office Updated Response**



UNITED STATES DEPARTMENT OF THE INTERIOR  
NATIONAL PARK SERVICE

Historic Preservation Certification Application

State Historic Preservation Office Review & Recommendation Sheet

Rehabilitation - - Part 2/Part 3

Project Number: 35701

NUMBER 1	<b>Hearst Building</b>		OHP Ref. # 537.9-38-0246
	<b>5 Third Street</b>		<input type="checkbox"/> Preliminary done
	(Property) <b>San Francisco, San Francisco County, CA 94103</b>		<input type="checkbox"/> Non-standard billing
	Certified Historic Structure? <input type="checkbox"/> yes <input checked="" type="checkbox"/> pending		
	<b>Part 1 approved 12/29/17</b>		
	Type of Request:	<input type="checkbox"/> Part 2	
		<input type="checkbox"/> Part 3 (Part 2 previously reviewed)	
		<input type="checkbox"/> Part 3 (Part 2 not previously reviewed)	
		<b>ONE</b> Amendment	
	Date application received by State <u>12/5/2018</u>		
Date(s) additional information requested by State <u>12/6/2018</u>			
Complete information received by State <u>12/7/2018</u>			
Date transmitted to NPS <u>12/18/2018</u>			
Property visited by State staff? <input checked="" type="checkbox"/> yes** <input type="checkbox"/> rehab.			
		(before) (during) (after)	

**SHPO REVIEW SUMMARY**

- ☒ Fully reviewed by SHPO
- ☒ No outstanding concerns  
**(on this Amendment)**
- ☒ Owner informed of SHPO recommendation
- ☒ In-depth NPS review requested  
**(along with previously submitted Part 2)**

**\*\*Site visit on 9/11/18**

NUMBER 2	STATE RECOMMENDATION:	
	<u>Timothy J. Brandt</u> , who meets the Secretary of the Interior's Professional Qualification Standards, has reviewed this application.	
	The Project	
	<input checked="" type="checkbox"/> meets the Standards. <b>***for work as revised and described in this Amendment.</b>	
	<input type="checkbox"/> meets the Standards* <i>only</i> if the attached conditions are met.	
	<input type="checkbox"/> does not meet <b>currently</b> Standard number(s) _____ for the reasons listed on reverse.	
	<input type="checkbox"/> warrants denial for lack of information.	
	<input type="checkbox"/> This application is being forwarded without recommendation.	
	For completed work previously reviewed, check as appropriate:	
	<input type="checkbox"/> completed rehabilitation conforms to work previously approved.	
<input type="checkbox"/> completed rehabilitation differs substantively from work previously approved (describe divergences from Part 2 application on reverse)		

12/18/18



Date

Julianne Polanco, California State Historic Preservation Officer

**This is a review sheet only and does not constitute an official certification of rehabilitation.**

<b>NUMBER</b> <b>3</b>	<b>ISSUES:</b>		<b>Amendment 1</b>	
	<input type="checkbox"/>	Additions, including rooftop	<input type="checkbox"/>	Alteration of significant exterior features or surfaces
	<input type="checkbox"/>	Alteration, removal, or covering of significant interior finishes or features	<input type="checkbox"/>	Adjacent new construction, extensive site work, or demolition of adjacent structures
	<input type="checkbox"/>	Changes to significant interior spaces or plan features (including circulation patterns).	<input type="checkbox"/>	Window replacements on any major elevation that do not match historic configuration, material, and profiles
	<input type="checkbox"/>	Damaging or inadequately specified masonry treatments	<input checked="" type="checkbox"/>	Other (Explain) <b>Response to Part 2 SHPO Conditions Page</b>

<b>NUMBER</b> <b>4</b>	Basis for Recommendation. Focus on how the issues checked in NUMBER 3 are being addressed. Where denial is recommended, explain fully. Comment on noteworthy aspects of the project, including any technical or design innovations, or creative solutions.
	<b>STATE EVALUATION OF PROJECT &amp; CONCERNS:</b>

This amendment responds to the Part 2 SHPO review sent to the NPS on 11/9/18. This submittal provides additional information and revised scopes of work in response to the Conditions listed in the SHPO review.

Based on the submitted information, the following work meets the Standards and successfully meets the Part 2 SHPO conditions outlined on that work: historic lobby, corridors, main elevator penthouse height, rooftop and related landscape work, and the interconnected stairway between the second and third floors.

It should be noted that scopes of work not yet been developed to the extent that their impact can be determined (listed on the Part 2 SHPO conditions page under "Undeveloped and Future Work") remain conditioned.

Based on the information contained in this Amendment (and with the successful resolution of the remaining Part 2 conditions not addressed by this Amendment), the overall project may be deemed to meet the Standards.

<b>INNOVATIVE SOLUTIONS/NOTEWORTHY ASPECTS:</b>			
<input type="checkbox"/>	new technical process	<input type="checkbox"/>	creative design solution
<input type="checkbox"/>		<input type="checkbox"/>	noteworthy project

<input checked="" type="checkbox"/>	See attachments:	<input checked="" type="checkbox"/>	plans	<input type="checkbox"/>	specifications	<input checked="" type="checkbox"/>	photographs	<input type="checkbox"/>	other:
<input type="checkbox"/>	Items sent separately:	<input type="checkbox"/>	plans	<input type="checkbox"/>	specifications	<input type="checkbox"/>	photographs	<input type="checkbox"/>	other:
<input type="checkbox"/>	Other documentation on file in State:								

**NPS COMMENTS:**



UNITED STATES DEPARTMENT OF THE INTERIOR  
NATIONAL PARK SERVICE

OMB Approved  
No. 1024-0009  
Form 10-168  
Rev. 2014

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

NPS Project Number  
35701

**Instructions:** This page must bear the applicant's original signature and must be dated.

1. **Property name** Hearst Building
- Property address** 5 Third Street San Francisco San Francisco County, CA 94103
2. **This form** ☐ includes additional information requested by NPS for an application currently on hold.  
☐ updates applicant or contact information.  
☒ amends a previously submitted ☐ Part 1 ☒ Part 2 ☐ Part 3 application.  
☐ requests an advisory determination that phase \_\_\_\_\_ of \_\_\_\_\_ phases of this rehabilitation project meets the Secretary of the Interior's Standards for Rehabilitation. Phase completion date \_\_\_\_\_  
Estimated rehabilitation costs of phase (QRE) \_\_\_\_\_

Summarize information here; continue on following page if necessary.

This amendment submits revised designs for the historic lobby, roof terraces, new doors in existing window openings providing access to roof terraces, treatment of doors in upper floor corridors, and partitions in altered office spaces on upper floors. It resolves conflicts in previously submitted drawings about the height of the proposed extension of the rooftop elevator machine room. The following Part 2 application blocks are revised: Block 3 Stevenson Street Elevations; Block 12 Annex Roof, Block 13 Rooftop Alterations and Additions; Block 14 Historic Lobby; Block 18 Upper Floor Corridors, and Block 19 Office Spaces.

3. **Project Contact** (if different from applicant)
- Name Frederic Knapp Company Knapp Architects
- Street 99 Mississippi Street City San Francisco State CA
- Zip 94107-2521 Telephone (415) 986-2327 Email Address frederic@knapp-architect.com

4. **Applicant**
- I hereby attest that the information I have provided is, to the best of my knowledge, correct. I further attest that [check one or both boxes, as applicable] (1) ☐ I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011), and/or (2) ☐ if I am not the fee simple owner of the above-described property, the fee simple owner is aware of the action I am taking relative to this application and has no objection, as noted in a written statement from the owner, a copy of which (i) either is attached to this application form and incorporated herein, or has been previously submitted, and (ii) meets the requirements of 36 CFR § 67.3(a)(1) (2011). For purposes of this attestation, the singular shall include the plural wherever appropriate. I understand that knowing and willful falsification of factual representations in this application may subject me to fines and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 8 years.
- Name Jamie Robertson Signature \_\_\_\_\_ Date \_\_\_\_\_
- Applicant Entity Bespoke Hospitality, LLC c/o JMA Ventures, LLC SSN \_\_\_\_\_ or TIN 16-1795765
- Street 460 Bush Street City San Francisco State CA
- Zip 94108-3736 Telephone (650) 690-0345 Email Address jrobertson@jmaventuresllc.com
- ☐ Applicant, SSN, or TIN has changed since previously submitted application.

**NPS Official Use Only**

The National Park Service has reviewed this amendment to the Historic Preservation Certification Application and has determined that the amendment:

- ☐ meets the Secretary of the Interior's Standards for Rehabilitation.  
☐ will meet the Secretary of the Interior's Standard for Rehabilitation if the attached conditions are met.  
☐ does not meet the Secretary of the Interior's Standards for Rehabilitation.  
☐ updates the information on file and does not affect the certification.

Advisory Determinations:

- ☐ The National Park Service has determined that the work completed in this phase is consistent with the Secretary of the Interior's Standards for Rehabilitation. This determination is advisory only. A formal certification of rehabilitation can be issued only after all rehabilitation work and any associated site work or new construction have been completed. This approval could be superseded if it is found that the overall rehabilitation does not meet the Secretary's Standards. A copy of this form will be provided to the Internal Revenue Service.

Date \_\_\_\_\_ National Park Service Authorized Signature \_\_\_\_\_

☐ NPS conditions or comments attached

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco San Francisco County, CA 94103

---

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name The Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco, San Francisco County CA 94103

**Block 3      Stevenson Street Elevations**

Describe work and impact on feature

Retaining the original window openings and designing the new door assemblies to better take advantage of the existing openings, there will be three door openings to the rooftop terrace of 17-29 Third Street from the fourth floor of the Hearst Building. The original window openings (heights and widths) will be extended to the floor. The existing window frames and sash will be replaced by new painted, metal-clad, wood doors and frames in the openings. The lights of the glazed door leaves will be configured to be visually consonant with the light configuration of the existing windows. Where the existing opening exceeds 48" in width, there will be a 36" door and a fixed side light in order to comply with the building code maximum door width of 48". While the new door at the 9<sup>th</sup> floor terrace will generally not be visible from the right-of-way, the same approach will be taken there to maximize compatibility and reversibility.

Photo numbers N/A

Drawing Nos. PA2.04, PA2.09, PA3.03-4, PA3.10, PA4.04, PH3.04-5

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name The Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco, San Francisco County CA 94103

**Block 12 Roof of the Annex**

Describe work and impact on feature

The drawings have been revised to provide more information about the rooftop terrace at the ninth-floor level, which will be accessed from a new door in the southeast elevation (in the location of an existing window). The roof terrace will have cementitious paving and a row of three glass-fiber-reinforced concrete (GFRC) planters along the railing on its southeast side. The revised drawing shows the location and height of these features and the proposed plant material selections. The new features, including plant materials at full mature height, will not be visible from grade in adjacent blocks.

Photo numbers PA10.24-5

Drawing Numbers PA2.12, PA3.03, PA3.04, PA3.12, PA2.20



**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name The Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco, San Francisco County CA 94103

### Block 13 Rooftop Alterations and Additions

Describe work and impact on feature

The elevator machine room will be raised in order to extend the public passenger elevators to the 13<sup>th</sup> floor. (The elevators currently serve floors 1-12; the 13<sup>th</sup> floor can be reached only by stair.) The existing water tower will be removed, as the tank is no longer used. The new height of the elevator machine room will be 4'-4" greater than the existing elevator machine room, or 5'-4" lower than the existing water tower. The access stair to the new machine room—which is required by code—will not be visible from the public right of way in adjacent blocks (including Market and Kearny Streets).

The drawings have been revised to provide more information about the rooftop terrace. The roof terrace, have cementitious paving, a built-in bar approximately X'-Y" high, shrubs and small trees in freestanding planters, and a fire pit. There will be a metal pergola on the northwest side of the new stair/elevator enclosure. The revised drawing shows the location and height of these features and the proposed plant material selections. The new features, including plant materials at full mature height, will not be visible from grade in adjacent blocks.

Photo numbers PA10.24-5

Drawing Nos. PA2.13, PA2.15, PA2.20, PA3.01-5, PA3.10-2, PA3.14

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name The Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco, San Francisco County CA 94103

**Block 14      Historic Lobby**

Describe work and impact on feature

The lobby will be rehabilitated with cleaning and, where the condition of historic features provides the opportunity for rehabilitation, selected repairs. The original glass side walls and gold leaf panels will remain intact. In order to create a physical connection between the lobby and the rest of the ground floor, new openings will be made in the rear walls of the recessed niches which flank the elevator doors. There will be bronze-clad doors and frames in the new openings; the marble threshold will be similar in color to the existing marble flooring in the lobby, though slightly differentiated to convey its non-original status. The glazed doors will have a solid panel at the bottom which matches the height of the adjacent wainscot in the lobby; the doors will have a rubbed bronze finish compatible with the medallions over the elevator doors. There will be a glazed sidelight adjacent to each door.

The security guard's desk, fire alarm annunciator, and other non-original devices and features will be removed. The historic finishes, mail chutes, and chandeliers will be rehabilitated and cleaned. The roll-down door at the main stair will be removed and the jambs and head of the opening patched as needed.

The new stair from the basement to the ground floor and the private office serving the front desk will be built south of the historic lobby. The location of these new features has been adjusted in the revised scheme.

Photo numbers 43 a&b, 44 a&b

Drawing Numbers PA1.01, PA2.01, PA4.04

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name The Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco, San Francisco County CA 94103

**Block 18      Upper Floor Corridors**

Describe work and impact on feature

New door openings will be added on floors 2 to 12 where needed for the new guest room layout. Where existing doors located 5'-0" or more from the nearest door on either side are no longer needed, the historic door leaf will be left in place but fixed shut, with a solid wall infilled behind it. The door knob will be removed, and other alterations will be made as required by the fire marshal in order to make it clear to first responders that the door is not operable. Where an existing door that is no longer needed is less than 5'-0" from another door that is part of the new partition layout, the door leaf will be removed and the opening infilled. The marble wainscot panels will be moved or infilled to close the opening. On floors 6 to 12 where the marble wainscot or flooring are missing, salvaged material will be installed to increase the integrity of the corridor finishes.

The finishes in the corridors on floors 2 to 5 were installed in the 1960s or later; these will be replaced with finishes more compatible with the original corridors on floors 6 to 12. The walls will have a wainscot of painted wood the same height as the marble wainscot on floors 6 to 12, with vertical panel joints at spacing similar to that seen in the original marble wainscot on floors 6 to 12. The base and the border of the floor will be porcelain tile that is compatible with the corresponding stone on floors 6 to 12. The carpet runner will match the new runner at the historic corridors. (The non-historic extensions of the corridors on floors 6 to 12 will have the same new finishes.)

Photo numbers N/A

Drawing Numbers PA2.02-12, PA20.2a-b

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name The Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco, San Francisco County CA 94103

## Block 19 Office Spaces

Describe work and impact on feature

The new partitions on floors 2 to 13 will not intersect with existing windows. Partitions perpendicular to exterior walls will be configured so that they are far enough from the windows to allow interior trim and finishes to be completed. The interconnecting stair between the 2<sup>nd</sup> and 3<sup>rd</sup> floor office areas will be located so that its walls do not intersect with any windows on the 2<sup>nd</sup> or 3<sup>rd</sup> floors. Partitions have been also been adjusted on floors 4 to 12 so that the wall at the electrical room adjacent to the service elevator lobby will not intersect with the east-facing window.

The drawings have been revised to show full partition layouts on all levels.

Photo numbers N/A

Drawing Numbers PA2.02-12

**HISTORIC PRESERVATION CERTIFICATION APPLICATION  
AMENDMENT / ADVISORY DETERMINATION**

Property name The Hearst Building NPS Project Number 35701

Property address 5 Third Street San Francisco, San Francisco County CA 94103

**Block 26 17-29 Third Street**

Describe work and impact on feature

The drawings have been revised to provide more information about the rooftop terrace and the balcony adjoining the fourth-floor guest room at the south corner of the Hearst Building. The main roof terrace, accessed from the fourth floor of the Hearst Building on its northeast side, will have cementitious paving, built-in benches approximately 1'-6" high, shrubs and small trees in freestanding planters, and two fire pits. The revised drawing shows the location and height of these features and the proposed plant material selections. The new features, including plant materials at full mature height, will not be visible from grade in adjacent blocks.

Photo numbers PA10.24-5

Drawing Numbers PA2.03, PA2.20



## HEARST BUILDING

Image # 43a  
Niche on north side of lobby.

Photograph by Knapp Architects, 2018



**HEARST BUILDING**  
**Image #43b**  
**Detail of north niche.**

**Photograph by Knapp Architects, 2018**





**HEARST BUILDING**

**Image #44a**

**Niche on south side of lobby. Existing door from niche partially visible at right is roughly 30" wide.**

**Photograph by Knapp Architects, 2018**



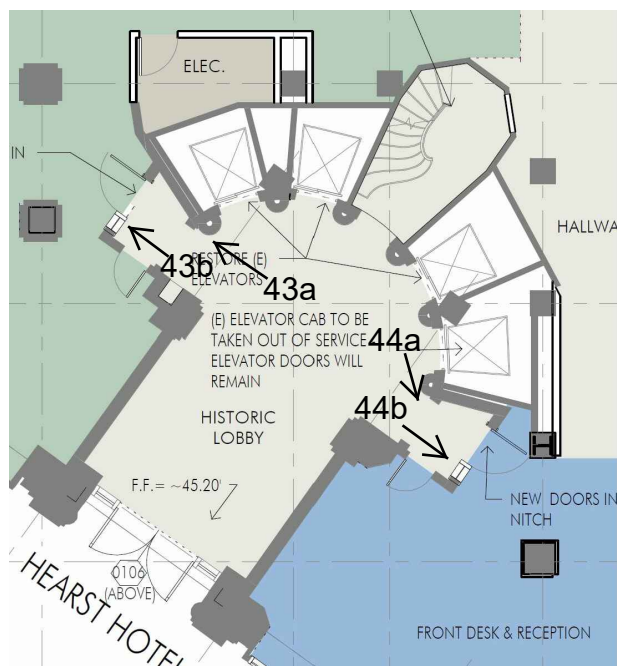


## HEARST BUILDING

Image 44b

Detail of south niche. Annunciator panel and light fixture are not original.

Photograph by Knapp Architects, 2018



KEY PLAN - PHOTOS 43a & b, 44a & b  
HEARST HOTEL SAN FRANCISCO

HPCA Part 2  
Amendment 1  
4 December 2018

## **Exhibit F**

### **San Francisco Heritage Letter**

---



January 23, 2019

Jamie Robertson  
Bespoke Hospitality LLC  
c/o JMA Ventures LLC  
460 Bush Street  
San Francisco, CA 94108  
[jrobertson@jmaventuresllc.com](mailto:jrobertson@jmaventuresllc.com)

**Re: Hearst Building Rehabilitation Project**

Dear Mr. Robertson:

On behalf of San Francisco Heritage, thank you for the opportunity to comment on the proposed Hearst Building Rehabilitation Project. As you know, members of the project team presented to Heritage's Projects & Policy Committee at its meeting on December 14, 2018. The committee's review focused exclusively on the project's treatment of historic features without addressing other issues raised in the current appeal.

The proposed project seeks to convert the Hearst Building (5 Third Street) and an adjacent non-historic building (17-29 Third Street) into a 170-unit hotel. The adaptive reuse plan includes the first complete seismic retrofit since its construction in 1911, as well as updates to fire access, mechanical, electrical, plumbing, and vertical transportation systems, among other improvements. In general, Heritage feels that the proposed adaptive reuse as a hotel is appropriate and sympathetic to the long-term preservation of the historic building.

Originally constructed in 1898 by William Randolph Hearst, the first seven-story San Francisco Examiner building was destroyed by the 1906 Earthquake and Fire. Its 13-story replacement was completed in 1911 and housed the newspaper for 54 years before being converted into an office building in 1965. In 1938, master architect Julia Morgan was retained by Hearst to complete a remodel of the Hearst Building's exterior entry way, ground floor lobby, and parapet roof structure. The Hearst Building is a contributor to the New Montgomery-Mission-Second Street Conservation District under Article 11 of the Planning Code, but is not an individual San Francisco Landmark despite its historic importance and exceptional physical integrity.

Significantly, as part of the proposed project, the sponsor has nominated the Hearst Building for listing in the National Register of Historic Places. National Register

designation will not only elevate the building's official historic status, but will qualify the project for the 20-percent federal historic tax credit. To assure compliance with the *Secretary of the Interior's Standards for Rehabilitation*, historic tax credit projects are subject to rigorous review by the California Office of Historic Preservation (OHP) and the National Park Service. The National Register nomination for the Hearst Building informs the review process by identifying more than 30 character-defining features that must be protected, including (and especially) the two-story Renaissance Revival lobby designed by Julia Morgan.

Recognizing that the project is still subject to Part 3 historic tax credit review, Heritage applauds the sponsor for its efforts so far to incorporate multiple design changes recommended by the OHP. In response to guidance from the OHP, the sponsor has agreed to retain the original glass side walls and gold leaf panels in the historic lobby, with new openings to be discretely inserted in the recessed niches which flank the elevator doors. In the upper floor corridors, missing marble wainscoting will be infilled with salvaged material, existing door locations will be reused, and some decommissioned doors will remain in place as blank doors. Existing window openings will be retained and new door assemblies will be designed to better take advantage of existing openings. The proposed rooftop alterations will be recessed, limited in height, and will not be visible from the adjacent public right of way.

Even though some proposed work has not yet been detailed (e.g., rooftop landscaping, signage, etc.), Heritage is reassured by the project sponsor's demonstrated commitment to fully comply with the *Secretary's Standards*. In addition, the final design will be subject to review and approval by the OHP, Planning Department, and the National Park Service.

Thank you, again, for presenting to the Projects + Policy Committee. Please contact me directly at 415/441-3000 x15 or [mbuhler@sfheritage.org](mailto:mbuhler@sfheritage.org) should you have any questions.

Sincerely,



Mike Buhler  
President & CEO

## **Exhibit G**

### **Revised Mitigated Negative Declaration for 5 Third Street Project**

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# SAN FRANCISCO PLANNING DEPARTMENT

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## **Revised Preliminary Mitigated Negative Declaration**

*Date of Issuance  
of PMND:*

August 22, 2018; revised on February 7, 2019 (amendments to the Initial Study/ Preliminary Mitigated Negative Declaration are shown as deletions in ~~strike through~~ and additions in double underline)

*Case No.:*

**2016-007303ENV**

*Project Title:*

**5 Third Street**

*Zoning:*

C-3-O (Downtown Office) Use District  
120-X Height and Bulk District

*Block/Lot:*

3707/057

*Lot Size:*

14,441 square feet

*Project Sponsor*

Caroline Guibert Chase, Coblentz, Patch, Duffy & Bass  
(415) 772-5793

*Lead Agency:*

San Francisco Planning Department

*Staff Contact:*

Josh Pollak – (415) 575-8766  
[josh.pollak@sfgov.org](mailto:josh.pollak@sfgov.org)

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CA 94103-2479

Reception:

**415.558.6378**

Fax:

**415.558.6409**

Planning

Information:

**415.558.6377**

## **PROJECT DESCRIPTION:**

The project site is located on the southeast corner of Market and Third streets, and is occupied by two buildings with an internal connection: 5 Third Street, a 13-story building with street frontage on Market and Third, and 17-29 Third Street, a three-story building on Third and Stevenson Streets (collectively, the Hearst Building). The Hearst Building is an approximately 131,650-gross-square-foot, 13-story, ~~187~~ 189-foot-tall building, which currently houses a bar/nightclub within the basement level, ground floor retail uses, commercial office space on floors 2 through ~~12~~ 13, and a roof on the 13<sup>th</sup> floor with a penthouse and mechanical equipment. The Hearst Building is designated as Category I under Article 11 of the Planning Code, which means the building is judged to be individually important and have excellent or very good architectural design for historic preservation purposes.

The proposed project would convert the existing Hearst Building from mixed-use office to a mixed-use hotel, including modifications to the rooftop to include new event space, a mixed-use rooftop bar and patio. In the basement, new structural walls would be added as part of a seismic retrofit that would reconfigure existing tenant space by shifting the location of existing storage space and restrooms. The new mixed-use hotel would include ground level retail, restaurant/bar, and hotel lobby space. Levels 2 and 3 would include a mix of commercial office space, hotel rooms, and event space. Levels 4 through 12 would be occupied by hotel rooms. Level 4 would have an outdoor terrace event space overlooking Stevenson Street, and level 13 will be used as an indoor/outdoor event space with a kitchen, rooftop bar and patio overlooking the adjacent Monadnock building to the east. The proposed project would result in an approximately 131,550 gross square foot building, with up to 170 hotel rooms, 5,920 square feet of office space and 11,393 square feet of retail space, including 422 square feet of general retail, and 4,005 square feet of restaurant/bar uses.

The project would include seismic and structural building system upgrades, and would also meet Leadership in Energy and Environmental Design (LEED) Gold building efficiency standards.

No off-street vehicle parking is proposed; however, eight Class I bicycle spaces would be provided in a bicycle storage room in the basement and 10 Class II bicycle parking racks would be installed on the sidewalks surrounding the project site, in addition to the five existing bicycle parking racks located on the Stevenson Street and Third Street sidewalks. The proposed project would include three new street trees along the building's Third Street frontage and four new street trees along the buildings Stevenson Street frontage.

**FINDING:**

This project could not have a significant effect on the environment. This finding is based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance), and 15070 (Decision to prepare a Negative Declaration), and the following reasons as documented in the Initial Evaluation (Initial Study) for the project, which is attached.

Mitigation measures are included in this project to avoid potentially significant effects. See Section F, page ~~119~~120.

---

Lisa Gibson  
Environmental Review Officer

---

Date of Issuance of Mitigated  
Negative Declaration

cc: Caroline Guibert Chase, Coblenz, Patch, Duffy & Bass

# INITIAL STUDY TABLE OF CONTENTS

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## 5 Third Street

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<sup>1</sup> Figures 2 through 8 and Figures 15 through 20 have been updated to reflect the modified project, which includes relocation of the lobby doors to the existing niches adjacent to the elevator banks; adjusting the position of doors from the 4<sup>th</sup> floor upwards to retain existing marble wall cladding; and reducing the height of the proposed elevator machine room, such that the proposed final height of the building would be about 5 feet less than the existing height.

# Initial Study

## 5 Third Street Project

### Planning Department Case No. 2016-007303ENV

#### A. PROJECT DESCRIPTION

##### Project Location

The 14,441-square-foot (0.33-acre) project site (Assessor's Block 3707, Lot 057) is located on the southeast corner of Market and Third streets within San Francisco's Financial District neighborhood. The project site is bounded by Market Street to the north, Monadnock Building (685 Market Street) to the east, Stevenson Street to the south, and Third Street to the west (see Figure 1, Project Location in Section J).<sup>2</sup> The project site is occupied by two buildings: (1) a 13-story building (5 Third Street), which includes an eight-story annex, located on the corner of Third and Market streets, which was constructed between 1909 and 1911 to house the offices and printing facilities for William Randolph Hearst's *San Francisco Examiner* newspaper operation; and (2) a three-story building (17-29 Third Street), located at the corner of Third and Stevenson streets, which was constructed between 1907 and 1910, shares an internal connection with the adjacent 5 Third Street, and was purchased by the Hearst Corporation in 1947 (collectively, the two structures comprise the Hearst Building).

The Hearst Building is an approximately 131,650-gross-square-foot, 13-story,<sup>3</sup> ~~187~~189-foot-tall building,<sup>4</sup> which currently houses a bar/nightclub within the basement level, ground floor retail uses, and commercial office space on floors 2 through ~~12~~13. The project site is considered to be a "Category A" property (historic resource present) for the purposes of the Planning Department's California Environmental Quality Act (CEQA) review purposes.

The site includes approximately 98 feet of frontage on Stevenson Street, 60 feet of frontage on Market Street, and 160 feet of frontage on Third Street. There are no vehicle curb cuts currently located along the project frontage that provide direct vehicular ingress/egress to the existing property. There are seven designated on-street freight/delivery loading spaces directly adjacent to

---

<sup>2</sup> All figures are in Section J of this document.

<sup>3</sup> The 13<sup>th</sup> floor is the penthouse level, and includes mechanical equipment and a rooftop penthouse used as a conference room.

<sup>4</sup> The existing building is measured as taller than the previously noted height in the MND issued August 22, 2018. This is because Third Street is used as base point for measuring the height rather than Market Street, per Planning Code Section 260.

the project site and extending east along the north side of Stevenson Street, totaling 140 feet in length, between Third and Annie streets. There is a bus/taxi-only lane along the Third Street project frontage.

### **Project Characteristics**

The proposed project would convert the existing Hearst Building from mixed-use office to a mixed-use hotel, including modifications to the rooftop to include new event space and rooftop bar and patio. In the basement, new structural walls would be added as part of a seismic retrofit that would reconfigure existing tenant space by shifting the location of existing storage space and restrooms. The new mixed-use hotel would include ground level retail, restaurant/bar, and hotel lobby space. Levels 2 and 3 would include a mix of commercial office space, hotel rooms, and event space. Levels 4 through 12 would be occupied by hotel rooms. Level 4 would have a terrace event space overlooking Stevenson Street, and level 13 would be used as event space with a rooftop bar and patio adjacent to overlooking Third Street. The proposed project would result in an approximately 131,550 gross square foot building, with up to 170 hotel rooms, approximately 5,920 square feet of office space, approximately 11,393 square feet of retail space, including approximately 422 square feet of general retail, and approximately 4,005 square feet of restaurant/bar uses (see Table 1 below for a summary of existing and proposed uses, and Figures 3 through 21 for the streetscape, ground floor, building massing, axonometric view of rooftop, floor plans, elevations, and a section). The project would include seismic and structural building system upgrades, and would also meet LEED Gold building efficiency standards. A legislative amendment approving revised text to Planning Code Section 188 would be required to allow for project alterations and enlargements to existing noncomplying rooftop structures on the project site.

Implementation of the proposed project would require interior alterations to convert the upper floors of the existing buildings at 5 Third Street, 190 Stevenson and 17-29 Third Street from office to hotel use. A portion of the existing office space on the 2<sup>nd</sup> floor would be retained. The ground floor street-facing elevations would be used for retail, dining, lounge and lobby areas. The historic lobby would be retained and slightly modified to create two doorway openings ~~along the side walls into~~ in the existing niches adjacent to the elevator banks, connecting the adjacent reception and restaurant spaces. Kitchen, loading and service areas would be located away from the primary elevations, along the east property line. The existing rooftop at 5 Third Street would be altered as follows: the water ~~tower, elevator/stair house enclosure, the conference penthouse, towers~~ and portions of the existing event space/bocce court penthouse structure would be removed, and new mechanical and elevator penthouses and a rooftop bar/event space would be added. A rooftop terrace at 17-29 Third Street, at the southwest corner of the lot, would be provided and would be accessible to hotel guests. As part of the adaptive reuse project, the building would undergo exterior cladding and fenestration repairs, and ground floor storefront rehabilitation.

No off-street vehicle parking is proposed; however, eight Class I bicycle spaces would be provided in a bicycle storage room in the basement and 10 Class II bicycle parking racks would be installed on the sidewalks surrounding the project site, in addition to the five existing bicycle parking racks

located on the Stevenson Street and Third Street sidewalks.<sup>5</sup> The proposed project would include three new street trees along the building's Third Street frontage and four new street trees along the buildings Stevenson Street frontage.

The project sponsor would also request SFMTA to install a 60-foot long (3 spaces) on-street passenger loading zone along the project frontage on the north side of Stevenson Street. The passenger loading zone would require that the two existing metered parallel on-street parking spaces and one metered commercial loading space adjacent to the project site's secondary entrance be converted to accommodate the proposed 60-foot passenger loading zone. The project sponsor would provide valet service for all building guests through a contracted third-party valet service. The third-party valet company would be responsible for securing parking contracts with local parking garages to accommodate the daily valet parking demand. The valet stand would be located at the eastern end of the proposed 60-foot on-street passenger loading zone, approximately 70 feet east of the intersection of Third and Stevenson streets. These features are shown in Figure 2, Project Site Plan.

**Table 1: Summary of Existing and Proposed Uses**

	Existing	Proposed
<b>Building</b>		
<i>Height</i>	<u>189</u> <del>187</del> feet*	<u>184</u> <del>185</del> feet*
<i>Floor Area</i>	131,650 square feet	131,550 square feet
<b>Uses</b>		
<i>Office</i>	121,145 square feet	5,920 square feet
<i>Hotel</i>	n/a	Up to 170 rooms
<i>Retail (includes restaurant/bar)</i>	10,505 square feet	11,393 square feet
<b>Bike Parking</b>		
<i>Class I</i>	0	7
<i>Class II</i>	4	14

\*Existing height includes 13-story building and a water tower, the proposed height includes 13-story building and an elevator machine room. The proposed height of the building is slightly lower than indicated in the PMND published in August 2019, as the height of the elevator machine room was subsequently decreased in response to preservation-related comments.

## Project Construction

Construction of the proposed project would last approximately 20 months, and would consist of the following phases: 1) interior/exterior demolition, 2) structural work, 3) interior renovations, and 4) exterior work. The proposed interior alterations, rooftop/terrace construction, and seismic retrofit would require foundation reinforcements consisting of micropiles to transfer new structural loads. Approximately 50 micropiles would be used, each of which would be about 8 inches in diameter. The micropiles would be drilled, and would not use impact or vibratory driving techniques. The micropile installation would require soil disturbance to a depth of approximately

<sup>5</sup> Class I bicycle parking spaces are spaces in secure, weather-protected facilities intended for use as long-term, overnight, and work-day bicycle storage. Class II bicycle parking spaces are spaces located in a publicly accessible, highly visible location intended for transient or short-term use.

50 feet below ground surface at the locations where the micropiles would be installed, which would require excavation and removal of up to 40 cubic yards of soil from the site. Due to the proximity of the project site to the BART tunnel that is located underneath Market Street, portions of this work may be within the BART Zone of Influence,<sup>6</sup> which may require a construction permit from BART as discussed below under “Project Approvals.”

Construction activities would be staged primarily along the Stevenson Street frontage of the project site and within the nearby Hearst Garage located across Stevenson Street (across from the project site). During the interior work, some trucks would be parked outside the building to transport materials to the project site. It is also expected that some temporary partial sidewalk closures primarily along the project frontage on Market, Third, and Stevenson streets would likely be required for various durations during the entire construction period. There would be no travel lane closures that would disrupt or substantially delay vehicles and bicycles traveling on Market, Third, and Stevenson streets.

### ***Project Approvals***

The proposed 5 Third Street project would require the following approvals:

#### **Actions by the Historic Preservation Commission**

- **Major Permit to Alter.** In accordance with Article 11 of the Planning Code, the proposed project would require approval of a Major Permit to Alter from the Historic Preservation Commission to alter the existing building.

#### **Actions by the Planning Commission**

- **Conditional Use Authorization.** Per Planning Code Section 303, a Conditional Use Authorization would be required from the Planning Commission for the proposed hotel uses.
- **Downtown Project Authorization.** Per Planning Code Section 309, a Downtown Project Authorization would be required from the Planning Commission for substantial alterations to the building.

#### **Actions by the Board of Supervisors and Mayor**

- **Legislative Amendment.** A legislative amendment approving revised text to Planning Code Section 188 would be required to be adopted by the Board of Supervisors and signed by the Mayor to allow for alterations and enlargements to existing noncomplying rooftop structures on the project site.

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<sup>6</sup> The BART Zone of Influence is defined as the area above a line of influence, which is a line from the critical point of BART structures at a slope of 1 ½ horizontal to 1 vertical (as a line sloping towards ground level).



### **Actions by other City Departments**

- **Building Permit.** The proposed project would require issuance of a building permit by the Department of Building Inspection.
- **Street Space Permit.** If sidewalk(s) are used for construction staging and temporary pedestrian walkways would be implemented in the curb lane(s), approval of a street space permit from the Bureau of Street Use and Mapping (San Francisco Public Works) would be required.
- **Tree Removal and Planting Permits.** Approval of a permit ~~permits to remove an existing street tree~~, plant three new street trees along Third Street,<sup>7</sup> and plant four new street trees along Stevenson Street from San Francisco Public Works.
- **Color Curb Program.** Approval of conversion of one metered yellow commercial loading zone and two metered parallel parking spaces to a 60-foot long passenger loading zone (white zone) from the San Francisco Municipal Transit Agency Board of Directors.

### **Required Approvals by Other Agencies**

The following permits and approvals would be required:

#### **Bay Area Rapid Transit (BART)**

- Portions of the project site are within the BART Zone of Influence, as it is adjacent to the BART subway facility below Market Street. An application for a construction permit must be sent to BART, and if BART determines that inspection or monitoring would be needed for the project, a permit would be required.

### **Approval Action Under CEQA**

The Downtown Project Authorization is the approval action for purposes of CEQA that would establish the start of the 30-day appeal period for appeal of the final mitigated negative declaration to the Board of Supervisors pursuant to section 31.04(h) of the San Francisco Administrative Code.

## **B. PROJECT SETTING**

The project site is on a block bound by Market Street to the north, Third Street to the west, Stevenson Street to the south, and Annie Street to the east. The topography of the project site and the project vicinity is mostly flat. Existing development around the project site includes the 24-story Ritz-Carlton Residences (690 Market Street) across Market Street to the north, the 9-story Monadnock Building to the east (adjacent to the project site), the Hearst Parking Garage (45 Third Street) across Stevenson Street to the south, the 21-story Central Tower building (703 Market Street)

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<sup>7</sup> No trees would be removed as part of the proposed project.

and a low-rise office building (34 Third Street) across Third Street to the west, the 10-story mixed-use One Kearny building (1 Kearny Street) across Market street on the northwest corner of the intersection of Market and Kearny streets.

The project site is within the New Montgomery-Mission-2nd Street Historic District, as identified in Article 11 of the Planning Code. The historic district is highly cohesive with respect to scale, building typology, materials, and architectural style; more than two-thirds of the contributing buildings are three- to seven-story brick or concrete buildings constructed during the five years after the 1906 earthquake. The project site is also within the Filipino Cultural Heritage District, established by Board of Supervisors Resolution No. 119-16 in 2016.

The nearest residential use in proximity to the site is located at 690 Market Street (approximately 150 feet north of the project site, across the Market Street), and consists of the 24-story Ritz-Carlton Residences building. The closest school to the project site is Notre Dame Des Victoires School, located on Pine Street between Stockton Street and Grant Avenue, which is approximately a third of a mile from the project site. The public open spaces and neighborhood park closest to the project site (within 0.2 mile) are Annie Street Plaza, McKesson Plaza, One Montgomery Terrace, Crocker Galleria Terrace, Trinity Plaza, Maiden Lane, Jessie Square, and Yerba Buena Gardens (a neighborhood park).

The project site is located in a Downtown-Office (C-3-O) zoning district and a 120-X height and bulk district. Other surrounding zoning districts include: Downtown-Retail (C-3-R), Downtown-Office, Special Development (C-3-O(SD)), and Downtown-Support (C-3-S). Height and bulk designations also vary in the project vicinity, and include 285-S, 250-S, 150-S, 300-S, 600-S-2, 500-I, and 400-I.

The project site is well-served by local and regional public transit. There are 42 Muni bus and rail routes within a quarter-mile vicinity of the project area, including all Muni rail routes (F-Market (surface rail), J- Church, K-Ingleside, L-Taraval, M-Ocean View, N-Judah, and T-Third Street in the subway), as well as multiple bus routes operating on Market Street and the 14 and 14R Mission/Mission Rapid on Mission Street. Regional transit service is provided by the Bay Area Rapid Transit District (BART) via the Montgomery Street Station, located approximately 500 feet northeast of the project site. In addition, the Muni routes serving the project area provide connections to other regional transit providers, including AC Transit, Caltrain, SamTrans, Golden Gate Transit, and the Golden Gate Ferry Terminal in the Ferry Building.

### ***Cumulative Setting***

Cumulative development in the project vicinity (within a 0.25-mile radius of the project site) includes the following projects that are either under construction or for which the Planning Department has an Environmental Evaluation Application on file:

- 146 Geary Street (2018-001071PRJ): The project would demolish and replace ground floor storefront, and would refurbish the upper floors of the building façade on a four-story building.

- 706 Mission Street (2008.1084X\_5): The project would partially demolish and rehabilitate the 10-story, 144-foot tall Aronson Mercantile Building and add an adjacent high-rise tower resulting in a new 42-story, 500-foot high building containing 185 residences, retail, and the 36,560 sf Mexican Museum. The proposed project would also include the purchase of the adjacent Jessie Square Garage and approximately 260 of its parking spaces. This project is currently under construction.
- 120 Stockton Street/50 O'Farrell Street (2016-016161ENV): The existing seven-story, 242,730-square-foot building (formerly the Macy's Men's Building), constructed in 1974, consists of approximately 163,000 square feet of retail use and 54,000 square feet of accessory office use. The project would convert the existing single-tenant building into a multi-tenant building consisting of retail, restaurant, and office uses. Floors 1-3 and the basement level would continue as retail use, but would be reconfigured to provide multiple tenant spaces with storefronts and public access along Stockton and O'Farrell streets. Existing retail use would also be reconfigured on floors 4-6 to provide for multiple tenants. The project would include a change of use of 49,999 square feet of retail use into office use on floors 6-7. A new roof top addition of approximately 10,800 square feet is proposed for restaurant use. It would increase the building's total height from about 104 feet to 120 feet. The gross square footage for the proposed reconfigured building would be approximately 246,800 square feet. This project has been approved.
- 220 Post Street (2017-014849PRJ): The project would involve a change of use for approximately 12,500 square feet of retail to office uses on the 4<sup>th</sup> and 5<sup>th</sup> floors of a 5-story building.
- 33 Kearny Street (2018-001324PRJ): The project would involve a change of use from retail to the restaurant on the ground floor, and would result in a change to the storefront in a 5-story historic building constructed in 1909.
- 1 Montgomery Street (2016-004810ENV): The project would include an addition to an existing 45-foot-tall office building, resulting in a 33-story, 500-foot-tall building containing a mixture of up to 52 residential units, and up to 234 hotel rooms.
- 300 Grant Avenue (2015-000878CUA): The project would demolish two existing non-historic buildings at 272 Sutter and 290 Sutter, and construct a new 6-story, mixed-use building with a basement, retail on the 1<sup>st</sup> and 2<sup>nd</sup> floors, and office uses on the 3<sup>rd</sup> through 6<sup>th</sup> floors adjacent to the existing 300 Grant Avenue. The project would create publicly-accessible open space on Harlan Place. This project has been approved.
- 79 New Montgomery Street (2016-011833PRJ): The project would consist of a change of use for the existing Academy of Art University building from office uses to office/post-secondary educational institutional uses. No building expansion would occur.

The following cumulative transportation-related projects would occur within a quarter-mile of the project site:

- Folsom-Howard Streetscape Project: The Folsom-Howard Streetscape Project would redesign the Folsom Street and Howard Street corridors through the SoMa neighborhood. The project would improve safety for all users of the corridors. Near-term projects include a parking protected bikeway, additional zones on Folsom Street, new boarding islands, daylighting<sup>8</sup>, and parking changes. Near-term projects are anticipated to be installed in 2018. The other improvements are currently being analyzed with construction anticipated to occur between 2020 and 2022.
- Second Street Improvement Project (2007.0347E): The Second Street Improvement Project extends from Market Street in the Financial District to King Street in the SoMa neighborhood and is intended to improve safety and access for pedestrians, bicyclists and transit as well as drivers.<sup>9</sup> Safety measures will include re-paving the entire length of 2nd Street, adding cycletracks,<sup>10</sup> bus boarding islands, raised crosswalks across alleys, signal changes, and widening sidewalks south of Harrison Street. Construction began November 27, 2017 and is anticipated to continue through October 2019.
- Transit Center District Plan (2007.0558E and 2008.0789E): Adopted in 2012, the Transit Center District Plan is a re-envisioning of downtown San Francisco with the focal point being the new Transbay Transit Center that runs from Beale Street to Second Street, mid-block between Mission and Howard streets. The boundaries of the plan are generally bounded by Market Street to the north, Steuart Street to the east, Folsom Street to the south, and mid-block between Third and New Montgomery streets to the west. The plan would allow an additional 3.52 million gross square feet of developed space over existing zoning requirements within the plan area. Generally, through the TCDP, district wide streetscape and pedestrian improvements include sidewalk widening, transit shelters, landscaping, pedestrian amenities (e.g. benches), security bollards, kiosks, bicycle parking, road re-striping. The plan outlines new mid-block pedestrian crosswalks along Natoma Street at the intersections of New Montgomery and Second streets, within the study area.<sup>11</sup>
- Muni Forward (2011.0558E): The San Francisco Municipal Transportation Agency (SFMTA) is in the process of implementing Muni Forward, formerly known as the Transit Effectiveness Project (TEP). Muni Forward components include new routes and route extensions, more service on busy routes, and elimination or consolidation of certain routes or route segments with low ridership. Muni Forward includes Service Improvements,

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<sup>8</sup> Daylighting refers to implementing curbside red, no parking zones at intersection approaches in order to improve sight lines and safety.

<sup>9</sup> SFMTA. *SFMTA Projects* (published April 10, 2014; reviewed online April 2018). Online: <https://www.sfmta.com/projects-planning/projects/second-street-improvement-project>.

<sup>10</sup> Cycletracks are a Class IV bikeway providing physical separation from motor vehicle traffic.

<sup>11</sup> SF Planning Department, Transit Center District Plan, November 2009. Available online: [http://www.sf-planning.org/ftp/CDG/docs/transit\\_center/Transit\\_Center\\_District\\_Plan\\_Public\\_Draft\\_WEB\\_PT1.pdf](http://www.sf-planning.org/ftp/CDG/docs/transit_center/Transit_Center_District_Plan_Public_Draft_WEB_PT1.pdf). Accessed: April 2018.

Service- Related Capital Improvements, and Transit Travel Time Reduction Proposals. Muni Forward proposes several changes to transit lines within and in close proximity to the study area, mostly related to service.

- **Better Market Street Plan (2014.0012E):** The Better Market Street Plan is in planning stages with environmental review currently taking place, design and review set to take place between 2017 and 2021, and construction is anticipated to begin sometime in 2022. The project proposes to restrict private vehicles on Market Street between 10th and Spear streets. Buses, taxis, commercial vehicles, and paratransit would be exempt from these restrictions. The plan aims to improve safety, comfort, and mobility for active transportation users such as pedestrians, bicyclists, and those using transit. The project envisions adding new public plazas with greenspace, public art displays, dedicated bicycle facilities, and improve the reliability and speed of transit services along Market Street. Under the Better Market Street Plan, the commercial freight loading zone along the south side of Market Street, approximately 300 feet east of the project site, would be permanently removed.
- **Geary Bus Rapid Transit (BRT) Project<sup>12</sup>:** The Geary BRT Project is a transit infrastructure project intended to improve safety and transit service along the Geary corridor. The project would create bus-only lanes and rapid transit service for Muni's 38 and 38R Geary Routes. Safety improvements along the corridor include sidewalk extensions and pedestrian bus bulbs, ADA-compliant curb ramps, bus boarding islands, new bike signals, green-backed sharrows for cyclists, leading pedestrian intervals, protected left turns, more consistent traffic lanes that reduce speeding, and signal optimization for transit to improve transit travel times and reliability. The Locally Preferred Alternative Design proposes a bus only lane and sidewalk improvements, including a BRT bus bulb, for a Local and BRT bus stop located at Geary and Kearny streets (located less than 500 feet north of the site).

For analysis of potential cumulative effects, each environmental topic herein briefly identifies the cumulative context relevant to that topic. For example, for shadow the context would be nearby projects which would generate shadow that could combine with new shadow from the proposed project. In other cases, such as air quality, the context would be citywide or regional growth projects.

## C. COMPATIBILITY WITH EXISTING ZONING AND PLANS

	<i>Applicable</i>	<i>Not Applicable</i>
Discuss any variances, special authorizations, or changes proposed to the Planning Code or Zoning Map, if applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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<sup>12</sup> Information regarding the Geary BRT Project and its' environmental review may be viewed online at <https://www.sfcta.org/geary-corridor-bus-rapid-transit-home>, accessed August 2018.

Discuss any conflicts with any adopted plans and goals of the City or Region, if applicable.

☐☒

Discuss any approvals and/or permits from City departments other than the Planning Department or the Department of Building Inspection, or from Regional, State, or Federal Agencies.

☒☐

### ***San Francisco Planning Code and Zoning Maps***

The Planning Code, which incorporates by reference the City's zoning maps, governs permitted uses, densities, and the configuration of buildings within San Francisco. Permits to construct new buildings (or to alter or demolish existing ones) may not be issued unless: (1) the proposed project complies with the Planning Code, (2) an allowable exception or variance is granted, or (3) legislative amendments to the Planning Code are included and adopted as part of the proposed project.

The proposed project would require approval of a legislative amendment to Section 188 of the Planning Code by the Board of Supervisors and a signature by the Mayor. The legislative amendment would allow for alterations and enlargements to existing noncomplying rooftop structures for the project site. The physical environmental effects of the proposed legislative amendment would be identical to those of the proposed project; therefore, the environmental review of the legislative amendment is analyzed in this Initial Study.

### **Land Use**

The project site is located with the Downtown-Office (C-3-O) zoning district. According to Planning Code Section 210.2, the C-3-O zoning district is intended to have the greatest intensity of building development in the City, serve as an employment center for the region, and consist primarily of high-quality office development. The district is served by City and regional transit reaching its central portions and by automobile parking at peripheral locations. Intensity and compactness permit face-to-face business contacts to be made conveniently by travel on foot. Office development is supported by some related retail and service uses within the area, with inappropriate uses excluded in order to conserve the supply of land in the core and its expansion areas for further development of major office buildings. The proposed hotel use is conditional in the C-3-O district, pursuant to Planning Code Table 210.2.

### **Height and Bulk**

The project site is located in a 120-X height and bulk district. The Hearst building, with a height of ~~187~~189 feet (including rooftop mechanical equipment and elevator penthouse), currently exceeds the height limit for the parcel. The proposed project would result in a slight reduction in overall building height, to a total of ~~184~~185 feet, also including rooftop mechanical equipment and elevator penthouse. As noted above, the proposed project would need a legislative amendment approving revised text to Planning Code Section 188, which would be required to be adopted by the Board of Supervisors and signed by the Mayor to allow for alterations and enlargements to existing noncomplying rooftop structures.

### **Floor Area Ratio**

Floor area ratio (FAR) is the ratio of the gross floor area of a building to the area of the lot it occupies. Pursuant to Planning Code Section 210.2, the basic FAR for the C-3-O shall be 9.0 to 1. The current FAR at the project site is 9.16, which is an existing nonconforming condition. The proposed project would reduce the FAR to 9.15, which would be a reduction in the nonconformity for the project site.

### **Major Permit to Alter**

Pursuant to Article 11 of the Planning Code, a Major Permit to Alter is required for projects that would alter a Category I (Significant) building in a conservation district. The proposed project would alter a Category I building that is a contributor to the New Montgomery-Mission-2<sup>nd</sup> Street Conservation District. The proposed project would require approval of a Major Permit to Alter from the Historic Preservation Commission.

### **Plans and Policies**

#### **San Francisco General Plan**

The *San Francisco General Plan* (General Plan) establishes objectives and policies to guide land use decisions related to the physical development of San Francisco. It is comprised of ten elements, each of which addresses a particular topic that applies citywide: Air Quality; Arts; Commerce and Industry; Community Facilities; Community Safety; Environmental Protection; Housing; Recreation and Open Space; Transportation; and Urban Design. Any conflict between the proposed project and policies that relate to physical environmental issues are discussed in Section E, Evaluation of Environmental Effects. The compatibility of the proposed project with general plan policies that do not relate to physical environmental issues will be considered by decision-makers as part of their decision whether to approve or disapprove the proposed project.

### **Proposition M**

In November 1986, the voters of San Francisco approved Proposition M, the Accountable Planning Initiative, which added Section 101.1 to the Planning Code and established eight Priority Policies. These policies, and the topics in Section E, Evaluation of Environmental Effects, that address the environmental issues associated with these policies, are: (1) preservation and enhancement of neighborhood-serving retail uses; (2) protection of neighborhood character; (3) preservation and enhancement of affordable housing (Topic E.2(b), Population and Housing, regarding housing supply and displacement issues); (4) discouragement of commuter automobiles (Topics E.4(a), E.4(b), and E.4(f), Transportation and Circulation); (5) protection of industrial and service land uses from commercial office development and enhancement of resident employment and business ownership; (6) maximization of earthquake preparedness (Topics E.13(a) through E.13(d), Geology and Soils); (7) landmark and historic building preservation (Topic E.3(a), Cultural Resources); and (8) protection of open space (Topics E.8(a) and E.8(b), Wind and Shadow, and Topics E.9(a) and E.9(c), Recreation). Prior to issuing a permit for any project that requires an Initial Study under CEQA, and prior to issuing a permit for any demolition, conversion, or change of use, and prior to

taking any action that requires a finding of consistency with the General Plan, the City is required to find that the proposed project or legislation would be consistent with the Priority Policies.

As noted above, the compatibility of the proposed project with General Plan objectives and policies that do not relate to physical environmental issues will be considered by decision-makers as part of their decision whether to approve or disapprove the proposed project. Any potential conflicts identified as part of that process would not alter the physical environmental effects of the proposed project.

### **Regional Plans and Policies**

The four principal regional planning agencies and their overarching policies and plans (noted in parentheses) that guide planning in the nine-county bay area include the Bay Area Air Quality Management District (*2017 Bay Area Clean Air Plan*), the Metropolitan Transportation Commission (*Plan Bay Area 2040*), the San Francisco Regional Water Quality Control Board (*San Francisco Basin Plan*), and the San Francisco Bay Conservation and Development Commission (*San Francisco Bay Plan*). Due to the location, size, and nature of the proposed project, no anticipated conflicts with regional plans and policies would occur.

## **D. SUMMARY OF ENVIRONMENTAL EFFECTS**

The proposed project could potentially affect the environmental factors checked below. The following pages present a more detailed checklist and discussion of each environmental factor.

<input type="checkbox"/> Land Use/Planning	<input type="checkbox"/> Greenhouse Gas Emissions	<input type="checkbox"/> Geology and Soils
<input type="checkbox"/> Population and Housing	<input type="checkbox"/> Wind and Shadow	<input type="checkbox"/> Hydrology and Water Quality
<input checked="" type="checkbox"/> Cultural Resources	<input type="checkbox"/> Recreation	<input type="checkbox"/> Hazards and Hazardous Materials
<input type="checkbox"/> Transportation and Circulation	<input type="checkbox"/> Utilities /Service Systems	<input type="checkbox"/> Mineral and Energy Resources
<input checked="" type="checkbox"/> Noise	<input type="checkbox"/> Public Services	<input type="checkbox"/> Agriculture and Forestry Resources
<input checked="" type="checkbox"/> Air Quality	<input type="checkbox"/> Biological Resources	<input type="checkbox"/> Mandatory Findings of Significance

This Initial Study examines the proposed project to identify potential effects on the environment. For each item on the Initial Study checklist, the evaluation has considered the impacts of the proposed project both individually and cumulatively. All items on the Initial Study Checklist that have been checked “Less than Significant with Mitigation Incorporated,” “Less than Significant Impact,” “No Impact” or “Not Applicable” indicate that, upon evaluation, staff has determined that the proposed project could not have a significant adverse environmental effect relating to that



topic. A discussion is included for those issues checked “Less than Significant with Mitigation Incorporated” and “Less than Significant Impact” and for most items checked with “No Impact” or “Not Applicable.” For all of the items checked “Not Applicable” or “No Impact” without discussion, the conclusions regarding potential significant adverse environmental effects are based upon field observation, staff experience and expertise on similar projects, and/or standard reference material available within the Planning Department, such as the Department’s Transportation Impact Analysis Guidelines for Environmental Review, or the California Natural Diversity Data Base and maps, published by the California Department of Fish and Wildlife. For each checklist item, the evaluation has considered the impacts of the proposed project both individually and cumulatively. The items checked above have been determined to be “Less than Significant with Mitigation Incorporated.”

#### *Public Resources Code Section 21099*

##### **Aesthetics and Parking**

In accordance with California Public Resources Code Section 21099, Modernization of Transportation Analysis for Transit Oriented Projects, aesthetics and parking shall not be considered in determining if a project has the potential to result in significant environmental effects, provided the project meets all of the following three criteria:

1. The project is in a transit priority area; and
2. The project is on an infill site; and
3. The project is residential, mixed-use residential, or an employment center.

The proposed project meets each of the above criteria; therefore, this Initial Study does not consider aesthetics and the adequacy of parking in determining the significance of project impacts under CEQA.<sup>13</sup>

##### **Automobile Delay and Vehicle Miles Traveled**

Public Resources Code Section 21099(b)(1) requires that the State Office of Planning and Research (OPR) develop revisions to the CEQA Guidelines establishing criteria for determining the significance of transportation impacts of projects that promote the “reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses.” Section 21099(b)(2) states that upon certification of the revised CEQA Guidelines for determining transportation impacts pursuant to Section 21099(b)(1), automobile delay, as described solely by level of service (LOS) or similar measures of vehicular capacity or traffic congestion, shall not be considered a significant impact on the environment under CEQA.

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<sup>13</sup> San Francisco Planning Department, *Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis*, 5 Third Street, 2016-007307ENV, June 2018. This document is available for public review at the Planning Department, 1650 Mission Street, Suite 400. This document is on file and available for public review at the San Francisco Planning Department as part of Case File 2016-007307.

In January 2016, OPR published for public review and comment a *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA* (proposed transportation impact guidelines) recommending that transportation impacts for projects be measured using a vehicle miles traveled (VMT) metric.<sup>14</sup> VMT measures the amount and distance that a project might cause people to drive, accounting for the number of passengers within a vehicle.

OPR's proposed transportation impact guidelines provide substantial evidence that VMT is an appropriate standard to use in analyzing transportation impacts to protect environmental quality and a better indicator of greenhouse gas, air quality, and energy impacts than automobile delay. Acknowledging this, San Francisco Planning Commission Resolution 19579, adopted on March 3, 2016:

- Found that automobile delay, as described solely by LOS or similar measures of vehicular capacity or traffic congestion, shall no longer be considered a significant impact on the environment pursuant to CEQA, because it does not measure environmental impacts and therefore it does not protect environmental quality.
- Directed the Environmental Review Officer to remove automobile delay as a factor in determining significant impacts pursuant to CEQA for all guidelines, criteria, and list of exemptions, and to update the Transportation Impact Analysis Guidelines for Environmental Review and Categorical Exemptions from CEQA to reflect this change.
- Directed the Environmental Planning Division and Environmental Review Officer to replace automobile delay with VMT criteria which promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses; and consistent with proposed and forthcoming changes to the CEQA Guidelines by OPR.

Planning Commission Resolution 19579 became effective immediately for all projects that have not received a CEQA determination and all projects that have previously received CEQA determinations, but require additional environmental analysis.

Accordingly, this Initial Study does not contain a discussion of automobile delay impacts. Instead, a VMT and induced automobile travel impact analysis is provided in Section E.4, Transportation and Circulation. Nonetheless, automobile delay may be considered by decision-makers, independent of the environmental review process, as part of their decision to approve, modify, or disapprove the proposed project.

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<sup>14</sup> This document is available online at: [https://www.opr.ca.gov/s\\_sb743.php](https://www.opr.ca.gov/s_sb743.php).

## E. EVALUATION OF ENVIRONMENTAL EFFECTS

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>1. LAND USE AND PLANNING. Would the project:</b>					
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### **Impact LU-1: The proposed project would not physically divide an established community. (Less than Significant)**

The division of an established community would involve the construction of a physical barrier to neighborhood access, such as a new freeway, or the removal of a means of access, such as a bridge or a roadway. Implementation of the proposed project would not result in the construction of a physical barrier to neighborhood access or the removal of an existing means of access; the project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, and would include a 60-foot long passenger loading zone on Stevenson Street. The proposed uses are similar to the existing mix of uses in the project vicinity.

The proposed project would not alter the established street grid or permanently close any streets or sidewalks. Although there would be temporary partial sidewalk closures along the frontages on Market, Third, and Stevenson streets during project construction, these closures would be temporary in nature, and pedestrian travel would be accommodated via a covered walkway. Therefore, the proposed project would not physically divide an established community. This impact would be less than significant, and no mitigation measures are necessary.

### **Impact LU-2: The proposed project would not conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect. (Less than Significant)**

Land use impacts would be considered significant if the proposed project would conflict with any plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. Environmental plans and policies are those, like BAAQMD's *2017 Clean Air Plan*, which directly address environmental issues and/or contain targets or standards that must be met in order to preserve or improve characteristics of the City's physical environment. The proposed project would not obviously conflict with any applicable land use plan, policy, or regulation such that an adverse physical change would result (see Section C, Compatibility with Existing Zoning and Plans).

The proposed project would not conflict with any such adopted environmental plan or policy, including the *2017 Clean Air Plan*, the *Strategies to Address Greenhouse Gas Emissions* (GHG Reduction Strategy), and the City's Urban Forestry Ordinance, as discussed in Section E.6, Air Quality, E.7, Greenhouse Gas Emissions, and Section E.12, Biological Resources. Therefore, the proposed project would have a less-than-significant impact with regard to conflicts with land use plans, policies, or regulations.

**Impact C-LU-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative land use impact. (Less than Significant)**

Cumulative development in the project vicinity, or within a quarter-mile radius of the project site, includes projects that are either under construction or for which the Planning Department has an Environmental Application on file. Cumulative development projects for this project site are identified above under "Cumulative Setting" on pages 6 through 9.

There are no other known future or pipeline development projects within a quarter-mile of the project site. These nearby cumulative development projects would not physically divide an established community by constructing a physical barrier to neighborhood access or removing a means of access. None of the nearby cumulative development projects would obviously or substantially conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. The nearby cumulative development projects would introduce new residential, retail, office, restaurant, institutional, and hotel uses to the project vicinity. All of these uses currently exist in the project vicinity. The proposed project, as well as nearby cumulative development projects, would not introduce any incompatible uses, such as industrial uses. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects to create a significant cumulative land use impact.

<u>Topics:</u>	<u>Potentially Significant Impact</u>	<u>Less Than Significant with Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	<u>Not Applicable</u>
<b>2. POPULATION AND HOUSING. Would the project:</b>					
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing units, necessitating the construction of replacement housing?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Topics:</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>	<b>Not Applicable</b>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact PH-1: The proposed project would not directly or indirectly induce substantial population growth in an area. (Less than Significant)**

In general, a project would be considered growth inducing if its implementation were to result in a substantial population increase or new development that might not occur without the project. The proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, and a new event space and rooftop bar and patio. The proposed project would result in a net decrease in employment at the project site, as the current office uses accommodate about 326 employees,<sup>15</sup> and the proposed hotel, office, retail and restaurant/bar uses would result in about 186 employees at the project site.<sup>16</sup> However, the proposed project could contribute to the anticipated population growth in both the neighborhood and citywide context through associated commercial activity from additional visitors.

The 2010 U.S. Census reported a population of 805,235 persons in the City and County of San Francisco and a population of 11,502 persons in Census Tract 615, which includes the project site and its immediate vicinity.<sup>17</sup> The proposed project would not include any new dwelling units on-site, thus the project would not increase the population at the project site. Further, implementation of the proposed project would not directly induce substantial population growth in the project vicinity that would cause a substantial adverse physical change to the environment. The proposed project would not indirectly induce substantial population growth in the project vicinity, because it would not involve any changes to roads, utilities, or other infrastructure.

The proposed project would introduce commercial/hotel activity and about 186 employees to the project site, which would result in a net decrease in employment on the project site, due to the reduction in on-site office space. San Francisco's overall employment is projected to increase by

<sup>15</sup> San Francisco Planning Department, *Transportation Impact Analysis Guidelines for Environmental Review*, October 2002, Appendix C, Table C-1. Based on 90,000 occupied square feet of existing office use to be converted to hotel use (115,000 square feet including common areas, such as corridors), there are currently about 326 employees.

<sup>16</sup> San Francisco Planning Department, *Transportation Impact Analysis Guidelines for Environmental Review*, October 2002, Appendix C, Table C-1. Based on 170 hotel rooms, there would be about 149 employees. Based on 4,005 gsf of restaurant space, there would be about 12 employees. Based on 422 gsf of retail, there would be about 1 employee. Based on 6,466 gsf of office, there would be about 24 employees.

<sup>17</sup> U.S. Census Bureau, American FactFinder, Profile of General Population and Housing Characteristics: 2010, 2010 Demographic Profile Data. Available online at <http://factfinder2.census.gov/faces/nav/jsf/pages/index.html>, accessed March 2018.

approximately 190,780, from about 568,720 employees in 2010 to approximately 759,500 in 2040.<sup>18</sup> Even if all of the 186 employees associated with the proposed project were conservatively assumed to be new to San Francisco and all of the existing employees associated with the current office use who lived in San Francisco were conservatively assumed to remain in San Francisco, the project-related employment growth would represent considerably less than 1 percent (less than 0.1 percent) of the City's estimated employment growth between the years 2010 and 2040. For these reasons, implementation of the proposed project would not induce substantial growth or concentration of employment that would cause a substantial adverse physical change to the environment.

In summary, any potential project-related population increases would be less than significant in relation to the existing number of residents and employees in the project vicinity and to the expected increases in the residential and employment populations of San Francisco. The proposed project would not directly or indirectly induce substantial population growth or concentration of employment in the project vicinity or citywide such that an adverse physical change to the environment would occur. This impact would be less than significant, and no mitigation measures are necessary.

**Impact PH-2: The proposed project would not displace substantial numbers of existing housing units or people and would not create demand for additional housing, necessitating the construction of replacement housing. (Less than Significant)**

The proposed project would not displace any residents or housing units, since no residential uses or housing units currently exist on the project site. As noted above, the proposed project would convert approximately the project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, and would not include new housing units. An estimated 186 jobs would be created with the uses under the proposed project. The hotel and restaurant/bar/lounge employment in the proposed project would not likely attract a substantial number of new employees that would move to San Francisco. Therefore, it can be anticipated that most of the employees would live in San Francisco (or nearby communities), and that the project would thus not generate demand for new housing for the potential retail employees.

Further, the conversion of the existing office use to hotel and decrease in employees from 326 to 186 employees would not displace a substantial number of employees, as many of the employees may not currently live in San Francisco, and it would be speculative to determine where the office space may be relocated. Also, the project would not create a substantial demand for new housing elsewhere, because the project would not create a substantial number of new jobs related to the proposed uses on the project site. Therefore, the proposed project would have a less-than-

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<sup>18</sup> Association of Bay Area Governments (ABAG), *Projections 2013*, pg. 75.

significant impact related to the displacement of housing, displacement of people, or the creation of a demand for additional housing elsewhere, and no mitigation measures are necessary.

**Impact C-PH-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative land use impact. (Less than Significant)**

Cumulative development in the project vicinity would result in an intensification of land uses and cumulative increases in the residential and employment populations at the neighborhood, citywide, and regional levels. However, this cumulative growth is consistent with regional projections presented in *Plan Bay Area* and Projections 2013. As discussed under Impacts PH-1 and PH-2, the proposed project's contribution to this cumulative growth would not be substantial. The proposed project would not combine with past, present, and reasonably foreseeable future projects to create a significant cumulative impact related to population and housing.

<u>Topics:</u>	<u>Potentially Significant Impact</u>	<u>Less Than Significant with Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	<u>Not Applicable</u>
<b>3. CULTURAL RESOURCES. Would the project:</b>					
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco Planning Code? <sup>19</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code §21074?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact CR-1: The proposed project would not cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco Planning Code. (Less than Significant)**

Pursuant to CEQA Guidelines Sections 15064.5(a)(1) and 15064.5(a)(2), historical resources are buildings or structures that are listed, or are eligible for listing, in the California Register of

<sup>19</sup> In the Initial Study published August 22, 2018, the "Less than Significant with Mitigation Incorporated" box was checked in error. In this revised Initial Study, the checkbox has been updated to show the "Less than Significant Impact" to reflect the analysis in this section.

Historical Resources (CRHR) or are identified in a local register of historical resources, such as Articles 10 and 11 of the San Francisco Planning Code. The significance of a historical resource is materially impaired when a project “demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance.”

In evaluating whether the proposed project would cause a substantial adverse change in the significance of a historical resource, the Planning Department must first determine whether the existing buildings on the project site are historical resources. A property may be considered a historical resource if it meets any of the CRHR criteria related to (1) events, (2) persons, (3) architecture, or (4) information potential, that make it eligible for listing in the California register, or if it is considered a contributor to a potential historic district.

The project site was designated under Article 11 of the San Francisco Planning Code as a Category I: Significant Building in 1985. In addition, expansion of the Article 11-designated New Montgomery-Mission-Second Street Conservation District in 2012 included the project site within the expanded boundaries.<sup>20</sup>

The Hearst property’s main building, identified under the addresses 5 Third Street and 190 Stevenson Street, was constructed between 1909-1911. The other on-site building at 17-29 Third Street was constructed between 1907-1910 for a separate owner, but was later acquired by the Hearst Corporation. All three building addresses are associated with the same block and lot number. In 1985, the project site was identified in Article 11, Section 1102(a) of the San Francisco Planning Code under the designation of Category I: Significant Building, which applies to properties that:

- (1) Are at least 40 years old; and
- (2) Are judged to be Buildings of Individual Importance; and
- (3) Are rated Excellent in Architectural Design or are rated Very Good in both Architectural Design and Relationship to the Environment.

The following sections summarize historic architectural resources within and directly adjacent to the project site based on Department records and reports completed for the analysis of potential environmental impacts to the proposed project. These reports include the Historic Resource Evaluation (HRE) report Part 2 prepared by Page & Turnbull, Inc.<sup>21</sup> and the Historic Preservation

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<sup>20</sup> Prior to 2012, the New Montgomery-Mission-Second Street conservation district northwestern-most boundary was at the intersection of Market and Annie streets. The boundary expansion included, among other additions, the block containing the proposed project (Ordinance No. 95-12, File No. 12031).

<sup>21</sup> Page & Turnbull, Inc. ~~July 31, 2018~~ January 24, 2019. The Hearst Building and 17-29 3<sup>rd</sup> Street Historic Resource Evaluation, Part 2.



Team Review Form<sup>22</sup> ~~Historic Resource Evaluation Response (HREER)~~ prepared by the San Francisco Planning Department. Information in those reports is summarized herein.

### ***Hearst Building – Project Site***

The Hearst Building Project site is on the south side of Market Street, bounded by Market, Third, and Stevenson Street. The project site is currently occupied by two buildings: the main building at 5 Third Street and its annex at 190 Stevenson Street, plus a smaller corner building at 17-29 Third Street. The following paragraphs contain brief descriptions of each building on the project site. Each of the buildings on the project site (the historic Hearst Building and 17-29 Third Street) is designated as an historic resource under Article 11 of the San Francisco Planning Code and are historic resources for the purposes of CEQA review.

### ***5 Third Street and 190 Stevenson – Main Building***

The thirteen-story building massing at 5 Third Street and nine-story south wing at 190 Stevenson Street were originally designed by architects Kirby, Petit & Green, whose firm was based out of New York City. Constructed following the 1906 earthquake and fire, the Kirby, Petit and Green design replaced the previous offices of the *San Francisco Examiner* newspaper that had been destroyed on the same site. The terra cotta-clad office tower was later redesigned by the local architect Julia Morgan. Morgan, who graduated from the University of California at Berkeley's architecture program, was frequently commissioned by the Hearst family to design their commercial and residential building projects.

Evaluation of significance for 5 Third Street and 190 Stevenson Street found the main building to be eligible for the CRHR under Criteria 1, 2 and 3. The construction of the existing main building was in response to the destruction of the newspaper's prior offices as a result of the 1906 earthquake and fire. Therefore, the building was found to be eligible for listing in the California register under Criterion 1: Events. The site is owned by the Hearst Corporation and served as offices for the *San Francisco Examiner* newspaper from the time of the current building's completion in 1911 until 1965. William Randolph Hearst and his family are significant figures in the history of San Francisco. Therefore, the building is eligible for listing in the California register under Criterion 2: Persons. The main building at 5 Third Street and 190 Stevenson is characteristic of the Renaissance Revival style of architecture, and of early 20<sup>th</sup> century skyscraper design. Alterations designed by Julia Morgan in 1938 refreshed certain elements of the building's exterior and lobby area and have gained significance of their own over time. Therefore, the building appears to be eligible for listing in the CRHR under Criterion 3: Architecture.

The building is not an example of rare construction materials or methods that influenced local building development. Therefore, the building is not eligible for listing in the CRHR under Criterion 4: Information Potential.

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<sup>22</sup> San Francisco Planning Department. January 24, 2019. Preservation Team Review Form, Hearst Building.

### ***17-29 Third Street***

The three-story brick corner building at 17-29 Third Street was designed by architect Arthur ~~Ehrenfort~~ Ehrenpfort and constructed beginning in 1907 for the property owner, Herman Levy.

The building was constructed immediately following the widespread destruction caused by the 1906 earthquake and fire. Although built for a separate owner, since the late-1940s the building at 17-29 Third Street has been owned and operated as part of the larger Hearst Corporation and shared the lot with the *San Francisco Examiner* offices and printing facility. Completed in 1910, the property exemplifies the small-scale commercial and light industrial building types constructed in the post-earthquake reconstruction period.

Similar to the evaluation of 5 Third Street and 190 Stevenson Street above, 17-29 Third Street would likely meet the Criterion 1, as it was also constructed following the 1906 earthquake, but would not likely meet Criterion 2, as its association with the Hearst Corporation occurred in the late-1940s.

As discussed in the HRE Part 2, eEvaluation of significance for 17-29 Third Street over the years has found the building to be eligible for the National Register under Criterion C as an example of a newspaper bar,<sup>23</sup> with a period of significance of 1907-1919 and 1931-1975, which were the years the building housed a popular San Francisco “newspaper bar” on its ground floor. The building was also found to be a contributor to the New Montgomery-Mission-Second Street Conservation District. The district is both an Article 11-designated district as well as a California Register-eligible district. Based on the designating ordinance for the conservation district, the building is eligible for listing in the CRHR under Criterion 3: Architecture. The HRE Part 2 identified a period of significance of 1907-1911, the original period of the building’s construction.

The building is not an example of rare construction materials or methods that influenced local building development. Therefore, the building is not eligible for listing in the CRHR under Criterion 4: Information Potential.

### ***Historic District – New Montgomery-Mission-Second Street Conservation District***

The proposed project is located within the New Montgomery-Mission-Second Street (NMMS) Conservation District. The NMMS district is characterized by a cohesive district of two-to-eight story masonry buildings of similar scale, massing, setback, materials, fenestration pattern, style, and architectural detailing. All of the buildings on the project site are located within the boundaries of the designated Article 11 Conservation District, and are contributing resources based on their construction during the district’s 1906-1933 period of significance and the character-defining features outlined in the district’s designating ordinance.

### ***Monadnock Building (673-687 Market Street)***

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<sup>23</sup> Criterion C of the National Register corresponds to Criterion 3 of the CRHR.

The Monadnock Building is adjacent to the project site and occupies the east half of the block containing the project site and is directly adjacent to the project site. It is also included within the boundaries of the New Montgomery-Mission-Second Street Conservation District. Designed by architects Frederick Meyer and Smith O'Brien, the Monadnock building is a ten-story Beaux Arts-style office building constructed in 1906-1907. The Monadnock Building was designated as a Category I Significant Building under Article 11 of the San Francisco Planning Code in 1985.

***Impact Analysis: Project-Specific and Cumulative***<sup>24</sup>

The department concurs with the Page & Turnbull HRE Part 2,<sup>25</sup> which finds that the project complies with the *Secretary of the Interior's Standards for Rehabilitation* and would therefore have a less than significant impact on the historic resource for the purposes of CEQA, as outlined below.<sup>26</sup>

**Rehabilitation Standard 1:** *A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.*

The proposed project would include hotel, office, and retail uses. This is a change from both buildings' historic uses of office over retail. Although the proposed project involves extensive interior renovations to convert existing office spaces into hotel rooms, with the exception of the Hearst Building's historic lobby, the majority of the buildings' distinctive features are limited to exterior facades. Exterior facades, for the most part, would be retained and preserved. Changes to the exterior of the Hearst Building are relatively minimal. All existing non-historic storefront systems would be replaced; the character-defining bulkheads and ferrous metal storefront surrounds would be retained and restored. A recessed, non-historic secondary entrance on Third Street (currently associated with the Subway eatery) would be replaced with flush glazing to match the remainder of the storefront system. The primary façade of the annex at 190 Stevenson Street would be minimally altered at the first story-and-a-half. The proposed project would infill one non-historic single pedestrian door, and would replace two existing non-historic paired pedestrian doors with two single pedestrian service entrances in similar locations.

The ~~previously altered~~, non-historic first-story façades of 17-29 Third Street would be replaced in full; however, the distinctive brick cladding, fenestration, and cornice of the upper stories would be retained and preserved. The footprints and massing of both buildings would largely remain the same. Spatial relationships between the subject buildings and surrounding buildings would remain the same. Therefore, the proposed project would be in compliance with Rehabilitation Standard 1.

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<sup>24</sup> Page & Turnbull, Inc. ~~July 31, 2018~~ January 24, 2019. The Hearst Building and 17-29 3<sup>rd</sup> Street Historic Resource Evaluation, Part 2, Pages 13-23.

<sup>25</sup> San Francisco Planning Department. January 24, 2019. Preservation Team Review Form, Hearst Building.

<sup>26</sup> CEQA Guidelines, Article 20, subsection 15355.

**Rehabilitation Standard 2:** *The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features, spaces, and spatial relationships that characterize the property will be avoided.*

As proposed, the project would not remove distinctive materials and character-defining features of the Hearst Building's exterior facades. Exterior alterations would occur at portions of storefront systems that are not character-defining. At the rooftop of 5 Third Street, the ~~The~~ proposed project would demolish the ~~gable/flat-roofed~~ gable and flat-roofed conference penthouse suite added designed by Julia Morgan ca.1938. The Julia Morgan-designed penthouse ~~which~~ is considered a character-defining feature as it dates to the building's period of significance and ~~possesses high artistic value~~ is associated with Morgan, a master architect. However, the penthouse is not visible from the public right-of-way and is not publicly accessible (nor was it historically). The spatial relationships between 5 Third Street and neighboring buildings would not change. At the interior of 5 Third Street, the ~~The~~ proposed project would remove a portion of the ~~distinctive non-gilded marble-clad walls and eight gold leaf panels~~ within the historic lobby to accommodate two new door openings, each with a single sidelight. The gold leaf panels new door openings would be located perpendicular to two existing doors at the north and south niches of the lobby's semi-circular area salvaged and re-used in the building's upstairs public areas. The lobby and the exterior of the Hearst Building would retain all other character-defining features and would continue to be able to convey its historic significance.

The previously altered, non-historic first-story façades of 17-29 Third Street would be replaced in full. However, the first story does not contain the building's most distinctive features, which include brick cladding, fenestration patterns, jack arch and quoin detailing, and a denticulated cornice. ~~The spatial relationships between the subject buildings and neighboring buildings would not change, as the project does not include any additions.~~ Existing bay widths would be respected, and the new first-story design would incorporate vertical brick piers and similarly-colored brick. The brick piers would convey mass and weight in a manner similar to the building's original design. The spatial relationships between 17-29 Third Street and neighboring buildings would not change. The proposed roof deck, small garden/terrace, and mechanical enclosure atop 17-29 Third Street would be set back from the Third Street and Stevenson Street facades. Portions of the roof deck and garden/terrace would be minimally visible from the public right-of-way and the mechanical enclosure would not be visible from the public right-of-way. Overall, 17-29 Third Street would retain all of its character-defining features and would continue to convey its historic character. Overall, the proposed project would be in compliance with Rehabilitation Standard 2.

**Rehabilitation Standard 3:** *Each property shall be recognized as a physical record of its time, place and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historical properties, shall not be undertaken.*

The proposed project would not replace historic features. The proposed project strives to design new features in a clearly modern manner, to be differentiated from the historic buildings. (See Standard 9 for more information.) No changes would be made to the Hearst Building or 17-29 Third

Street that create a false sense of historical development or add conjectural features. Therefore, the proposed project would be in compliance with Rehabilitation Standard 3.

**Rehabilitation Standard 4:** *Changes to a property that have acquired significance in their own right shall be retained and preserved.*

The Hearst Building's period of significance is from its construction, which began in 1909, to when Julia Morgan altered the building in 1938. The period of significance for 17-29 Third Street is its period of original construction in 1907-10. Neither building appears to contain features that post-date the period of significance but have acquired significance in their own right. Therefore, the proposed project would be in compliance with Rehabilitation Standard 4.

**Rehabilitation Standard 5:** *Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property shall be preserved.*

As described under Standard 2 and Standard 4, the project would remove a relatively small amount of original marble wall materials from alcoves in the historic Hearst Building lobby. ~~Despite the removal of these materials~~ However, the lobby as a whole would continue to convey its historic significance. The distinctive materials, features and finishes of the Hearst Building exterior would be retained, with the exception of the gable/flat roofed penthouse, which is not visible from the public right-of-way and is not publicly accessible (nor was historically). Three bays fronting Stevenson Street would feature a pedestrian entrance set within full-height glazing with transoms and awnings, a second bay of full-height glazing with transoms and awnings, and a third bay featuring a solid brick wall that is ornamented with a trellis and low planter. The building's tripartite composition would be retained and character-defining features of the upper stories would be preserved.

The non-historic first-story façades of 17-29 Third Street would be replaced in full. The proposed project features brick-clad vertical piers and two bays of glazing (recessed behind planters) with transoms and awnings fronting Third Street. Therefore, the proposed project would be in compliance with Rehabilitation Standard 5.

**Rehabilitation Standard 6:** *Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and, where possible, materials. Replacement of missing features shall be substantiated by documentary and physical evidence.*

~~As designed,~~ At 5 Third Street, non-original existing storefront systems would be replaced; historic bulkheads and ferrous metal storefront surrounds would be retained and restored. The non-historic T-Mobile pedestrian entrance within the center bay of the Market Street storefront (project north) would be removed and replaced with new reproduction bulkhead and glazing to match the original condition at adjacent bays. The replacement is substantiated by documentary and physical evidence. The the proposed project does not involve the repair or replacement of missing features at ~~either the Hearst Building or~~ 17-29 Third Street. The proposed project has not identified deteriorated historic features that would need to be replaced; if features are later identified then

repair would be prioritized over replacement. Any necessary repairs would be carried out based on the Secretary of the Interior's Guidelines for the Treatment of Historic Properties. Therefore, the proposed project would be in compliance with Rehabilitation Standard 6.

**Rehabilitation Standard 7:** *Chemical or physical treatments, if appropriate, shall be undertaken using the gentlest means possible. Treatments that cause damage to historic materials shall not be used.*

As designed, the proposed project plans do not specify physical or chemical treatments. However, the project sponsor has confirmed that any physical treatments (such as selective re-pointing or material cleaning) would be undertaken using the gentlest means possible so as not to cause damage to historic materials. The project sponsor has outlined treatment plans for the repair or cleaning of stone, terra cotta, brick, cast iron, flagpole, sheet metal, gold panels, and lobby fixtures. These treatment plans are detailed within the Historic Structure Report<sup>27</sup> and are based on the recommendations within the following Preservation Briefs: Cleaning and Water-Repellant Treatments for Historic Masonry Buildings; Repointing Mortar Joints in Historic Masonry Buildings; The Preservation of Historic Glazed Architectural Terra-Cotta; The Repair of Historic Wooden Windows; Rehabilitating Historic Storefronts; and The Maintenance and Repair of Architectural Cast Iron. Should masonry deterioration necessitate repair, units would be patched instead of replaced. The terra cotta and granite have not been coated with materials that damage them or change their appearance inappropriately. Thus, ~~intensive~~<sup>Intensive</sup> measures such as removal of inappropriate non-historic coatings, application of stabilizing chemicals, or epoxy infill do not appear necessary, and are not part of the proposed treatment. No chemical treatments are expected. Therefore, the proposed project would be in compliance with Rehabilitation Standard 7.

**Rehabilitation Standard 8:** *Archeological resources shall be protected and preserved in place. If such resources must be disturbed, mitigation measure would be undertaken.*

~~Archeological resources are discussed below and archeological mitigation measures are required, see Mitigation Measure M-CR-2 below.~~ An archeological testing program is required for this project, which will ensure that archeological resources are identified, preserved in place if possible, or appropriately treated. Therefore, the proposed project would be in compliance with Rehabilitation Standard 8.

**Rehabilitation Standard 9:** *New additions, exterior alterations, or related new construction shall not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and environment.*

~~The proposed project does not include new additions.~~ As discussed under Standard 1 and Standard 2, the proposed project would not remove distinctive materials or features of the Hearst Building's exterior facades. At 5 Third Street, all existing non-historic storefront systems would be replaced;

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<sup>27</sup> Knapp Architects. August 2018. Historic Structure Report: The Hearst Building and 17-29 Third Street.

the bulkheads and ferrous metal storefront surrounds would be retained and restored. Non-historic canvas awnings would be removed, and a recessed secondary entrance on Third Street would be extended and replaced with glazing flush with the rest of the historic façade. The proposed project includes new additions, exterior alterations, and related new construction at the rooftop of 5 Third Street. The proposed project would demolish the water tower, would result in the demolition of the gable/flat roofed Julia Morgan-designed conference penthouse suite and the south elevator machine room/stair. The location of the existing Julia Morgan-designed conference penthouse and the south elevator machine room/stair would be repurposed to accommodate a new roof deck and exit stair/elevator enclosure. Cementitious panel siding would clad the new exit stair/elevator enclosure, which would be minimally visible from the street. Also from the street, the proposed exit stair/elevator enclosure would appear similar in profile to the existing elevator machine room/stair.

The existing event space penthouse (bocce court) on the roof at 5 Third Street would be re-roofed and expanded to accommodate an event space. Similar to the proposed exit stair/elevator enclosure, the proposed event space would be minimally visible from the public right-of-way. As a result of this improvement, the existing north elevator machine room would increase in height approximately 4 feet above the existing parapet to facilitate elevator access the roof; the vertical metal siding would match the existing. The proposed increase in height would not be visible from the adjacent public right-of-way. Of these rooftop structures and spaces, only the Morgan-designed penthouse was determined to be a character-defining feature.

The proposed project also involves the removal of some of the interior marble wall cladding at the lobby and upper floors to accommodate new door openings; however, 90.4 percent of the marble would remain unaltered. New doors to be installed at the upper levels would match the appearance of the existing doors, and would be installed in a mix of existing and new openings to the hotel rooms. Select existing doors would be retained as 'dummy' doors with door knobs removed, while other existing doors would be retained at non-occupied spaces. construction of a roof terrace atop 5 Third Street. Glazed gold leaf panels in the lobby of 5 Third Street would be relocated in order to insert new circulation openings from the lobby to ancillary spaces. Each new circulation opening requires the removal of four panels, thus, the two new openings would require the removal of eight total panels. The primary façade of the annex at 190 Stevenson Street would be minimally altered at the first story-and-a-half. The proposed project would infill one non-historic single pedestrian door, and would replace two existing non-historic paired pedestrian doors with two single pedestrian service entrances in similar locations. These changes would not affect the overall historic character of the Hearst Building.

The non-historic first-story façades of 17-29 Third Street would be replaced in full. As the existing first story facades of 17-29 Third Street have been previously altered and do not contain historic features and materials, their demolition would not affect the overall historic character of the building as a contributor to the New Montgomery-Mission-Second Street Conservation District. The newly designed first story would use brick cladding but avoids the use of stucco jack arch window lintels and brick quoining as featured on the upper levels. Therefore, the~~The~~ new first

story would be compatible with the use of brick cladding yet differentiated through its use of a modern design vocabulary clearly differentiated from the old. The large proportion of glazing (full-height and multi-light) and the insertion of a modern primary entrance would assist in differentiating the new design from the rest of the building. The ~~new proposed roof deck and garden/terrace~~ would be set back from the building's Third Street and Stevenson Street facades and would be minimally visible from the public right-of-way. The proposed rooftop mechanical enclosure would not be visible from the public right-of-way. The proposed project would be in compliance with Rehabilitation Standard 9.

**Rehabilitation Standard 10:** *New additions and adjacent or related new construction shall be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.*

At 5 Third Street, all existing storefront systems would be replaced; the bulkheads and ferrous metal storefront surrounds would be retained and restored. Two new door openings would be inserted at the historic Hearst Building lobby interior. The insertion of the new door openings would require the removal of marble-clad wall material within alcoves in the semi-circular lobby area. ~~and eight panels of embossed gold leaf covered in glass and framed in bronze. Although marble clad wall material would be removed, a large portion would be retained elsewhere throughout the lobby. The project sponsor intends to relocate the gold leaf panels to a public location elsewhere in the building. The existing rooftop at 17-29 Third Street is not accessible from 5 Third Street or 190 Stevenson Street; the proposed project includes the conversion of two existing window openings to become terrace access doors.~~ In the event that the proposed alterations should be removed in the future, the lobby marble wall cladding gold leaf panels could be reinserted in the lobby, though marble wall cladding would need to be replaced. Overall, though, the building would not lose historic character or context than it currently possesses. The building's essential form and integrity would be retained.

The non-historic first-story façades of 17-29 Third Street would be replaced in full. The new roof deck, terrace, and new access doors to the roof terrace mechanical enclosure would not impact the building's character-defining features and are minimally visible or not visible from the public right-of-way. In the event that the proposed alterations should be removed in the future, the building would not lose any additional character or context than it currently possesses. The building's essential form and integrity would be retained remain intact. This is due to the fact that the building's historic materiality and character-defining features of the American Commercial style, featured at the building's ~~the~~ upper levels, would be retained and preserved. The building would continue to communicate its architectural style within the context of the New Montgomery-Mission-Second Street Conservation District. ~~In the event that the proposed alterations should be removed in the future, the building would not lose any additional character or context than it currently possesses. The building's essential form and integrity would be retained.~~ Therefore, the proposed project would be in compliance with Rehabilitation Standard 10.



### ***Compatibility of the Proposed Project with the New Montgomery-Mission-Second Street Conservation District***

The proposed project at the Hearst Building (5 Third Street and 190 Stevenson Street) and 17-29 Third Street would be compatible with the characteristics of the New Montgomery-Mission-Second Street Conservation District, including overall rectangular form and continuity with other buildings, three- to seven- story height, and materiality. All aspects of the proposed project, including the first-story alterations at 5 Third Street and the new design and fenestration pattern at the first story of 17-29 Third Street, would be compatible with the characteristics of the district.

With the exception of the proposed demolition of the gable/flat roofed penthouse, the proposed project at the Hearst Building would not remove any exterior character-defining features from this individual resource or other contributing buildings. Exterior changes to the Hearst Building are limited to the removal and replacement of storefront systems within historic frames and bulkheads, the removal of non-historic awnings, the removal of the T-Mobile pedestrian entrance within the center bay of the Market Street storefront, to be replaced with glazing, and the infill of the recessed Subway eatery entrance, to be replaced with glazing. Rooftop alterations would be minimally visible from the public right of way. The Hearst Building would retain its tripartite composition and Renaissance Revival features. All of the proposed exterior changes to the Hearst Building would be compatible with the New Montgomery-Mission-Second Street Conservation District.

The proposed project at 17-29 Third Street would not remove any character-defining features from this contributing resource or others, and the design is compatible in a number of ways. The proposed project at 17-29 Third Street would be in keeping with the primary building material in the Conservation District, which is concrete or brick. The heights and massing of 17-29 Third Street would remain the same, and rooftop alterations would be minimally visible from the public right of way. The primary facades of the building would remain street-facing, representative features of the American Commercial style would be retained, and existing bay widths would be respected. The new first-story design would incorporate vertical brick piers, similarly-colored brick, and would maintain the prevailing district pattern of two- and three-part vertical compositions. The brick piers would convey mass and weight in a manner that is compatible with the district.

Both buildings would retain their characteristic massing, composition, scale, color, detailing and ornamentation. While storefront materials would be replaced on both buildings, the new storefronts would be compatible with materials found in the Conservation District. The proposed project at the Hearst Building and 17-29 Third Street would not be a significant impact to the surrounding district such that the integrity of the district would be affected or to the extent that the district would no longer be able to convey its historic significance.

### ***Analysis of Project-Specific Impacts Under CEQA***

As the above analysis demonstrates, the project as currently designed would be in compliance with the *Secretary of the Interior's Standards for Rehabilitation*, and would not affect the ability of the subject buildings' eligibility for listing in the California Register. According to Section 15126.4(b)(1) of the Public Resources Code (CEQA), if a project complies with the Standards, the project's impact "will

generally be considered mitigated below a level of significance and thus is not significant.” Because the proposed project at the Hearst Building (5 Third Street and 190 Stevenson Street) and 17-29 Third Street complies with the Standards, it would not cause ~~an~~ a significant impact under CEQA.

### ***Project Improvement Measures***

While the project was deemed to have a less-than-significant impact as defined by CEQA, the rehabilitation project does call for alteration and selective demolition of ~~select a~~ character-defining features at the 5 Third Street location. Specifically, ~~two one~~ features from the 1938 building remodel designed by architect Julia Morgan ~~is are~~ proposed for removal: the gable-roofed penthouse on the 13<sup>th</sup> floor ~~and portions of the historic lobby walls featuring decorative gold finishes~~. Improvement Measure I-CR-1a: HABS Documentation, would memorialize the pre-project condition of the building and its character-defining architectural features. Additionally, Improvement Measure I-CR-1b: Construction Best Practices for Historic Resources, would put in place procedures to ensure the masonry and terra cotta cladding ~~character-defining features~~ are protected throughout the selective demolition, construction and rehabilitation work.

**Improvement Measure I-CR-A: Historic Resource Documentation.** Prior to the issuance of demolition or site permits, the project sponsor should undertake Historic American Building Survey (HABS) documentation of the subject property, structures, objects, materials, and surrounding context. The project sponsor should retain a professional who meets the Secretary of the Interior’s Professional Qualifications Standards for Architectural History, as set forth by the Secretary of the Interior’s Professional Qualification Standards (36 CFR, Part 61), to prepare written and photographic documentation of the Hearst Building. The documentation should consist of the following:

- *Measured Drawings:* A set of measured drawings that depict the existing size, scale, and dimension of the subject property. Planning Department Preservation staff will accept the original architectural drawings or an as-built set of architectural drawings (plan, section, elevation, etc.). Planning Department Preservation staff will assist the consultant in determining the appropriate level of measured drawings;
- *HABS-Level Photographs:* Either HABS standard large format or digital photography should be used. The scope of the digital photographs should be reviewed by Planning Department Preservation staff for concurrence, and all digital photography shall be conducted according to the latest National Park Service Standards. The photography should be undertaken by a qualified professional with demonstrated experience in HABS photography. Photograph views for the dataset shall include (a) contextual views; (b) views of each side of the building and interior views, where possible; (c) oblique views of the building; and (d) detail views of character-defining features, including features on the

interior. All views shall be referenced on a photographic key. This photographic key shall be on a map of the property and shall show the photograph number with an arrow to indicate the direction of the view. Historic photographs shall also be collected, reproduced, and included in the dataset; and

- *HABS Historical Report*: A written historical narrative and report, per HABS Historical Report Guidelines.
- A Print On Demand softcover book should be produced that includes the content of the HABS historical report, historical photos, HABS-level photography, measured drawings and field notes.

The project sponsor should transmit such documentation, in both printed and electronic form, to the History Room of the San Francisco Public Library, San Francisco Architectural Heritage, and the Northwest Information Center of the California Historical Information Resource System. All documentation will be reviewed and approved by the San Francisco Planning Department's Preservation Coordinator prior to granting any demolition or site permit.

#### **Improvement Measure I-CR-B: Construction Best Practices for Historic Resources**

The Project Sponsor should incorporate into construction specifications for the proposed project a requirement that the construction contractor(s) use all feasible means to avoid damage to the historic masonry and terra cotta cladding at 5 Third Street and 190 Stevenson Street as well as the brick and terra cotta cladding at 17-29 Third Street. This should include: staging of equipment and materials as far as possible from the historic buildings to limit damage; using techniques in the selective demolition and all construction activity that creates 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 should be submitted to the Planning Department for review and approval by Preservation staff along with the -Site Permit Application.

In conclusion, the existing buildings on the project site are locally designated historic resources under Article 11 of the San Francisco Planning Code and are contributors to a local historic district. Thus, all buildings on the project site are considered historical resources under CEQA. Analysis of the proposed project as discussed above demonstrates that the proposed project would not cause a substantial adverse change in the significance of a historical resource.

Implementation of Improvement Measures I-CR-A, Historic Resource Documentation, and I-CR-B, Construction Best Practices for Historic Resources, would further reduce the project's less-than-significant effects on historic resources.

**Impact CR-2: Construction of the proposed project would not result in physical damage to offsite historical resources. (Less than Significant)**

The Hearst Building is located immediately adjacent to the Monadnock Building (685 Market Street), which was built in 1906, and is a historical resource (Category I building in Article 11 of the Planning Code, which is an individual resource and within the New Montgomery-Mission-2nd Street Historic District). The Monadnock Building is supported by a steel frame with reinforced concrete floors. The Monadnock Building could be susceptible to damage from ground-borne vibration associated with project-related construction activities that could potentially result in structural or cosmetic damage.

Construction vibration impacts are assessed based on the Federal Transit Administration (FTA) standards. FTA guidelines define a vibration impact as significant if it exceeds the peak particle velocity (PPV) criteria, measured in inches per second, associated with the identified receptor building's type, or category (see Table 2). Since the building is composed of a steel frame, it would be subject to the 0.5 PPV criterion.

**Table 2: Construction Vibration Damage Criteria**

Building Category	PPV (inches/second)	Approximate Vibration Decibels (VdB) (micro-inch/second)
I. Reinforced-concrete, steel or timber (no plaster)	0.5	102
II. Engineered concrete and masonry (no plaster)	0.3	98
III. Non-engineered timber and masonry buildings (no plaster)	0.2	94
IV. Buildings extremely susceptible to vibration damage	0.12	90

Source: Federal Transit Administration, Transit Noise and Vibration Impact assessment, Chapter 12, Noise and Vibration during Construction, [https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA\\_Noise\\_and\\_Vibration\\_Manual.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Noise_and_Vibration_Manual.pdf), accessed July 11, 2018.

The proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, and would alter and enlarge the existing rooftop. A new foundation system consisting of micropiles would also be constructed to support the increased load of the modified building. The micropiles would be installed using a drill rig, which would produce vibration levels of approximately 0.089 PPV.<sup>28</sup> Therefore, drilling activities associated with the installation of the new foundation system would not exceed the 0.5 PPV vibration significance criteria described above. Moreover, the proposed project would not require the use of any heavy construction equipment that would exceed the

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<sup>28</sup> Federal Transit Administration, Transit Noise and Vibration Impact assessment, Chapter 12, Noise and Vibration during Construction, Table 12.2  
[https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA\\_Noise\\_and\\_Vibration\\_Manual.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Noise_and_Vibration_Manual.pdf), accessed July 11, 2018. (PPV value for "caisson drilling" was used).

vibration significance criteria since construction activities would be confined to the roof, interior, and front and rear façades of the existing building.

For these reasons, the proposed project would not result in physical damage to offsite resources including the adjacent historical resource, and therefore, its construction-related impact on historical resources would be less than significant.

**Impact CR-3: The proposed project would potentially cause a substantial adverse change in the significance of an archeological resource and potentially disturb human remains, including those interred outside of formal cemeteries. (Less than Significant with Mitigation)**

Determining the potential for encountering archeological resources requires reviewing relevant factors such as the location, depth, and amount of excavation proposed as well as any recorded information on known resources in the area. Installation of the proposed micropile foundation would require soil disturbance to a depth of approximately 50 feet below ground surface, which would require excavation and removal of up to 40 cubic yards of soil. Due to the depth of the proposed soil disturbance, the Planning Department conducted a Preliminary Archeological Review.<sup>29</sup> There are no known archaeological sites within the project footprint, and the existing on-site basement reduces the possibility for survival of any pre-earthquake historic features. However, numerous prehistoric sites have been encountered under buildings within one block of the project site and the project site has been determined sensitive for prehistoric archeological resources. The proposed project, therefore, has the potential to cause a substantial adverse change to subsurface archaeological resources by adversely affecting the significance of these resources. The partial or total destruction of archaeological resources by the project would impair the ability of such resources to convey important scientific and historical information. Implementation of **Mitigation Measure M-CR-2, Archeological Testing**, would reduce the potential impact to a less-than-significant level.

**Mitigation Measure M-CR-2: Archeological Testing**

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 Department Qualified Archaeological Consultants List (QACL) maintained by the Planning Department archaeologist. The project sponsor shall contact the Department archaeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The

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<sup>29</sup> San Francisco Planning Department, *Environmental Planning Preliminary Archeological Review: 5 Third Street, San Francisco, California*, September 20, 2017.

archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less than significant level potential effects on a significant archeological resource as defined in CEQA Guidelines Sect. 15064.5 (a) and (c).

*Consultation with Descendant Communities:* On discovery of an archeological site<sup>30</sup> associated with descendant Native Americans, the Overseas Chinese, or other potentially interested descendant group an appropriate representative<sup>31</sup> of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to offer recommendations to the ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archaeological Resources Report shall be provided to the representative of the descendant group.

*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 potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.

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

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<sup>30</sup> By the term "archeological site" is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

<sup>31</sup> An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and in the case of the Overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the Department archeologist.

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:

- A) The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or
- B) A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

*Archeological Monitoring Program.* If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:

- The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils- disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archaeological resources and to 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), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource;
- 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 soils-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving or deep foundation activities (foundation, shoring, etc.), the archeological monitor has cause



to believe that the pile driving or deep foundation activities may affect an archeological resource, the pile driving or deep foundation activities shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.

Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.

*Archeological Data Recovery Program.* The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *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.

*Human Remains, Associated or Unassociated Funerary Objects.* The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The ERO shall also be immediately notified upon discovery of human remains. The archeological consultant, project sponsor, ERO, and MLD shall have up to but not beyond six days after the discovery to make all reasonable efforts to develop an agreement for the treatment of human remains and associated or unassociated funerary objects with appropriate dignity (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, 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 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. If no agreement is reached State regulations shall be followed including the reinternment of the human remains and associated burial objects with appropriate dignity on the property in a location not subject to further subsurface disturbance (Pub. Res. Code Sec. 5097.98).

*Final Archeological Resources Report.* The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.

Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one bound, one unbound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest in or the high interpretive value of the

resource, the ERO may require a different final report content, format, and distribution than that presented above.

**Impact CR-3: The proposed project would cause a substantial adverse change in the significance of a tribal cultural resource. (Less than Significant with Mitigation)**

Tribal cultural resources are those resources that meet the definitions in Public Resources Code Section 21074. Tribal cultural resources are defined as sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are also either (a) included or determined to be eligible for inclusion in the California Register of Historical Resources or (b) included in a local register of historical resources as defined in Public Resources Code Section 5020.1(k). Based on discussions with Native American tribal representatives, in San Francisco, prehistoric archeological resources are presumed to be potential tribal cultural resources. A tribal cultural resource is adversely affected when a project impacts its significance.

Pursuant to Assembly Bill 52, lead agencies are required to contact the Native American tribes that are culturally or traditionally affiliated with the geographic area in which the project is located. Notified tribes have 30 days to request consultation with the lead agency to discuss potential impacts on tribal cultural resources and measures for addressing those impacts.

On June 27, 2018, the Planning Department mailed a “Tribal Notification Regarding Tribal Cultural Resources and CEQA” to the appropriate Native American tribal representatives who have requested notification. During the 30-day comment period, no Native American tribal representatives contacted the Planning Department to request consultation.

As noted under Impact CR-2, the proposed project would result in a significant impact to archeological resources without mitigation, which would be mitigated to less-than-significant with M-CR-2. In the event that prehistoric archeological resources are damaged, the proposed project would have a significant impact on tribal cultural resources. However, with implementation of **Mitigation Measure M-CR-3, Tribal Cultural Resources Interpretive Program**, as (described below), developed in discussions with local Native American tribal representatives, and Mitigation Measure M-CR-2 described above, the proposed project would have a less than significant effect on tribal cultural resource. For these reasons, the proposed project would not cause a substantial adverse change in the significance of a tribal cultural resource, and this impact would be less than significant.

**Mitigation Measure M-CR-3: Tribal Cultural Resources Interpretive Program**

If the ERO determines that a significant archeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the ERO determines that the resource constitutes a tribal cultural resource (TCR) and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible.

If the ERO determines that preservation-in-place of the TCR is both feasible and effective, then the archeological consultant shall prepare an archeological resource preservation plan

(ARPP). Implementation of the approved ARPP by the archeological consultant shall be required when feasible.

If the ERO, in consultation with the affiliated Native American tribal representatives and the project sponsor, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, 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.

**Impact C-CR-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in cumulative impacts on cultural resources. (Less than Significant)**

A number of permits are pending within the New Montgomery-Mission-Second Street Conservation District (associated with buildings that are not adjacent to the subject property). Most of these permits involve cell equipment installation or removal, signage, or interior tenant improvements. At 156 Second Street, a new storefront and entry is proposed; however, the existing storefront does not appear historic. Exterior work is proposed at 619 Market Street; however, "all historic items will be retained." An exterior lobby renovation is proposed at 33 New Montgomery Street; however, the building was constructed in 1986 and is not a historic resource.

The effect of these cumulative projects on historic architectural resources is negligible, and the proposed project at the Hearst Building and 17-29 Third Street would not contribute to any significant cumulative historic resource impacts as defined by CEQA.

Project-related impacts on archeological resources, tribal cultural resources, and human remains are site-specific and generally limited to the project's construction area. There are no other projects that have the potential to affect the same resources as the project. For these reasons, the proposed project, in combination with other past, present, and reasonably foreseeable future projects, would not result in a cumulatively considerable impact on archeological resources, tribal cultural resources, or human remains.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>4. TRANSPORTATION AND CIRCULATION— Would the project:</b>					
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The proposed project would not interfere with air traffic patterns because the project site is not located within an airport land use plan area, or in the vicinity of a private airstrip. Therefore, Topic E.4(c) is not applicable. The following discussion is based on the information provided in the transportation impact study prepared for the proposed project in accordance with the San Francisco Planning Department's Transportation Impact Analysis Guidelines for Environmental Review.<sup>32</sup>

## Setting

The roadway network surrounding the project site is generally an east-west and north-south grid, and several streets in proximity to the project site are one-way. Vehicle and pedestrian access to the project site is currently along Market Street, Annie Street, Stevenson Street, and Third Street. Annie Street terminates near the project site. Local access is provided by arterial and local

<sup>32</sup> CHS Consulting, *5 Third Street Hearst Hotel Transportation Impact Study*, San Francisco, CA, July 2018.

roadways in proximity to the project site. According to the General Plan, Third Street is a major north-south arterial that operates one-way within the vicinity of the project site, with three northbound vehicle traffic lanes and one northbound Bus/Taxi Only lane between Market and Mission streets. On-street parallel parking is intermittently provided along the west side of Third Street, near the project site. Third Street is also classified as part of the Vision Zero High Injury Network and a Transit Important Preferential Street.<sup>33,34</sup> Market Street runs in an east-west direction and is a major arterial with two travel traffic lanes in each direction, one of which is designated as transit only. Passenger and freight loading areas are dispersed on both sides of the street and there is no available on-street parking. Class I and class II bicycle facilities run along Market Street in both directions. Market Street is also classified as part of the Vision Zero High Injury Network and a Transit Preferential Street. Stevenson Street is an east-west city street roadway providing midblock access from Third Street between Market and Jessie streets. The roadway runs one-way with one eastbound travel lane and metered on-street parallel parking on the north side of the street between Third and Annie streets. There are no Muni facilities or bicycle facilities located along Stevenson Street. Annie Street, identified as an alley, runs in a north-south direction between Mission and Stevenson Streets. The roadway operates one-way with one travel lane in the southbound direction.

The project site is well-served by local public transit service, Muni. There are 42 Muni bus routes and light rail lines within a quarter-mile vicinity of the project area. The closest surface transit stop is located at Market and Kearny streets, approximately 200 feet west of the project site, which serves the F-Market, 5-Fulton, 5R-Fulton Rapid, 6-Haight-Parnassus, 7-Haight-Noriega, 7X-Noriega Express, 9-San Bruno, 9R-San Bruno Rapid, 21-Hayes, 31-Balboa, 38-Geary, and 38R-Geary Rapid routes. Additionally, local Muni light rail lines K-Ingleside, T-Third Street, J-Church, L-Taraval, M-Oceanview and N-Judah can be accessed from the Montgomery Street Station located approximately 500 feet northeast of the project site. Regional service is provided by the Bay Area Rapid Transit District (BART) via the Montgomery Street Station. Furthermore, the Muni routes serving the project area provide connections to other regional transit providers, including AC Transit, Caltrain, SamTrans, Golden Gate Transit, and the Golden Gate Ferry Terminal in the Ferry Building.

### ***Vehicle Miles Traveled in San Francisco and Bay Area***

Many factors affect travel behavior. These factors include density, diversity of land uses, design of the transportation network, access to regional destinations, distance to high-quality transit, development scale, demographics, and transportation demand management. Typically, low-

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<sup>33</sup> San Francisco Department of Public Health, Vision Zero High Injury Network: 2017, <http://sfgov.maps.arcgis.com/apps/webappviewer/index.html?id=fa37f1274b4446f1bddd7bdf9e708ff>, accessed January 22, 2018.

<sup>34</sup> According to the Transportation Element of the San Francisco General Plan (Table 4: Transit Preferential Street Classification System), a transit important street meets one of three criteria: high transit ridership, or; high frequency of service, or; surface rail.

density development at great distance from other land uses, located in areas with poor access to non-private vehicular modes of travel, generate more automobile travel compared to development located in urban areas, where a higher density, mix of land uses, and travel options other than private vehicles are available.

Given these travel behavior factors, San Francisco has a lower average daily vehicle miles traveled (VMT) ratio than the nine-county San Francisco Bay Area region. In addition, some areas of the City have lower VMT ratios than other areas of the City. These areas of the City can be expressed geographically through transportation analysis zones. Transportation analysis zones are used in transportation planning models for transportation analysis and other planning purposes. The zones vary in size from single city blocks in the downtown core, multiple blocks in outer neighborhoods, to even larger zones in historically industrial areas like the Hunters Point Shipyard.

The San Francisco County Transportation Authority (Transportation Authority) uses the San Francisco Chained Activity Model Process (SF-CHAMP) to estimate VMT by private automobiles and taxis for different land use types. Travel behavior in SF-CHAMP is calibrated based on observed behavior from the California Household Travel Survey 2010-2012, Census data regarding automobile ownership rates and county-to-county worker flows, and observed vehicle counts and transit boardings. SF-CHAMP uses a synthetic population, which is a set of individual actors that represents the Bay Area's actual population, who make simulated travel decisions for a complete day. The Transportation Authority uses tour-based analysis for residential uses, which examines the entire chain of trips over the course of a day, not just trips to and from a project. For retail uses, the Transportation Authority uses trip-based analysis, which counts VMT from individual trips to and from the project (as opposed to entire chain of trips). A trip-based approach, as opposed to a tour-based approach, is necessary for retail projects because a tour is likely to consist of trips stopping in multiple locations, and the summarizing of tour VMT to each location would over-estimate VMT.<sup>35,36</sup>

For residential development (used as a proxy for the hotel use), the existing regional average daily VMT per capita is 17.2. For office development, existing regional average daily work-related VMT per employee is 19.1. For retail development, existing regional average daily work-related VMT per employee is 14.9.

San Francisco 2040 cumulative conditions were projected using a SF-CHAMP model run, applying the same methodology as outlined above for existing conditions, but also incorporated residential

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<sup>35</sup> To state another way: a tour-based assessment of VMT at a retail site would consider the VMT for all trips in the tour, for any tour with a stop at the retail site. If a single tour stops at two retail locations, for example, a coffee shop on the way to work and a restaurant on the way back home, both retail locations would be allotted the total tour VMT. A trip-based approach allows us to apportion all retail-related VMT to retail sites without double-counting.

<sup>36</sup> San Francisco Planning Department, Executive Summary: Resolution Modifying Transportation Impact Analysis, Appendix F, Attachment A, March 3, 2016.



and job growth estimates and reasonably foreseeable transportation investments through 2040. For residential development (used as a proxy for the hotel use), the projected 2040 regional average daily VMT per capita is 16.1. For office development, the projected 2040 regional average daily VMT per employee is 17.0. For retail development, the projected 2040 regional average daily VMT per employee is 14.6. Table 3, Daily Vehicle Miles Traveled, summarizes existing and cumulative VMT for the region and for the transportation analysis zone (TAZ) in which the project site is located, TAZ 742.

**Table 3: Daily Vehicle Miles Traveled**

Land Use	Existing			Cumulative 2040		
	Bay Area Regional Average	Bay Area Regional Average minus 15% (threshold)	TAZ 742	Bay Area Regional Average	Bay Area Regional Average minus 15% (threshold)	TAZ 742
Households (Hotel/ Residential)	17.2	14.6	2.0	16.1	13.7	1.8
Employment (Office)	19.1	16.2	7.7	17.0	14.5	6.1
Employment (Retail)	14.9	12.6	8.6	14.6	12.4	8.0

Source: San Francisco Planning Department

## VEHICLE MILES TRAVELED IMPACT ANALYSIS METHODOLOGY

Land use projects may cause substantial additional VMT. The following discussion identifies thresholds of significance and screening criteria used to determine if a land use project would result in significant impacts under the VMT metric.

### *Residential Projects*

Trips associated with hotel projects typically function similar to residential projects. Therefore, for the purposes of VMT analysis, hotel land uses are treated as residential for screening and analysis.<sup>37</sup> For residential projects, a project would generate substantial additional VMT if it exceeds the regional household VMT per capita minus 15 percent.<sup>38</sup> As documented in the OPR's Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in

<sup>37</sup> The proposed 170 Hotel rooms qualifies as a residential use for the purpose of VMT analysis as defined under the "other land use projects" described in Appendix A of the *Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 5 Third Street*.

<sup>38</sup> OPR's proposed transportation impact guidelines states a project would cause substantial additional VMT if it exceeds both the existing City household VMT per capita minus 15 percent and existing regional household VMT per capita minus 15 percent. In San Francisco, the City's average VMT per capita is lower (8.4) than the regional average (17.2). Therefore, the City average is irrelevant for the purposes of the analysis.

CEQA (“Proposed Transportation Impact Guidelines”), a 15 percent threshold below existing development is “both reasonably ambitious and generally achievable.”<sup>39</sup>

#### *Office and Retail Projects*

For office and retail projects, a project would generate substantial additional VMT if it exceeds regional VMT per (office or retail) employee minus 15 percent.<sup>40</sup> As documented in the California State Office of Planning and Research (OPR) *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA* (“Proposed Transportation Impact Guidelines”), a 15 percent threshold below existing development is “both reasonably ambitious and generally achievable.”<sup>41</sup> This approach is consistent with CEQA Section 21099 and the thresholds of significance for other land uses recommended in OPR’s Proposed Transportation Impact Guidelines. For mixed-use projects, each proposed land use is evaluated independently, per the significance criteria described above.

OPR’s Proposed Transportation Impact Guidelines provides screening criteria to identify types, characteristics, or locations of land use projects that would not exceed these VMT thresholds of significance. OPR recommends that if a project or land use proposed as part of the project meets any of the screening criteria, then VMT impacts are presumed to be less than significant for that land use and a detailed VMT analysis is not required. The screening criteria applicable to the proposed project and their implementation in San Francisco are described below:

- **Map-Based Screening for Office and Retail Projects.** OPR recommends mapping areas where VMT falls below the applicable land use threshold. Accordingly, the Transportation Authority has developed maps depicting existing VMT levels in San Francisco for office and retail land uses based on the SF-CHAMP 2012 base-year model run. The Planning Department uses these maps and associated data to determine whether a proposed project is located in an area of the City that is below the applicable VMT threshold(s).
- **Proximity to Transit Stations.** OPR recommends that residential, retail, and office projects, as well projects that are a mix of these uses, proposed within one half-mile of an existing major transit stop (as defined by CEQA Section 21064.3) or an existing stop along a high-quality transit corridor (as defined by CEQA 21155) would not result in a substantial increase in VMT. However, this presumption would not apply if the project would: (1) have a floor area ratio of less than 0.75; (2) include more parking for use by residents, customers, or employees of the project than required or allowed, without a conditional use

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<sup>39</sup> Office of Planning and Research, *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA*, <http://www.opr.ca.gov/ceqa/updates/sb-743/>, accessed December 19, 2017. See page III: 20.

<sup>40</sup> *Ibid.*

<sup>41</sup> *Ibid.*

authorization; or (3) be inconsistent with the applicable Sustainable Communities Strategy.<sup>42</sup>

- **Small Projects Screening Criterion.** OPR recommends that lead agencies may generally assume that a project would not have significant VMT impacts if the project would either: (1) generate fewer trips than the level for studying consistency with the applicable congestion management program or (2) where the applicable congestion management program does not provide such a level, fewer than 100 vehicle trips per day. The Transportation Authority's Congestion Management Program, December 2015, does not include a trip threshold for studying consistency. Therefore, the Planning Department uses a screening criterion of 100 vehicle trips per day, whereby a project that would generate vehicle trips equal to or below this threshold would not generate a substantial increase in VMT.

### ***Induced Automobile Travel Analysis***

Transportation projects may substantially induce additional automobile travel. The following identifies thresholds of significance and screening criteria used to determine if transportation projects would result in significant impacts by inducing substantial additional automobile travel.

Pursuant to OPR's Proposed Transportation Impact Guidelines, a transportation project would substantially induce automobile travel if it would generate more than 2,075,220 VMT per year. This threshold is based on the fair share VMT allocated to transportation projects required to achieve California's long-term greenhouse gas emissions reduction goal of 40 percent below 1990 levels by 2030.

OPR's Proposed Transportation Impact Guidelines includes a list of transportation project types that would not likely lead to a substantial or measureable increase in VMT. If a project fits within the general types of projects (including combinations of types) described in the Transportation Impact Guidelines, then it is presumed that VMT impacts would be less than significant and a detailed VMT analysis is not required. The following types of transportation projects included in the Transportation Impact Guidelines are applicable to the subject project's proposed modifications to the Third Street and Stevenson Street sidewalks, which include introduction of seven new street trees and 10 *class 2* bicycle parking racks on the sidewalk, and the removal of one metered yellow commercial loading space and two metered parallel parking spaces along the north side of Stevenson Street with a 60-foot long white passenger loading zone for hotel valet use:

- **Active Transportation, Rightsizing (aka Road Diet), and Transit Projects:**
  - Infrastructure projects, including safety and accessibility improvements, for people walking or bicycling

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<sup>42</sup> A project is considered to be inconsistent with the Sustainable Communities Strategy if development is located outside of areas contemplated for development in the Sustainable Communities Strategy.

- Other Minor Transportation Projects:
  - Adoption, removal, or modification of on-street parking or loading restrictions (including meters, time limits, accessible spaces, and preferential/reserved parking permit programs)

## TRAVEL DEMAND

Localized trip generation of the proposed project was calculated using a trip-based analysis and information included in the 2002 *Transportation Impact Analysis Guidelines for Environmental Review* (SF Guidelines) developed by the San Francisco Planning Department.<sup>43,44</sup> The proposed project would generate an estimated 2,143 person trips (inbound and outbound) on a weekday daily basis, consisting of 694 person trips by auto (417 vehicle trips accounting for vehicle occupancy data for this census tract), 570 transit trips, 717 walk trips and 162 trips by other modes, which include bicycle, taxi, and motorcycle trips. During the p.m. peak hour, the proposed project would generate an estimated 240 daily person trips, consisting of 74 person trips by auto (51 vehicle trips accounting for vehicle occupancy data), 79 transit trips, 70 walk trips and 18 trips by other modes.

### **Impact TR-1: The proposed project would not cause substantial additional VMT or substantially induce automobile travel. (Less than Significant)**

As shown in Table 3, the existing average daily residential (used as a proxy for the hotel use) VMT per capita is 2.0 for TAZ 742, which is 88 percent below the existing regional average daily residential VMT per capita of 17.2. The existing average daily VMT per office employee is 7.7 for TAZ 742, which is 60 percent below the regional average VMT per office employee of 19.1. In addition, the existing average daily VMT per retail employee, at 8.6 for TAZ 742, is 42 percent below the existing regional average VMT per retail employee of 14.9. Given that the project site is located in an area where existing residential, office, and retail VMT is more than 15 percent below the existing region average, the proposed project would meet the Map-Based Screening criteria for residential, office and retail uses. The project site also meets the Proximity to Transit Stations screening criterion.<sup>45</sup> Since the proposed project would meet one or more of the screening criteria it would not result in a substantial increase in VMT and as a result, its impacts would be less than significant.

### ***Induced Automobile Travel Analysis***

A project would have a significant effect on the environment if it would substantially induce additional automobile travel by increasing physical roadway capacity in congested areas (i.e., by adding new mixed-flow lanes) or by adding new roadways to the network. OPR's Proposed

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<sup>43</sup> CHS Consulting, 5 Third Street Hearst Hotel Transportation Impact Study, San Francisco, CA, July 2018.

<sup>44</sup> Trip calculations are conservative (overestimates) because they do not subtract trips associated with existing uses from proposed new construction and changes in uses.

<sup>45</sup> San Francisco Planning Department, *Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 5 Third Street*, July, 2018.

Transportation Impact Guidelines includes a list of transportation project types that would not likely lead to a substantial or measureable increase in VMT. If a project fits within the general types of projects (including combinations of types), then it is presumed that VMT impacts would be less than significant and a detailed VMT analysis is not required.

The proposed project is not a transportation project. However, the proposed project would include features such as street trees, bike racks, and a loading space within the public right-of-way. Specifically, the proposed project would introduce seven new street trees and 10 *class 2* bicycle parking racks on the sidewalk. In addition, the project would remove one metered yellow commercial loading space (approximately 20-foot-long) and two metered parallel parking spaces along the north side of Stevenson Street and replace these with a 60-foot long white passenger loading zone for hotel valet use. ~~However, these~~ These minor alterations to the transportation network fit within the general types of projects that would not substantially induce automobile travel.<sup>46</sup> Thus, the proposed project would not result in a significant impact with respect to induced automobile travel.

**Impact TR-2: The proposed project would not substantially increase traffic hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses. (Less than Significant)**

The proposed project, which consists of converting the existing Hearst Building from office use (with ground floor and basement retail uses) to a mixed-use hotel, including modifications to the rooftop to include new event space and rooftop bar and patio, would generally be built within the existing building envelope. It would not include any design features that would substantially increase traffic-related hazards (e.g., a new sharp curve or dangerous intersections) or include any incompatible uses, as discussed under Section E.1, Land Use and Land Use Planning. Additionally, the proposed project would add seven new street trees, which would be installed pursuant to the Urban Forestry ordinance and would comply with ADA accessibility requirements for effective width of the sidewalk.

The proposed project does not propose changes to the roadway network that could cause major traffic hazards. The proposed project would not provide any on-site parking, and the project site currently has no driveway curb cuts providing vehicular access to the project site. However, the proposed project would provide valet service to be operated by a third party valet company within the proposed 60-foot passenger loading zone along the north side of Stevenson Street for all visitors to the site. Stevenson Street is only accessible via a right-turn from northbound Third Street and all traffic that enters Stevenson Street, including users of the passenger loading zone, must exit the site vicinity via a right-turn onto Annie Street to Jessie Street or Mission Street. The width of Stevenson Street (26 feet) provides a parking lane (8 feet wide) and a single one-way travel lane (18 feet wide), yielding adequate space for traffic to operate without conflict from activities within the passenger loading zone. The proposed 60-foot passenger loading zone would accommodate the

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<sup>46</sup> *Ibid.*

peak passenger loading demand generated by the proposed project. Therefore, vehicle queues related to passenger loading and valet service are not anticipated to create conflicts with transit vehicles or operations or substantially interfere with bicycle or pedestrian access, and would not create potentially hazardous conditions. Therefore, traffic hazard impacts due to a design feature or incompatible uses from the proposed project would be less than significant.

**Impact TR-3: The proposed project would not result in inadequate emergency access. (Less than Significant)**

Emergency vehicle access is currently provided along Market and Third streets adjacent to the project site frontages. Emergency access to the site would remain unchanged from existing conditions. During project operation, project-generated vehicle traffic (417 daily and 51 p.m. peak hour vehicle-trips) would be dispersed among multiple streets within the project vicinity and therefore, would not be expected to result in substantial delay in the project vicinity. The proposed project would not close off any existing streets or entrances to public uses. Therefore, the proposed project would have a less-than-significant impact on emergency access.

**Impact TR-4: The proposed project would not conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities. (Less than Significant)**

***Transit Facilities***

As stated above, the project site is well served by local and regional public transit service. There are numerous public transit options available on Market Street adjacent to the project site or accessed from the Montgomery Street Station located approximately 500 feet northeast of the site. The proposed project would generate 570 daily transit trips, including 79 during the p.m. peak hour. These transit trips would be distributed among the multiple transit lines serving the project vicinity. Given the availability of nearby transit, the addition of 79 p.m. peak-hour transit trips would be accommodated by existing capacity. For these reasons, the proposed project would not result in unacceptable levels of transit service or cause a substantial increase in delays or operating costs such that significant adverse impacts in transit service could result. Thus, the proposed project's impact on transit service would be less than significant.

***Bicycle Facilities***

The proposed project would add approximately 162 person-trips by "other" modes, which includes trips made by bicycle. In proximity to the project site, there are class III bike routes along Market, Post, Sutter, Second, and Fifth streets and class II bike lanes along Second and Howard streets. During a field visit to the project site, the bicycle activities in the project area were observed to be relatively light to moderate with abundant capacity with higher bicycle volumes along Market Street.<sup>47</sup> Implementation of the proposed project would not alter the existing street grid or

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<sup>47</sup> Field observations were made at the subject property, 5 Third Street, and the project vicinity on September 21, 2017, between 4:00 p.m. and 6:00 p.m..

result in other physical changes that would affect these bicycle routes and lanes. In addition, the proposed project would include eight *class 1* bicycle parking spaces in a designated bicycle storage room located in the basement of the proposed building and 10 additional *class 2* bicycle parking racks to the five existing *class 2* bicycle parking racks for a total of 15 *class 2* bicycle parking racks on the sidewalks surrounding the project site, which would have the capacity to store up to 30 bicycles (two bikes per rack). Six of the new *class 2* bicycle parking racks would be located alongside the five existing *class 2* bicycle parking racks at the proposed project's Third Street frontage. The four remaining new *class 2* bicycle parking racks would be located along the south side of Stevenson Street. For these reasons, project-generated bicycle trips would not have a significant impact on existing bicycle facilities.

The proposed project would also generate an estimated 417 daily and 51 p.m. peak-hour vehicle trips. While the project would increase the amount of vehicle traffic in the project vicinity, the expected magnitude of this increase on any one street would not be substantial enough to result in conflicts with cyclists or affect overall bicycle circulation or the operations of bicycle facilities. Therefore, impacts related to bicycle travel would be less than significant.

### ***Pedestrian Facilities***

Trips generated by the proposed project would include walk trips to and from the proposed hotel, office and retail uses, plus walk trips to and from transit stops. The proposed project would generate about 717 daily pedestrian trips to and from the project site, including 70 pedestrian trips during the weekday p.m. peak hour. Sidewalks along the existing project frontages are generally between 10 and 32 feet wide. The existing sidewalk width along Third Street varies between 12 and 17 feet. The existing sidewalk width along Market Street is about 34 feet. The existing sidewalk width along Stevenson Street is about 8 feet. In addition, there are pedestrian curb ramps, crosswalks, and pedestrian crossing signal heads provided at the nearest intersections (Market Street/Third Street and Stevenson Street/Third Street) to facilitate pedestrian crossing where allowed. Based on field observations, the highest concentration of pedestrian activity was observed along Market Street between Third Street and New Montgomery Street. While not all curb ramps included ADA-compliant yellow truncated domes, no indications of sidewalk overcrowding or pedestrian hazards were observed within the study area.<sup>48</sup> As a result, the existing sidewalks at the site and within the project vicinity would be able to accommodate the additional project-generated pedestrian trips without becoming substantially overcrowded or unsafe.

Project-generated vehicle traffic (417 daily and 51 p.m. peak hour vehicle-trips) would be dispersed among multiple streets within the project vicinity and therefore, would not be expected to result in substantial conflicts with pedestrians on Market Street, Third Street, or Stevenson Street or other streets in the project vicinity. As a result, project-related impacts on pedestrian facilities would be less than significant.

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<sup>48</sup> *Ibid.*

**Impact TR-5: The proposed project would not result in a loading demand during the peak hour of loading activities that could not be accommodated within proposed on-site loading facilities or within convenient on-street loading zones, and if it would create potentially hazardous traffic conditions or significant delays affecting traffic, transit, bicycles or pedestrians. (Less than Significant)**

In proximity to the project site, there are seven designated on-street freight/delivery loading spaces directly adjacent to and extending east along the north side of Stevenson Street from the project site, totaling 140 feet in length, between Third and Annie streets. During field observations, there were no instances of double parking observed or other impedances to the general traffic flow on Stevenson Street.<sup>49</sup> The proposed project also fronts Third Street, along which there is a bus/taxi-only lane adjacent to the project site and stopping or loading is prohibited. Market Street provides a designated on-street freight/delivery loading zone along the south side of Market Street approximately 300 feet east of the project site, between Third and New Montgomery streets, totaling approximately 100 feet in length. During field observations, the Market Street loading zone experienced no instances of double parking or other impedances to the general flow of traffic along Market Street.<sup>50</sup>

The proposed project would convert one of the seven existing freight loading spaces directly adjacent to the project site along the north side of Stevenson Street to a passenger loading space. The six remaining freight loading spaces (totaling approximately 120 feet in length) along the north side of Stevenson Street would be used for commercial freight deliveries by the proposed project and other nearby uses, including the Monadnock Building (685 Market Street). The six remaining freight loading spaces would be located adjacent to the project site's southeast corner along Stevenson Street and extending further east to the intersection of Stevenson Street and Annie Street. The furthest freight loading space along Stevenson Street would be approximately 110 feet east of the proposed project's service door, which is within a reasonable distance to serve the project site.

The retained office use would generate approximately two truck freight and service vehicle trips per day, including up to one loading vehicle during both the peak hour and average hour of loading activities. The new hotel use would generate approximately 11 truck freight and service vehicle trips per day, including up to one loading vehicle during both the peak hour and average hour of loading activities. The retail use would generate up to one truck freight and service vehicle trip per day, inclusive of the peak hour and average hour of loading activities. The restaurant uses would generate approximately 15 truck freight and service vehicle trips per day, including up to one loading vehicle during the peak hour and average hour of loading activities. The proposed project would generate approximately 26.27 daily truck trips, which corresponds to a loading demand for up to 2 spaces during an average hour and the peak loading period. The six on-street

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<sup>49</sup> *Ibid.*

<sup>50</sup> *Ibid.*



loading spaces within 110 feet of the project site along Stevenson would meet the proposed project's peak loading demand of up to two delivery vehicles and for access and maneuvering of vehicles associated with project deliveries and garbage operations. The deliveries and garbage operations would not result in significant conflicts with other moving and/or parked vehicles, nor conflict with other vehicles attempting to enter or exit the on-street loading zone. Therefore, the proposed project with six off-street freight loading spaces would meet the proposed project's loading demand and impacts would be less than significant.

While the proposed project would meet its projected freight loading demand through the provision of six on-street loading spaces within 110 feet of the project site along Stevenson, specific improvement measures are recommended to reduce any potential traffic-related impacts and conflicts between delivery operations and pedestrians walking along adjacent streets. These instances are not anticipated to occur frequently as the vehicles could use the proposed the available on-street yellow zones on Stevenson and Market streets, and overall loading impacts would remain less-than-significant. Implementation of **Improvement Measure I-TR-A: Coordination of Large Deliveries and Trash Pick-up**, to which the project sponsor has agreed, would further reduce these less-than-significant loading impacts.

#### **Improvement Measure I-TR-A: Coordination of Large Deliveries and Trash Pick-up**

The project's building management should coordinate with building tenants and delivery services to minimize deliveries and moving activities of truck with lengths exceeding 40 feet during peak passenger loading periods and to use the existing metered curbside commercial loading spaces along the Stevenson Street project frontage, thereby reducing activity during the peak hour for loading and reducing the potential for double parking of delivery or trash vehicles within the travel lane adjacent to the project site on Stevenson Street (in the event that the existing or proposed on-street loading spaces are occupied), which will result in minimum conflict with other loading activity, traffic, bus circulation, or pedestrians walking in the immediate vicinity of the project.

Although many deliveries cannot be limited to specific hours, the building management should work with tenants to find opportunities to consolidate deliveries and reduce the need for peak-period deliveries, wherever possible.

#### *Passenger Loading*

There are currently no designated passenger loading zones fronting the project site. There are currently two metered parallel parking spaces located immediately to the east of an existing 20-foot long yellow commercial loading space on the north side of the Stevenson Street along the project's Stevenson frontage. The Project sponsor would apply to the SFMTA Color Curb Program to convert one metered yellow commercial loading space and two metered parallel parking spaces to a 60-foot long passenger loading zone (white zone) which would accommodate up to three passenger vehicles.

The retained office use would generate a demand of less than one passenger loading spaces during the p.m. peak period. The proposed hotel use would generate a demand of up to two passenger loading spaces during the p.m. peak period. The retail use would generate a demand of less than one passenger loading spaces during the p.m. peak period. The restaurant uses would generate a demand of less than one passenger loading spaces during the p.m. peak period. Overall, the proposed project would generate a demand of up to 3 passenger loading spaces during the time of highest demand in the afternoon peak period.

The proposed 60-foot passenger loading zone (3 spaces) along the north side of Stevenson Street would provide adequate capacity to meet the peak hour demand of up to three passenger loading spaces. The on-street passenger loading zone would also provide adequate capacity for access and maneuvering of vehicles associated with passenger loading and unloading activities. Passenger loading operations would not result in significant conflicts with other moving and/or parked vehicles, including other vehicles attempting to enter or exit the on-street passenger loading zone. Additionally, active passenger loading management would be conducted by a third-party valet company under the direction of the building owner during the peak travel periods. In summary, because the proposed project's passenger loading activities would be accommodated within the proposed on-street passenger loading/unloading zones on Stevenson Street and would not create potentially hazardous traffic conditions or significant delays affecting traffic, transit, bicycles or pedestrians, the proposed project impacts related to passenger loading would be less than significant.

**Impact TR-6: In consideration of the project site location and other relevant project characteristics, the proposed project's temporary construction activities' duration and magnitude would not result in substantial interference with pedestrian, bicycle, or vehicle circulation and accessibility to adjoining areas thereby resulting in potentially hazardous conditions. (Less than Significant)**

Construction is anticipated to occur over approximately 20 months in four phases. Though significant overlap of the four construction phases is not anticipated, there is potential for minimal overlap between the end of one phase and the start of another phase. Construction activities would be staged primarily along the Stevenson Street frontage of the project site and within the Hearst Garage across Stevenson Street from the project site. It is also expected that some temporary partial sidewalk closures primarily along the project frontage on Market, Third, and Stevenson streets would likely be required for various durations during the entire construction period.

During the construction period, there would be a flow of construction-related trucks to and from the project site, which could result in a temporary lessening of the capacities of local streets due to the slower movement and larger turning radii of trucks, which may affect traffic operations. In general, trucks and construction workers would utilize Third Street, Market Street, Stevenson Street, Annie Street, Mission Street, Second Street, and Fourth Street to gain access to and from U.S. 101 and I-80. Construction activities would generate construction worker trips to and from the project site and temporary demand for parking and public transit. However, the temporary demand for public transit would not be expected to exceed the capacity of local or regional transit

service. Temporary traffic lane closures would also be coordinated with the City to minimize the impacts on local traffic. In general, lane and sidewalk closures are subject to review and approval by San Francisco Public Works (Public Works) and the City's Transportation Advisory Staff Committee (TASC), which consists of representatives from the City's fire, police, public works and public health departments as well as the San Francisco Municipal Transportation Agency and Port of San Francisco.

Overall, the proposed project would maintain pedestrian circulation via detours, and it is anticipated there would be no travel lane closures that would disrupt or substantially delay vehicles and bicycles traveling on Market, Third, and Stevenson streets. Furthermore, construction activities would be required to meet City rules and guidance (i.e., the Blue Book and public works requirements) so that work can be done safely and with the least possible interference with people walking, bicycling, or taking transit and/or transit operations, and with other vehicles, and would therefore not result in potentially hazardous conditions. Due to the temporary nature of the construction activities, the construction-related impacts on transportation and circulation would be less than significant.

No mitigation measures are necessary, but the project sponsor has agreed to implement **Improvement Measure I-TR-B: Construction Truck Deliveries During Off-Peak Periods** and **Improvement Measure I-TR-C: Construction Updates** in order to minimize construction-related traffic congestion as much as possible and minimize construction impacts on nearby businesses; and provide construction updates to neighbors and interested parties. Implementation of these improvement measures would not have any additional transportation-related impacts.

**Improvement Measure I-TR-B: Construction Truck Deliveries During Off-Peak Periods.**

The project sponsor and their construction contractor(s) should limit construction truck deliveries to the hours between 9:00 a.m. and 3:30 p.m. weekdays (or other times) as provided for in the conditions of Special Traffic Permits, thereby minimizing disruption of the general traffic flow on adjacent streets during the weekday a.m. and p.m. peak periods. If required by the SFMTA, the use of flaggers at the intersection of Third and Stevenson streets should be used to manage pedestrian traffic when construction vehicles are present, in order to expedite their entry onto Stevenson Street and prevent construction vehicles from queueing along Third Street.

As part of the city review of the construction logistics plan a designated staging area will be identified, if needed, for any construction vehicles waiting to enter the construction site on Stevenson Street, in order to prevent any conflicts with transit vehicles on Third Street.

**Improvement Measure I-TR-C: Construction Updates for Nearby Residents and Businesses.**

To minimize construction impacts on access to nearby residents and businesses, the project sponsor and their construction contractor(s) should provide regularly-updated

information (typically in the form of website, email and/or list-serve, and on-site postings) regarding project construction activities and schedule (e.g., sidewalk and travel lane closures), as well as including contact information for specific construction inquiries or concerns. This notification will be coordinated with other notification required for construction activities, ex noisy construction activities or night noise permits.

**Impact C-TR-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a considerable contribution to cumulative regional VMT. (Less than Significant)**

VMT by its nature is a cumulative impact. The amount of driving induced by past, present and future projects contributes to cumulative environmental impacts associated with VMT. While no single project would be sufficient in size to prevent the region or state from meeting its VMT reduction goals, a project's individual VMT would contribute to cumulative VMT impacts. Project-level VMT and induced automobile travel screening thresholds are based on levels at which new projects are not anticipated to conflict with state and regional long-term greenhouse gas emission reduction targets and statewide VMT per capita reduction targets set for 2020.

The proposed project would not exceed the cumulative-level projected 2040 thresholds for VMT. As shown in Table 3, projected 2040 average daily residential VMT per capita (used as a proxy for the hotel use) is 1.8, which is approximately 89 percent below the projected 2040 regional average daily VMT per capita of 16.1. The projected 2040 average daily VMT per office employee is 6.1 and the projected 2040 average daily retail VMT per capita is 8.0 for TAZ 742. This is approximately 58 and 45 percent below the projected 2040 regional average daily VMT per capita of 17.0 and 14.6 for office and retail uses, respectively. Therefore, the proposed project would not be considered to result in a cumulatively considerable contribution in VMT.

**Impact C-TR-2: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not have a cumulative impact on transportation. (Less than Significant)**

Construction of the proposed project could overlap with construction of nearby cumulative development projects. For the purposes of transportation analysis, the cumulative setting includes the development and streetscape or public realm improvement projects presented in above in Section B, Project Setting.

***Cumulative Traffic Hazard Impacts***

The future land use developments and proposed transportation network changes described above are not anticipated to result in substantial changes to traffic circulation that could lead to traffic hazards. Furthermore, future land use developments or changes to the transportation network associated with other plans or projects would be evaluated to ensure that any associated design features or activities would not result in significant traffic hazard impacts. The Proposed Project would generate an estimated 51 new-vehicle trips during the weekday p.m. peak hour (12 inbound

to the site and 39 outbound). These vehicle trips are included in cumulative (2040) traffic volumes at the study intersections. Increases in vehicles, including those to and from the proposed project, could result in the potential for increased vehicle-vehicle conflicts, but the increased potential for conflicts would not be considered new or substantial worsening of a traffic hazard, and would not result in significant cumulative traffic hazard impacts. Therefore, the proposed project in combination with past, present and reasonably foreseeable developments in San Francisco, would result in less-than-significant cumulative traffic hazards.

### ***Cumulative Construction Impacts***

The construction of the proposed project may overlap with the construction of other development projects, including the land use developments at 706 Mission Street and 79 New Montgomery Street that are both within a one-block radius of the project site. As a result, construction activities associated with this project could affect access, traffic, and pedestrians on streets used as access routes to and from the project sites (e.g., Third Street, Market Street, Stevenson Street, Mission Street, Second Street, New Montgomery Street, Annie Street, and Jessie Street, etc.). The cumulative construction-related transportation impacts of multiple nearby construction projects would not be considerable, as the construction activities of the proposed project and other spatially proximate projects would be temporary and of limited duration and therefore would not result in permanent impacts related to transportation and circulation. In addition, all construction-related temporary traffic lane closures would be coordinated with the City to minimize the impacts on local traffic. As stated above, lane and sidewalk closures are subject to review and approval by San Francisco Public Works (Public Works) and the City's Transportation Advisory Staff Committee (TASC), which consists of representatives from the City's fire, police, public works and public health departments as well as the San Francisco Municipal Transportation Agency and Port of San Francisco. The cumulative addition of construction worker-related vehicle or transit trips would also not substantially affect transportation conditions, due to their temporary and limited nature. Therefore, the proposed project, in combination with past, present and reasonably foreseeable development in San Francisco, would result in less-than-significant cumulative construction-related transportation impacts.

### ***Cumulative Transit Impacts***

By 2040, ridership levels on Muni lines are projected to generally grow faster than increases in capacity, and overall p.m. peak hour ridership, as a percentage of overall capacity, would increase from existing conditions which may cause significant cumulative impacts on local and regional transit. However, the proposed project would generate a total of 79 outbound PM peak transit trips out of a total cumulative demand of 31,282 trips, or 0.25% of total cumulative growth.<sup>51</sup> Under 2040 cumulative conditions, the BART line to the East Bay would have a capacity utilization of 112

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<sup>51</sup> San Francisco Planning Department, Memorandum: Transit Data for Transportation Impact Studies, May 15, 2015.

percent during the weekday p.m. peak hour<sup>52</sup>, and would therefore operate above the regional standard utilization standard of 100 percent. This is a significant cumulative transit impact. However, the proposed project transit trips would not contribute considerably to BART capacity utilization exceeding the 100 percent standard, in part because the 79 PM peak transit trips added represent a small percentage increase and would likely be distributed among various transit lines. Therefore, the proposed project would not contribute considerably to cumulative impacts on regional transit. Therefore, the proposed project's addition of 79 pm peak transit trips would be less than cumulatively considerable to significant cumulative transit impacts.

### ***Cumulative Pedestrian Impacts***

Pedestrian circulation impacts by their nature are site-specific and generally do not contribute to impacts from other development projects. Pedestrian trips may increase between the completion of the proposed project and future conditions due to increasing effectiveness of planned pedestrian improvements in the vicinity of the project site. As described above, the proposed project would not result in overcrowding of sidewalks or create new potentially hazardous conditions for pedestrians under project conditions and therefore would not create such conditions in the cumulative setting. The Project's 70 p.m. peak hour pedestrian trips, together with the pedestrian trips associated with these additional cumulative projects, would not combine to create a significant cumulative impact. Based on these findings, the proposed project, in combination with past, present and reasonably foreseeable developments in San Francisco, would result in less-than-significant cumulative pedestrian impacts.

### ***Cumulative Bicycle Impacts***

The proposed project would not substantially contribute to cumulative bicycle circulation or conditions in the project area. Bicycle trips in the area may increase between the completion of the project and the cumulative scenario due to general growth in the area. In particular, the proposed project would be designed to provide adequate points of access to bicycle parking, and would be designed to reduce any potential conflicts with private vehicles and delivery/freight vehicles accessing the on-street loading spaces. Additionally, the proposed project would not reduce access to the existing bicycle routes along Market, Post, Sutter, Second, and Fifth streets in the project vicinity.

As described above, under cumulative conditions, there is a projected increase in vehicles at intersections in the vicinity of the proposed project, which may result in an increase in vehicle-bicycle conflicts at intersections in the study area. While there would be a general increase in vehicle traffic that is expected through the future 2040 cumulative conditions, this increase, in combination with increased bicycle use, is not anticipated to create potentially hazardous conditions for bicycles, or otherwise interfere with bicycle accessibility to the site and adjoining areas, and would not result in significant cumulative bicycle impacts. Therefore, for the above

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<sup>52</sup> San Francisco Planning Department, Memorandum: Updated BART Regional Screenlines – Revised, October 2016.

reasons, the proposed project, in combination with past, present, and reasonably foreseeable development in San Francisco, would result in less-than-significant cumulative impacts on bicyclists.

### ***Cumulative Loading Impacts***

The Better Market Street plan would result in the removal of the commercial freight loading zone along the south side of Market Street. However, the proposed project would not result in a freight loading demand during the peak hour of loading activities that could not be accommodated within the six existing on-street commercial loading spaces along the north side of Stevenson Street under cumulative conditions, and would not create potentially hazardous traffic conditions or significant delays affecting traffic, public transit, bicycles, or pedestrians under cumulative conditions. Additionally, the on-street freight loading spaces used by the project and nearby existing uses, including the Monadnock Building (685 Market Street) would not be utilized by existing and any reasonably foreseeable developments in the project study area, under cumulative conditions. As such, the proposed project would not result in any cumulative commercial loading impacts, as the estimated loading demand would be met within the existing on-street loading spaces along Stevenson Street and appropriate improvement measures (see Improvement Measure I-TR-A) have been recommended to further reduce any potential on-street loading impacts.

The proposed project's conversion of three spaces to passenger loading use would be expected to satisfy the project's demand. No cumulative development projects or transportation network changes in the project vicinity have been identified that would contribute to additional demand at the proposed passenger loading zone along Stevenson Street.

Therefore, the proposed project, in combination with past, present and reasonably foreseeable developments in San Francisco, would result in less-than-significant cumulative freight and passenger loading impacts.

<b><i>Topics:</i></b>	<b><i>Potentially Significant Impact</i></b>	<b><i>Less Than Significant with Mitigation Incorporated</i></b>	<b><i>Less Than Significant Impact</i></b>	<b><i>No Impact</i></b>	<b><i>Not Applicable</i></b>
<b>5. NOISE- Would the project result in:</b>					
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan area, or, where such a plan has not been adopted, in an area within two miles of a public airport or public use airport, would the project expose people residing or working in the area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project located in the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The project site is not within an airport land use plan area, nor is it in the vicinity of a private airstrip. Therefore, Topics E.5(e) and E.5(f) are not applicable.

For a discussion of vibration impacts to offsite historic resources, including the adjacent historic building, refer to Topic E.3(a), above.

**Impact NO-1: The proposed project would result in a substantial permanent increase in ambient noise levels in the project vicinity that could expose people to noise levels in excess of standards established in the local general noise ordinance, or result in a substantial temporary or periodic increase in ambient noise levels. (Less than Significant with Mitigation)**

#### **Substantial Permanent Increase in Ambient Noise Levels**

Ambient noise levels in the vicinity of the project site are typical of noise levels in neighborhoods in San Francisco, which are dominated by vehicular traffic, including trucks, cars, Muni buses and light rail vehicles, emergency vehicles, and land use activities, such as commercial businesses and periodic temporary construction-related noise from nearby development, or street maintenance. An approximate doubling in traffic volumes in the area would be necessary to produce an increase in ambient noise levels that would be barely perceptible to most people (3 decibel (dB) increase).<sup>53</sup> The proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses. The proposed project would generate 417 daily vehicle trips on roadways with volumes that would not be doubled by the proposed project's vehicle trips.

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<sup>53</sup> A decibel is a unit of measurement describing the amplitude of sound, equal to 20 times the logarithm to the base 10 of the ratio of the pressure of the sound measured to the reference pressure, which is 20 micropascals.



Noises generated by hotel uses are common and generally accepted in urban areas, including in the vicinity of the proposed project. A noise study<sup>54</sup> was prepared for the proposed project that measured ambient noise, and evaluated construction and operational noise, for both fixed sources and outdoor events. Regarding operational noise from fixed sources, the proposed project would include new heating, ventilation and air conditioning units (HVAC) on the rooftop that would produce operational noise. Table 4 provides a list of the proposed project's outdoor noise generating equipment and the estimated sound levels. These noise sources would be subject to the San Francisco Noise Ordinance (Article 29 of the Police Code). In addition, section 2909(d) establishes maximum noise levels for these fixed noise sources of 55 dBA<sup>55</sup> (from 7:00 a.m. to 10:00 p.m.) and 45 dBA (from 10:00 p.m. to 7:00 a.m.) inside any sleeping or living room in any dwelling unit located on residential property to prevent sleep disturbance.

**Table 4: Outdoor Noise-Generating Equipment**

Equipment Type (Size)	Roof Location	Number used*	Maximum Sound Power Level* (dBA)
Supply/Make Up Air (1,750 to 40,100 cubic ft/min)	Upper (14 <sup>th</sup> )	5	90
Rooftop Exhaust Fans (200-5,000 cubic ft/min)	Upper	5	85
Rooftop Exhaust Fans (8,000-9,000 cubic ft/min)	Upper	1	89
Air cooled condensers	Lower (13 <sup>th</sup> ), semi-enclosed	4	85
Air cooled condensers	Upper, 4 <sup>th</sup> and 9 <sup>th</sup> floor terraces	12-30 (fewer large units/more small units)	≤85
Emergency Generator	Lower	1	93 SPL <sup>56</sup>
Source: Wilson Ihrig, <i>Five Third Street, Hearst Hotel, Environmental Noise Technical Memo, WI Project 17-058</i> , July 2018.			

For the purposes of the noise analysis, the study assumed that all HVAC equipment would operate continuously and at maximum capacity during the daytime. At the 13<sup>th</sup> floor, the equipment would be housed in a mechanical well, with the generator open to the air at the north east corner of the project (see Figure 5 for an axonometric view of the rooftop, and Figure 14 for roof layout). Figure 15 shows the roof of the 13<sup>th</sup> floor, which shows the distribution of equipment on the top of the building. Based on the current design, the HVAC equipment on the upper roof would be as close as 5 feet from the boundaries of the property line. Towards the east, the neighboring building is a 9-story commercial office building. At the project property line, with the current layout, equipment and estimated equipment sound power levels, the worst-case daily noise from fixed outdoor equipment could be as high as 79 dBA at the property line for daytime conditions, which would exceed the 2909(b) site-specific 68 dBA daytime noise limit. During the nighttime, it is reasonable to assume that the HVAC equipment would operate at a lower capacity due to the

<sup>54</sup> Wilson Ihrig, *Five Third Street, Hearst Hotel, Environmental Noise Technical Memo, WI Project 17-058*, July 2018.

<sup>55</sup> The dBA, or A-weighted decibel, refers to a scale of noise measurement that approximates the range of sensitivity of the human ear to sounds of different frequencies. On this scale, the normal range of human hearing extends from about 0 dBA to about 140 dBA. A 10-dBA increase in the level of a continuous noise represents a perceived doubling of loudness.

<sup>56</sup> *Ibid.*

cooler temperatures, and with all equipment operating at 50 percent capacity, the maximum expected noise from fixed outdoor equipment could be as high as 64 dBA at the property line, just barely exceeding the 2909(b) threshold 63 dBA for nighttime hours. Thus, a noise reduction of up to 11 dBA would be required during daytime operations, which would also benefit nighttime operations.

The nearest noise-sensitive neighbor with line of sight to the upper roof is the Park Central Hotel (50 Third Street), which has over 30 floors. With the current proposed layout and estimated equipment sound power levels, the project-generated noise level at the nearest noise sensitive receptor (Park Central) would be 50 dBA without any shielding, which complies with the 2909(d) 60 dBA noise limit. Thus, no acoustic shielding would be required to comply with the 2909(d) noise ordinance limit for receptors with line of sight to the roof. The closest receptors (Ritz Carlton) would be shielded from this equipment by the Project roof parapet, and this noise would be less than 60 dBA.

The project's emergency generator would typically be tested for about an hour during daytime hours once per month. At the nearest project property line, the generator would be 99 dBA with the equipment assumptions listed above in Table 4, which would exceed 2909(b) requirements for daytime operation (68 dBA). At the nearest noise-sensitive receptor (Ritz Carlton) the project-generated noise level would be 65 dBA with a shielded line of sight, which would not exceed the 2909(d) 70 dBA noise limit for daytime testing. Thus, as noted above, a combination of equipment selection, equipment location, acoustic mufflers and/or acoustic enclosure would be required to reduce the generator noise by 31 dBA to comply with the 2909(d) noise ordinance limit at the nearest property line. "Quiet" standby generators with enclosures would be used, which generate noise levels of 73 to 76 dBA, almost 20 dBA less than the 93 dBA value assumed in Table 4 above; other measures such as equipment sizing, and location on the roof or within a structure would need to be considered during design development. Without any reduction in outdoor noise-generating equipment use, the proposed project would have a significant impact on ambient noise levels. However, with the implementation of **Mitigation Measure M-NO-1a, Outdoor Fixed Noise Minimization**, the proposed project would not result in a substantial permanent increase in ambient noise levels in the vicinity of the project site, and it would have a less-than-significant stationary noise impact with mitigation.

#### **Mitigation Measure M-NO-1a: Outdoor Fixed Noise Minimization**

In order to meet the requirements of the Noise Ordinance, a reduction of up to 11 dBA would be required during operation of outdoor noise generating equipment for HVAC equipment, and up to 31 dBA would be required for emergency generator use. The project sponsor shall ensure that a combination of the following noise-reducing measures shall be used to meet the requirements:

- Equipment can be selected with lower noise emission levels. There can be 10 dBA variability among models and manufacturers for equipment achieving the same function and performance;
- Equipment can be located away from the property line where feasible; moving equipment to 50 feet instead of 20 feet from the property line could reduce the noise by 8 dBA;
- Internal acoustic mufflers can be used to lower exhaust noise emission levels by 3 to 5 dBA;
- An acoustic enclosure can be used to reduce the noise by 5 to 20 dBA.

The project sponsor shall provide documentation demonstrating the combination of measures chosen to achieve the required noise reduction to the Planning Department prior to the issuance of the certificate of occupancy.

#### **Expose Person to Noise Levels in Excess of Standards or Result in a Temporary Increase in Ambient Noise Levels**

An ambient noise survey was performed in the project area at five locations along Market, Third and Stevenson streets, and found that ambient noise levels varied from 55 to 68 dBA, which are typical background noise levels from an urban setting in a downtown area.<sup>57</sup>

The proposed project would be subject to and required to comply with San Francisco Noise Ordinance (Article 29 of the Police Code). Specifically, Section 2909(b) prohibits any machine or device located on a commercial property from producing music or entertainment-related noise levels in excess of 8 dBA above ambient noise levels. Furthermore, California's Building Standards Code (Title 24 of the California Code of Regulations, which at the local level is enforced by the Department of Building Inspection), contains noise insulation standards that are required for new hotel buildings. Hotel room occupants are considered noise-sensitive receptors.

The proposed project would have a two outdoor decks—a 4<sup>th</sup> floor terrace, along Stevenson Street, which would be used by hotel guests and for private events, and a rooftop deck on the 13<sup>th</sup> floor, which would be used by hotel guests and visitors and for private events, and public events. Both decks would generate outdoor noises during events. These outdoor events would occur occasionally, and could start as early as 10 am and continue into evening and nighttime hours until 2 am.

For the 4<sup>th</sup> floor terrace, the nearest noise sensitive receptors would be at the Park Central hotel (175 feet) or the Palace Hotel (220 feet at 2 New Montgomery Street). Amplified music on the terrace

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<sup>57</sup> *Ibid.*

could reach maximum noise levels of 67 dBA or 82 dBC<sup>58</sup> for background music, 82 dBA or 97 dBC for a dance/concert event, or 92 dBA or 97 dBC for heavy bass/dance club music. If the loudspeakers were placed inside the terrace room, not near the doors, the noise levels would be 15 dB lower. With indoor loudspeakers, the music would be within the Section 2909(b) noise limits for background music, but other music types would require further controls to comply. With outdoor loudspeakers and some minor control of the bass (which affects the dBC level), only the background music (noise levels of 67 dBA or 82 dBC) would comply, depending on the speaker configuration. Similarly, with outdoor loudspeakers music of any kind played at the low “background music” levels with control of the bass level would comply. Outdoor subwoofers would tend to generate a higher level of low frequency sound, which increases the dBC sound level, and would not be encouraged.

The specific loudspeaker equipment and placement of the loudspeakers on the outdoor decks have not yet been determined, and they could be placed close to the roof parapet wall, towards the center of the terrace space or close to the exterior wall of the terrace room. With distance alone, the sound from amplified speakers is expected to be about 5 dBA less than that measured at the roof parapet/property plane. The Hearst Garage would further shield some of the sound at the outdoor terrace from the Park Central Hotel; the project building would further shield some of the sound from the Palace Hotel. If speakers were placed closer to the parapet wall, the parapet wall would shield the line of sight to the loudspeakers placed on the terrace deck from noise sensitive receptors at the same 4th floor or lower elevation, but sensitive receptors at higher elevations would tend to experience little or no visual shielding. Loudspeakers on tripods are used to cast the sound further into the crowd, but they would elevate of the sound source above the parapet wall. Blocking the line of sight would tend to reduce amplified sounds by about 5 dBA, but low frequency sounds, such as those generated with a subwoofer, would not be reduced by the parapet wall. General purpose loudspeakers tend to be directional, as sound primarily travels away from the front of the loudspeaker, but subwoofers tend to be omnidirectional, since the sound travels equally in all directions.

As the loudspeaker equipment, placement and input sound levels would vary from event to event, the amplified music on the 4<sup>th</sup> floor roof could exceed Section 2909(b) limits at the property plane. However, with the implementation of **Mitigation Measure M-NO-1b, 4<sup>th</sup> Floor Terrace Noise Minimization**, which sets a cap on maximum noise levels from amplified music at the 4<sup>th</sup> floor terrace, the proposed project would not result in a substantial permanent increase in ambient noise levels in the vicinity of the project site, and this would be a less-than-significant noise impact with mitigation.

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<sup>58</sup> The dBC, or C-weighted decibel, refers to a scale of noise measurement that is suited for lower frequency sounds.

#### **Mitigation Measure M-NO-1b: 4<sup>th</sup> Floor Terrace Noise Minimization**

In order to reduce potential noise impacts from hotel guests, visitors, and events held on the 4<sup>th</sup> floor terrace, the project sponsor shall ensure that all amplified sound shall be limited to no louder than 69 dBA and 80 dBC at the roof parapet line, irrespective of loudspeaker equipment or configuration.

For the 13<sup>th</sup> floor rooftop deck, the nearest noise sensitive receptors would also be at the Park Central Hotel or the Palace Hotel.

With four loudspeakers, the sound at the outdoor roof event space could reach maximum noise levels of 70 dBA or 85 dBC for background music, 85 dBA or 100 dBC for a dance/concert event, or 95 dBA or 100 dBC for heavy bass/dance club music. If the loudspeakers were placed inside the event space, not near the doors, the levels would be 15 dBA lower. With indoor loudspeakers, the music would be within the Section 2909(b) noise limits for background music types without further control. With outdoor loudspeakers, only the background music (with noise levels of 70 dBA or 85 dBC) would meet the noise limits. The 13th floor level has structures (stair access and mechanical rooms) that could serve to block the line of sight between the noise sensitive receptors and the loudspeakers. Similar to what was discussed for the 4th floor terrace above, with outdoor loudspeakers, music of any kind played just below the low “background music” levels would comply, and outdoor subwoofers would not be encouraged. If subwoofers were placed on the rooftop deck in the semi-enclosed space between the 13th floor structures, it could cause low frequency resonance.

As the loudspeaker equipment, placement and input sound levels would vary from event to event, the amplified music on the rooftop deck could exceed Section 2909(b) limits at the property plane. However, with the implementation of **Mitigation Measure M-NO-1c, Rooftop Deck Noise Minimization**, which sets a cap on maximum noise levels from amplified music on the rooftop deck, the proposed project would not result in a substantial permanent increase in ambient noise levels in the vicinity of the project site, and there would be a less-than-significant noise impact with mitigation.

#### **Mitigation Measure M-NO-1c: Rooftop Deck Noise Minimization**

In order to reduce potential noise impacts from hotel guests, visitors, and events held on the rooftop deck, the project sponsor shall ensure that all amplified sound shall be limited to no louder than 69 dBA and 80 dBC at the east property line just beyond the roof parapet, irrespective of loudspeaker equipment or configuration.

**Impact NO-2: During construction, the proposed project would not result in a significant temporary or periodic increase in ambient noise levels and vibration in the project vicinity above levels existing without the project. (Less than Significant)**

The construction period for the proposed project would last approximately 20 months, and would consist of the following phases: 1) interior/exterior demolition, 2) structural work, 3) interior renovations, and 4) exterior work. The proposed interior alterations, rooftop/terrace construction, and seismic retrofit would require foundation reinforcements consisting of micropiles. Approximately 50 micropiles would be used, each of which are about 8 inches in diameter. The micropiles would be drilled, and would not use impact or vibratory driving techniques. Construction equipment and activities could generate noise and possibly vibrations that could be considered an annoyance by occupants of nearby properties. Construction noise levels would fluctuate depending on construction phase, equipment type and duration of use, distance between noise source and affected receptor, and the presence or absence of barriers. Impacts would generally be limited to periods during which excavation occurs, micropiles are installed, and exterior structural elements are altered. Interior construction noise would be substantially reduced by exterior walls.

Construction noise is regulated by the San Francisco Noise Ordinance (Article 29 of the Police Code). The ordinance requires that noise levels from individual pieces of construction equipment, other than impact tools, not exceed 80 dBA at a distance of 100 feet from the source. For reference, Table 5 provides typical noise levels produced by various types of construction equipment. Impact tools (e.g., jackhammers, hoe rams, impact wrenches) must have manufacturer recommended and City-approved mufflers for both intake and exhaust. Section 2908 of the Noise Ordinance prohibits construction work between 8:00 p.m. and 7:00 a.m., if noise would exceed the ambient noise level by 5 dBA at the project property line, unless a special permit is authorized by the Director of the Department of Public Works or the Director of Building Inspection. No nighttime construction would occur for the proposed project. The project would be required to comply with regulations set forth in the Noise Ordinance.

**Table 5: Typical Construction Equipment and Source Noise Levels**

Noise Sources	Noise Level (dBA) at 50 feet Distance	Typical Usage Factor (%)	Noise Level (dBA) at 100 feet Distance
<i>Mobile</i>			
<i>Excavators</i>	81	40	75
<i>Jackhammers (interior)</i>	79	20	73
<i>Concrete Pump Truck</i>	81	20	75
<i>Drum Mixer</i>	80	50	74
<i>Delivery and Haul trucks</i>	77	40	71
<i>Stationary</i>			
<i>Air compressors</i>	78	40	72
<i>Crane</i>	81	16	75
<i>Drill rig</i>	79	20	73
Note: Exterior noise levels reduced by 10 dBA to account for shielding with some structural radiation of the vibration Source: Federal Highway Administration, <i>Construction Noise Handbook</i> , FHWA-HEP-06-015, August 2006. Available: <a href="https://www.fhwa.dot.gov/Environment/noise/construction_noise/handbook/">https://www.fhwa.dot.gov/Environment/noise/construction_noise/handbook/</a> , Accessed: June 2018.			

The area around the project site is zoned as Downtown-Office or Downtown-Retail. Nearby noise-sensitive locations include: Ritz-Carlton Club (690 Market Street, 145 feet from the project site), Palace Hotel (2 New Montgomery Street, 195 feet from the project site), Graystone Hotel (66 Geary Boulevard, 350 feet from the project site), and Park Central Hotel (50 Third Street, 180 feet from the project site). Estimated construction noise levels at the receiving property lines are presented in Table 6 below. The calculations indicate that all non-impact equipment would be expected to comply with the 80 dBA noise limit at a distance of 100 feet. Construction noise would be within the 75 dBA evaluation threshold at both the Park Central and Ritz-Carlton Club receptors.

**Table 6: Estimated Construction Equipment Noise Levels**

Noise Sources	Noise Level at Park Central	Noise Level at Ritz-Carlton Club
Noisiest three in combination: Excavator, Jackhammer, Drum Mixer	73 dBA	75 dBA
Average/Typical	65 dBA	68 dBA
Source: Wilson Ihrig, <i>Five Third Street, Hearst Hotel, Environmental Noise Technical Memo, WI Project 17-058</i> , July 2018.		

Older buildings, particularly masonry buildings, can be damaged by excessive vibration associated with construction activities. However, as described in Section E.3, Cultural Resources, construction of the proposed project would not generate excessive vibration that could damage any potential masonry or other sensitive buildings in the vicinity. In addition, the Department of Building Inspection is responsible for reviewing the building permit application to ensure that the proposed construction activities comply with all applicable procedures and requirements and would not materially impair adjacent or nearby buildings.

Therefore, project-related construction activities would not expose individuals to temporary increases in noise or vibration levels substantially greater than ambient levels.

**Impact C-NO-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would result in less-than-significant cumulative impacts to noise. (Less than Significant)**

Project-related construction noise would not substantially increase ambient noise levels at locations greater than a few hundred feet from the project site, and of the cumulative projects, the closest which may result in any cumulative construction noise impact would be the project at 706 Mission Street, which began construction in 2016, and is currently under construction. While it is not certain if construction of the project at 706 Mission Street would overlap with the proposed project, the project at 706 Mission Street has completed its foundation work, and may be near the final stages of construction if the proposed project were to occur simultaneously with it. As such, construction noise effects associated with the proposed project are not anticipated to combine with those associated with other proposed and ongoing projects located near the project site. Therefore, cumulative construction-related noise impacts would be less than significant.

The proposed project, along with other cumulative projects in the vicinity, would not result in a doubling of traffic volumes along nearby streets. The proposed project would add approximately

51 vehicle trips during the p.m. peak hour. Cumulative vehicle trips would be distributed along local roadways. In combination with reasonably foreseeable cumulative projects, the project would not result in significant cumulative traffic noise impacts. Moreover, the proposed project's mechanical equipment and mechanical equipment from reasonably foreseeable cumulative projects would be required to comply with the Noise Ordinance, similar to the proposed project.

For these reasons, the proposed project, in combination with other past, present, and reasonably foreseeable future projects, would not result in a cumulatively considerable noise impact.

<b>Topics:</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>	<b>Not Applicable</b>
<b>6. AIR QUALITY. Would the project:</b>					
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal, state, or regional ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Setting

### Overview

The Bay Area Air Quality Management District (or air district) is the regional agency with jurisdiction over the nine-county San Francisco Bay Area Air Basin (air basin), which includes San Francisco, Alameda, Contra Costa, Marin, San Mateo, Santa Clara, and Napa Counties and portions of Sonoma and Solano Counties. The air district is responsible for attaining and maintaining air quality in the air basin within federal and state air quality standards, as established by the federal Clean Air Act and the California Clean Air Act, respectively. Specifically, the air district has the responsibility to monitor ambient air pollutant levels throughout the air basin and to develop and implement strategies to attain the applicable federal and state standards. The federal and state Clean Air Acts require plans to be developed for areas that do not meet air quality standards, generally. The most recent air quality plan, the *2017 Clean Air Plan*, was adopted by the air district on April 19, 2017. The *2017 Clean Air Plan* updates the most recent Bay Area ozone plan, the *2010*



*Clean Air Plan*, in accordance with the requirements of the state Clean Air Act to implement all feasible measures to reduce ozone; provide a control strategy to reduce ozone, particulate matter, air toxics, and greenhouse gases in a single, integrated plan; and establish emission control measures to be adopted or implemented. The 2017 *Clean Air Plan* contains the following primary goals:

- Protect air quality and health at the regional and local scale: Attain all state and national air quality standards, and eliminate disparities among Bay Area communities in cancer health risk from toxic air contaminants; and
- Protect the climate: Reduce Bay Area greenhouse gas emissions to 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050.

The 2017 *Clean Air Plan* represents the most current applicable air quality plan for the air basin. Consistency with this plan is the basis for determining whether the proposed project would conflict with or obstruct implementation of air quality plans.

### **Criteria Air Pollutants**

In accordance with the state and federal Clean Air Acts, air pollutant standards are identified for the following six criteria air pollutants: ozone, carbon monoxide (CO), particulate matter (PM), nitrogen dioxide (NO<sub>2</sub>), sulfur dioxide (SO<sub>2</sub>), and lead. These air pollutants are termed criteria air pollutants because they are regulated by developing specific public health- and welfare-based criteria as the basis for setting permissible levels. In general, the air basin experiences low concentrations of most pollutants when compared to federal or state standards. The air basin is designated as either in attainment<sup>59</sup> or unclassified for most criteria pollutants with the exception of ozone, PM<sub>2.5</sub>, and PM<sub>10</sub>, for which these pollutants are designated as non-attainment for either the state or federal standards. By its very nature, regional air pollution is largely a cumulative impact in that no single project is sufficient in size to, by itself, result in non-attainment of air quality standards. Instead, a project's individual emissions contribute to existing cumulative air quality impacts. If a project's contribution to cumulative air quality impacts is considerable, then the project's impact on air quality would be considered significant.<sup>60</sup>

Land use projects may contribute to regional criteria air pollutants during the construction and operational phases of a project. Table 7 identifies air quality significance thresholds followed by a discussion of each threshold. Projects that would result in criteria air pollutant emissions below these significance thresholds would not violate an air quality standard, contribute substantially to

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<sup>59</sup> "Attainment" status refers to those regions that are meeting federal and/or state standards for a specified criteria pollutant. "Non-attainment" refers to regions that do not meet federal and/or state standards for a specified criteria pollutant. "Unclassified" refers to regions where there is not enough data to determine the region's attainment status for a specified criteria air pollutant.

<sup>60</sup> Bay Area Air Quality Management District (BAAQMD), *California Environmental Quality Act Air Quality Guidelines*, May 2017, page 2-1.

an air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants within the air basin.

**Table 7: Criteria Air Pollutant Significance Thresholds<sup>61</sup>**

<b>Pollutant</b>	<b>Construction Thresholds</b>	<b>Operational Thresholds</b>	
	Average Daily Emissions (lbs./day)	Average Daily Emissions (lbs./day)	Maximum Annual Emissions (tons/year)
ROG	54	54	10
NO <sub>x</sub>	54	54	10
PM <sub>10</sub>	82 (exhaust)	82	15
PM <sub>2.5</sub>	54 (exhaust)	54	10
Fugitive Dust	Construction Dust Ordinance or other Best Management Practices	Not Applicable	

*Ozone Precursors.* As discussed previously, the air basin is currently designated as non-attainment for ozone and particulate matter. Ozone is a secondary air pollutant produced in the atmosphere through a complex series of photochemical reactions involving reactive organic gases (ROG) and oxides of nitrogen (NO<sub>x</sub>). The potential for a project to result in a cumulatively considerable net increase in criteria air pollutants, which may contribute to an existing or projected air quality violation, are based on the state and federal Clean Air Acts emissions limits for stationary sources. To ensure that new stationary sources do not cause or contribute to a violation of an air quality standard, air district regulation 2, rule 2 requires that any new source that emits criteria air pollutants above a specified emissions limit must offset those emissions. For ozone precursors ROG and NO<sub>x</sub>, the offset emissions level is an annual average of 10 tons per year (or 54 pounds (lbs.) per day).<sup>62</sup> These levels represent emissions below which new sources are not anticipated to contribute to an air quality violation or result in a considerable net increase in criteria air pollutants.

Although this regulation applies to new or modified stationary sources, land use development projects result in ROG and NO<sub>x</sub> emissions as a result of increases in vehicle trips, architectural coating and construction activities. Therefore, the above thresholds can be applied to the construction and operational phases of land use projects and those projects that result in emissions below these thresholds would not be considered to contribute to an existing or projected air quality violation or result in a considerable net increase in ROG and NO<sub>x</sub> emissions. Due to the temporary nature of construction activities, only the average daily thresholds are applicable to construction phase emissions.

<sup>61</sup> *Ibid.* Page 2-2.

<sup>62</sup> BAAQMD, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, page 17.

*Particulate Matter (PM<sub>10</sub> and PM<sub>2.5</sub>).*<sup>63</sup> The air district has not established an offset limit for PM<sub>2.5</sub>. However, the emissions limit in the federal New Source Review for stationary sources in nonattainment areas is an appropriate significance threshold. For PM<sub>10</sub> and PM<sub>2.5</sub>, the emissions limit under New Source Review is 15 tons per year (82 lbs. per day) and 10 tons per year (54 lbs. per day), respectively. These emissions limits represent levels below which a source is not expected to have an impact on air quality.<sup>64</sup> Similar to ozone precursor thresholds identified above, land use development projects typically result in particulate matter emissions as a result of increases in vehicle trips, space heating and natural gas combustion, landscape maintenance, and construction activities. Therefore, the above thresholds can be applied to the construction and operational phases of a land use project. Again, because construction activities are temporary in nature, only the average daily thresholds are applicable to construction-phase emissions.

*Fugitive Dust.* Fugitive dust emissions are typically generated during construction phases. Studies have shown that the application of best management practices at construction sites significantly control fugitive dust<sup>65</sup> and individual measures have been shown to reduce fugitive dust by anywhere from 30 to 90 percent.<sup>66</sup> The air district has identified a number of best management practices to control fugitive dust emissions from construction activities.<sup>67</sup> The City's Construction Dust Control Ordinance (ordinance 176-08, effective July 30, 2008) requires a number of measures to control fugitive dust and the best management practices employed in compliance with the City's Construction Dust Control Ordinance are an effective strategy for controlling construction-related fugitive dust.

*Other Criteria Pollutants.* Regional concentrations of CO in the Bay Area have not exceeded the state standards in the past 11 years and SO<sub>2</sub> concentrations have never exceeded the standards. The primary source of CO emissions from development projects is vehicle traffic. Construction-related SO<sub>2</sub> emissions represent a negligible portion of the total basin-wide emissions and construction-related CO emissions represent less than five percent of the Bay Area total basin-wide CO emissions. As discussed previously, the Bay Area is in attainment for both CO and SO<sub>2</sub>. Furthermore, the air district has demonstrated, based on modeling, that in order to exceed the California ambient air quality standard of 9.0 ppm (8-hour average) or 20.0 ppm (1-hour average) for CO, project traffic in addition to existing traffic would need to exceed 44,000 vehicles per hour

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<sup>63</sup> PM<sub>10</sub> is often termed "coarse" particulate matter and is made of particulates that are 10 microns in diameter or smaller. PM<sub>2.5</sub>, termed "fine" particulate matter, is composed of particles that are 2.5 microns or less in diameter.

<sup>64</sup> BAAQMD, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, page 16.

<sup>65</sup> Western Regional Air Partnership. 2006. *WRAP Fugitive Dust Handbook*. September 7, 2006. This document is available online at [http://www.wrapair.org/forums/dejffdh/content/FDHandbook\\_Rev\\_06.pdf](http://www.wrapair.org/forums/dejffdh/content/FDHandbook_Rev_06.pdf), accessed February 16, 2012.

<sup>66</sup> BAAQMD, *CEQA Air Quality Guidelines*, May 2017, page D-47.

<sup>67</sup> *Ibid.*

at affected intersections (or 24,000 vehicles per hour where vertical and/or horizontal mixing is limited). Therefore, given the Bay Area's attainment status and the limited CO and SO<sub>2</sub> emissions that could result from development projects, development projects would not result in a cumulatively considerable net increase in CO or SO<sub>2</sub> emissions, and quantitative analysis is not required.

### **Local Health Risks and Hazards**

In addition to criteria air pollutants, individual projects may emit toxic air contaminants (TACs). TACs collectively refer to a diverse group of air pollutants that are capable of causing chronic (i.e., of long-duration) and acute (i.e., severe but short-term) adverse effects to human health, including carcinogenic effects. Human health effects of TACs include birth defects, neurological damage, cancer, and mortality. There are hundreds of different types of TACs with varying degrees of toxicity. Individual TACs vary greatly in the health risk they present; at a given level of exposure, one TAC may pose a hazard that is many times greater than another.

Unlike criteria air pollutants, TACs do not have ambient air quality standards but are regulated by the air district using a risk-based approach to determine which sources and pollutants to control as well as the degree of control. A health risk assessment is an analysis in which human health exposure to toxic substances is estimated and considered together with information regarding the toxic potency of the substances, to provide quantitative estimates of health risks.<sup>68</sup>

Air pollution does not affect every individual in the population in the same way, and some groups are more sensitive to adverse health effects than others. Land uses such as residences, schools, children's day care centers, hospitals, and nursing and convalescent homes are considered to be the most sensitive to poor air quality because the population groups associated with these uses have increased susceptibility to respiratory distress or, as in the case of residential receptors, their exposure time is greater than that for other land uses. Therefore, these groups are referred to as sensitive receptors. Exposure assessment guidance typically assumes that residences would be exposed to air pollution 24 hours per day, 7 days a week, for 30 years.<sup>69</sup> Therefore, assessments of air pollutant exposure to residents typically result in the greatest adverse health outcomes of all population groups.

Exposures to fine particulate matter (PM<sub>2.5</sub>) are strongly associated with mortality, respiratory diseases, and lung development in children, and other endpoints such as hospitalization for

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<sup>68</sup> In general, a health risk assessment is required if the air district concludes that projected emissions of a specific air toxic compound from a proposed new or modified source suggest a potential public health risk. The applicant is then subject to a health risk assessment for the source in question. Such an assessment generally evaluates chronic, long-term effects, estimating the increased risk of cancer as a result of exposure to one or more TACs.

<sup>69</sup> California Office of Environmental Health Hazard Assessment, *Air Toxics Hot Spot Program Risk Assessment Guidelines*, February, 2015. Pg. 4-44, 8-6

cardiopulmonary disease.<sup>70</sup> In addition to PM<sub>2.5</sub>, diesel particulate matter (DPM) is also of concern. The California Air Resources Board (California air board) identified DPM as a toxic air contaminant in 1998, primarily based on evidence demonstrating cancer effects in humans.<sup>71</sup> The estimated cancer risk from exposure to diesel exhaust is much higher than the risk associated with any other TAC routinely measured in the region.

In an effort to identify areas of San Francisco most adversely affected by sources of TACs, San Francisco partnered with the air district to conduct a citywide health risk assessment based on an inventory and assessment of air pollution and exposures from mobile, stationary, and area sources within San Francisco. Areas with poor air quality, termed the “Air Pollutant Exposure Zone,” were identified based on health-protective criteria that consider estimated cancer risk, exposures to fine particulate matter, proximity to freeways, and locations with particularly vulnerable populations. The project site is located within the Air Pollutant Exposure Zone. Each of the Air Pollutant Exposure Zone criteria is discussed below.

*Excess Cancer Risk.* The Air Pollution Exposure Zone includes areas where modeled cancer risk exceeds 100 incidents per million persons exposed. This criterion is based on United States Environmental Protection Agency (EPA) guidance for conducting air toxic analyses and making risk management decisions at the facility and community-scale level.<sup>72</sup> As described by the air district, the EPA considers a cancer risk of 100 per million to be within the “acceptable” range of cancer risk. Furthermore, in the 1989 preamble to the benzene National Emissions Standards for Hazardous Air Pollutants rulemaking,<sup>73</sup> the EPA states that it “...strives to provide maximum feasible protection against risks to health from hazardous air pollutants by (1) protecting the greatest number of persons possible to an individual lifetime risk level no higher than approximately one in one million and (2) limiting to no higher than approximately one in ten thousand [100 in one million] the estimated risk that a person living near a plant would have if he or she were exposed to the maximum pollutant concentrations for 70 years.” The 100 per one million excess cancer cases is also consistent with the ambient cancer risk in the most pristine portions of the Bay Area based on air district regional modeling.<sup>74</sup>

*Fine Particulate Matter.* In April 2011, the EPA published *Policy Assessment for the Particulate Matter Review of the National Ambient Air Quality Standards*, “Particulate Matter Policy Assessment.” In this document, EPA staff concludes that the then current federal annual PM<sub>2.5</sub> standard of 15 µg/m<sup>3</sup>

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<sup>70</sup> SFDPH, *Assessment and Mitigation of Air Pollutant Health Effects from Intra-Urban Roadways: Guidance for Land Use Planning and Environmental Review*, May 2008.

<sup>71</sup> California Air Resources Board (ARB), Fact Sheet, “The Toxic Air Contaminant Identification Process: Toxic Air Contaminant Emissions from Diesel-fueled Engines,” October 1998.

<sup>72</sup> BAAQMD, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, page 67.

<sup>73</sup> 54 Federal Register 38044, September 14, 1989.

<sup>74</sup> BAAQMD, *Clean Air Plan*, May 2017, page D-43.

should be revised to a level within the range of 13 to 11  $\mu\text{g}/\text{m}^3$ , with evidence strongly supporting a standard within the range of 12 to 11  $\mu\text{g}/\text{m}^3$ . The Air Pollutant Exposure Zone for San Francisco is based on the health protective  $\text{PM}_{2.5}$  standard of 11  $\mu\text{g}/\text{m}^3$ , as supported by the EPA's Particulate Matter Policy Assessment, although lowered to 10  $\mu\text{g}/\text{m}^3$  to account for uncertainty in accurately predicting air pollutant concentrations using emissions modeling programs.

*Proximity to Freeways.* According to the California air board, studies have shown an association between the proximity of sensitive land uses to freeways and a variety of respiratory symptoms, asthma exacerbations, and decreases in lung function in children. Siting sensitive uses in close proximity to freeways increases both exposure to air pollution and the potential for adverse health effects. As evidence shows that sensitive uses in an area within a 500-foot buffer of any freeway are at an increased health risk from air pollution,<sup>75</sup> parcels that are within 500 feet of freeways are included in the Air Pollutant Exposure Zone.

*Health Vulnerable Locations.* Based on the air district's evaluation of health vulnerability in the Bay Area, those zip codes (94102, 94103, 94105, 94124, and 94130) in the worst quintile of Bay Area health vulnerability scores as a result of air pollution-related causes were afforded additional protection by lowering the standards for identifying parcels in the Air Pollutant Exposure Zone to: (1) an excess cancer risk greater than 90 per one million persons exposed, and/or (2)  $\text{PM}_{2.5}$  concentrations in excess of 9  $\mu\text{g}/\text{m}^3$ .<sup>76</sup>

The above citywide health risk modeling was also used as the basis in approving amendments to the San Francisco Building and Health Codes, referred to as the Enhanced Ventilation Required for Urban Infill Sensitive Use Developments or Health Code, article 38 (ordinance 224-14, effective December 8, 2014) (article 38). The purpose of article 38 is to protect the public health and welfare by establishing an Air Pollutant Exposure Zone and imposing an enhanced ventilation requirement for all urban infill sensitive use development within the Air Pollutant Exposure Zone. In addition, projects within the Air Pollutant Exposure Zone require special consideration to determine whether the project's activities would add a substantial amount of emissions to areas already adversely affected by poor air quality.

### **Construction Air Quality Impacts**

Project-related air quality impacts fall into two categories: short-term impacts from construction and long-term impacts from project operation. The following addresses construction-related air quality impacts resulting from the proposed project.

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<sup>75</sup> California Air Resources Board, *Air Quality and Land Use Handbook: A Community Health Perspective*. April 2005. Available online at: <http://www.arb.ca.gov/ch/landuse.htm>.

<sup>76</sup> San Francisco Planning Department and San Francisco Department of Public Health, *2014 Air Pollutant Exposure Zone Map (Memo and Map)*, April 9, 2014. These documents are part of San Francisco Board of Supervisors File No. 14806, Ordinance No. 224-14; Amendment to Health Code Article 38.

**Impact AQ-1: The proposed project's construction activities would generate fugitive dust and criteria air pollutants, but would not violate an air quality standard, contribute substantially to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Less than Significant)**

Construction activities (short-term) typically result in emissions of ozone precursors and fine particulate matter in the form of dust (fugitive dust) and exhaust (e.g., vehicle tailpipe emissions). Emissions of ozone precursors and fine particulate matter are primarily a result of the combustion of fuel from on-road and off-road vehicles. However, ROG's are also emitted from activities that involve painting, other types of architectural coatings, or asphalt paving. The proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses. During the project's approximately 20-month construction period, construction activities would have the potential to result in emissions of ozone precursors and fine particulate matter, as discussed below.

### **Fugitive Dust**

Project-related demolition, excavation, grading, and other construction activities may cause wind-blown dust that could contribute particulate matter into the local atmosphere. Depending on exposure, adverse health effects can occur due to this particulate matter in general and also due to specific contaminants such as lead or asbestos that may be constituents of soil. Although there are federal standards for air pollutants and implementation of state and regional air quality control plans, air pollutants continue to have impacts on human health throughout the country. California has found that particulate matter exposure can cause health effects at lower levels than national standards. The current health burden of particulate matter demands that, where possible, public agencies take feasible available actions to reduce sources of particulate matter exposure. According to the California air board, reducing PM<sub>2.5</sub> concentrations to state and federal standards of 12 µg/m<sup>3</sup> in the San Francisco Bay Area would prevent between 200 and 1,300 premature deaths.<sup>77</sup>

In response, the San Francisco Board of Supervisors approved the Construction Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008) with the intent of reducing the quantity of dust generated during site preparation, demolition and construction work in order to protect the health of the general public and of onsite workers, minimize public nuisance complaints, and to avoid orders to stop work by the Department of Building Inspection.

The Construction Dust Control Ordinance requires that all site preparation work, demolition, or other construction activities within San Francisco that have the potential to create dust or to expose or disturb more than 10 cubic yards or 500 square feet of soil comply with specified dust control measures whether or not the activity requires a permit from the Department of Building Inspection.

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<sup>77</sup> ARB, *Methodology for Estimating Premature Deaths Associated with Long-term Exposure to Fine Airborne Particulate Matter in California*, Staff Report, Table 4c, October 24, 2008.

The Director of the Department of Building Inspection may waive this requirement for activities on sites less than one half-acre that are unlikely to result in any visible wind-blown dust.

In compliance with the Construction Dust Control Ordinance, the project sponsor and the contractor responsible for construction activities at the project site would be required to use the following practices to control construction dust on the site or other practices that result in equivalent dust control that are acceptable to the director. Dust suppression activities may include watering all active construction areas sufficiently to prevent dust from becoming airborne; increased watering frequency may be necessary whenever wind speeds exceed 15 miles per hour. During excavation and dirt-moving activities, contractors shall wet sweep or vacuum the streets, sidewalks, paths, and intersections where work is in progress at the end of the workday. Inactive stockpiles (where no disturbance occurs for more than seven days) greater than 10 cubic yards or 500 square feet of excavated material, backfill material, import material, gravel, sand, road base, and soil shall be covered with a 10 mil (0.01 inch) polyethylene plastic (or equivalent) tarp, braced down, or use other equivalent soil stabilization techniques. San Francisco ordinance 175-91 restricts the use of potable water for soil compaction and dust control activities undertaken in conjunction with any construction or demolition project occurring within the boundaries of San Francisco, unless permission is obtained from the San Francisco Public Utilities Commission. Non-potable water must be used for soil compaction and dust control activities during project construction and demolition. The San Francisco Public Utilities Commission operates a recycled water truck-fill station at the Southeast Water Pollution Control Plant that provides recycled water for these activities at no charge.

Compliance with the regulations and procedures set forth by the Dust Control Ordinance would ensure that potential dust-related air quality impacts would be reduced to a less-than-significant level, and no mitigation measures are necessary.

### **Criteria Air Pollutants**

As discussed above, construction activities would result in emissions of criteria air pollutants from the use of off- and on-road vehicles and equipment. To assist lead agencies in determining whether short-term construction-related air pollutant emissions require further analysis as to whether the project may exceed the criteria air pollutant significance thresholds shown in Table 7 above, the air district, in its *CEQA Air Quality Guidelines* (May 2017), developed screening criteria. If a proposed project meets the screening criteria, then construction of the project would result in less-than-significant criteria air pollutant impacts. A project that exceeds the screening criteria may require a detailed air quality assessment to determine whether criteria air pollutant emissions would exceed significance thresholds. The *CEQA Air Quality Guidelines* note that the screening levels are generally representative of new development on greenfield<sup>78</sup> sites without any form of mitigation

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<sup>78</sup> A greenfield site refers to agricultural or forest land or an undeveloped site earmarked for commercial, residential, or industrial projects.



measures taken into consideration. In addition, the screening criteria do not account for project design features, attributes, or local development requirements that could also result in lower emissions.

The proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses. The size of proposed construction activities would be below the criteria air pollutant screening sizes for hotel uses (554 rooms) identified in the BAAQMD's *CEQA Air Quality Guidelines*. Thus, quantification of construction-related criteria air pollutant emissions is not required and the proposed project's construction activities would result in a less-than-significant criteria air pollutant impact, and no mitigation measures are necessary.

**Impact AQ-2: The proposed project's construction activities would generate toxic air contaminants, including diesel particulate matter, which would expose sensitive receptors to substantial pollutant concentrations. (Less than Significant with Mitigation)**

The project site is located within the Air Pollutant Exposure Zone as described above. Nearby sensitive land uses include the Ritz-Carlton Residences at 690 Market Street, the Paramount Building at Third Street and Jessie Street, The Montgomery at 74 New Montgomery Street, and condominiums at 765 Market Street.

With regards to construction emissions, off-road equipment (which includes construction-related equipment) is a large contributor to diesel particulate matter emissions in California, although since 2007, the California air board has found the emissions to be substantially lower than previously expected.<sup>79</sup>

Newer and more refined emission inventories have substantially lowered the estimates of DPM emissions from off-road equipment such that off-road equipment is now considered the sixth largest source of diesel particulate matter emissions in California.<sup>80</sup> For example, revised PM emission estimates for the year 2010, which diesel particulate matter is a major component of total PM, have decreased by 83 percent from previous 2010 emissions estimates for the air basin.<sup>81</sup> Approximately half of the reduction in emissions can be attributed to the economic recession and half to updated methodologies used to better assess construction emissions.<sup>82</sup>

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<sup>79</sup> ARB, *Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Proposed Amendments to the Regulation for In-Use Off-Road Diesel-Fueled Fleets and the Off-Road Large Spark-Ignition Fleet Requirements*, p.1 and p. 13 (Figure 4), October 2010.

<sup>80</sup> ARB, *Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Proposed Amendments to the Regulation for In-Use Off-Road Diesel-Fueled Fleets and the Off-Road Large Spark-Ignition Fleet Requirements*, October 2010.

<sup>81</sup> ARB, "In-Use Off-Road Equipment, 2011 Inventory Model," Query accessed online, April 2, 2012, [http://www.arb.ca.gov/msei/categories.htm#inuse\\_or\\_category](http://www.arb.ca.gov/msei/categories.htm#inuse_or_category).

<sup>82</sup> ARB, *Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Proposed Amendments to the Regulation for In-Use Off-Road Diesel-Fueled Fleets and the Off-Road Large Spark-Ignition Fleet Requirements*, October 2010.

Additionally, a number of federal and state regulations are requiring cleaner off-road equipment. Specifically, both the EPA and California air board have set emissions standards for new off-road equipment engines, ranging from Tier 1 to Tier 4. Tier 1 emission standards were phased in between 1996 and 2000 and Tier 4 Interim and Final emission standards for all new engines were phased in between 2008 and 2015. To meet the Tier 4 emission standards, engine manufacturers will be required to produce new engines with advanced emission-control technologies. Although the full benefits of these regulations will not be realized for several years, the EPA estimates that by implementing the federal Tier 4 standards, NO<sub>x</sub> and PM emissions will be reduced by more than 90 percent.<sup>83</sup>

In addition, construction activities do not lend themselves to analysis of long-term health risks because of their temporary and variable nature. As explained in the air district's *CEQA Air Quality Guidelines*:

"Due to the variable nature of construction activity, the generation of TAC emissions in most cases would be temporary, especially considering the short amount of time such equipment is typically within an influential distance that would result in the exposure of sensitive receptors to substantial concentrations. Concentrations of mobile-source diesel PM emissions are typically reduced by 70 percent at a distance of approximately 500 feet (ARB 2005). In addition, current models and methodologies for conducting health risk assessments are associated with longer-term exposure periods of 9, 40, and 70 years, which do not correlate well with the temporary and highly variable nature of construction activities. This results in difficulties with producing accurate estimates of health risk."<sup>84</sup>

Therefore, project-level analyses of construction activities have a tendency to produce overestimated assessments of long-term health risks. However, within the Air Pollutant Exposure Zone, as discussed above, additional construction activity may adversely affect populations that are already at a higher risk for adverse long-term health risks from existing sources of air pollution.

The proposed project would require construction activities for the approximate 20-month construction period. Project construction activities would result in short-term emissions of DPM and other TACs. The project site is located in an area that already experiences poor air quality and project construction activities would generate additional air pollution, affecting nearby sensitive receptors and resulting in a significant impact. Implementation of Mitigation Measure M-AQ-2, Construction Air Quality, would reduce the magnitude of this impact to a less-than-significant level. While emission reductions from limiting idling, educating workers and the public and properly maintaining equipment are difficult to quantify, other measures, specifically the requirement for equipment with Tier 2 engines and Level 3 Verified Diesel Emission Control Strategy (VDECS) can reduce construction emissions by 89 to 94 percent compared to equipment

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<sup>83</sup> USEPA, "Clean Air Nonroad Diesel Rule: Fact Sheet," May 2004.

<sup>84</sup> BAAQMD, *CEQA Air Quality Guidelines*, May 2017, page 8-7.

with engines meeting no emission standards and without a VDECS.<sup>85</sup> Emissions reductions from the combination of Tier 2 equipment with level 3 VDECS is almost equivalent to requiring only equipment with Tier 4 Final engines. Therefore, implementation of **Mitigation Measure M-AQ-2, Construction Air Quality**, would reduce construction emissions impacts on nearby sensitive receptors to a less-than-significant level.

#### **Mitigation Measure M-AQ-2: Construction Air Quality**

The project sponsor or the project sponsor's Contractor shall comply with the following:

A. *Engine Requirements.*

1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and have been retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement.
2. Where access to alternative sources of power are available, portable diesel engines shall be prohibited.
3. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than two minutes, at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment

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<sup>85</sup> PM emissions benefits are estimated by comparing off-road PM emission standards for Tier 2 with Tier 1 and 0. Tier 0 off-road engines do not have PM emission standards, but the United States Environmental Protection Agency's *Exhaust and Crankcase Emissions Factors for Nonroad Engine Modeling – Compression Ignition* has estimated Tier 0 engines between 50 hp and 100 hp to have a PM emission factor of 0.72 g/hp-hr and greater than 100 hp to have a PM emission factor of 0.40 g/hp-hr. Therefore, requiring off-road equipment to have at least a Tier 2 engine would result in between a 25 percent and 63 percent reduction in PM emissions, as compared to off-road equipment with Tier 0 or Tier 1 engines. The 25 percent reduction comes from comparing the PM emission standards for off-road engines between 25 hp and 50 hp for Tier 2 (0.45 g/bhp-hr) and Tier 1 (0.60 g/bhp-hr). The 63 percent reduction comes from comparing the PM emission standards for off-road engines above 175 hp for Tier 2 (0.15 g/bhp-hr) and Tier 0 (0.40 g/bhp-hr). In addition to the Tier 2 requirement, ARB Level 3 VDECSs are required and would reduce PM by an additional 85 percent. Therefore, the mitigation measure would result in between an 89 percent (0.0675 g/bhp-hr) and 94 percent (0.0225 g/bhp-hr) reduction in PM emissions, as compared to equipment with Tier 1 (0.60 g/bhp-hr) or Tier 0 engines (0.40 g/bhp-hr).

(e.g., traffic conditions, safe operating conditions). The Contractor shall post legible and visible signs in English, Spanish, and Chinese, in designated queuing areas and at the construction site to remind operators of the two minute idling limit.

4. The Contractor shall instruct construction workers and equipment operators on the maintenance and tuning of construction equipment, and require that such workers and operators properly maintain and tune equipment in accordance with manufacturer specifications.

B. *Waivers.*

1. The Planning Department's Environmental Review Officer or designee (ERO) may waive the alternative source of power requirement of Subsection (A)(2) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the Contractor must submit documentation that the equipment used for onsite power generation meets the requirements of Subsection (A)(1).
2. The ERO may waive the equipment requirements of Subsection (A)(1) if: a particular piece of off-road equipment with an ARB Level 3 VDECS is technically not feasible; the equipment would not produce desired emissions reduction due to expected operating modes; installation of the equipment would create a safety hazard or impaired visibility for the operator; or, there is a compelling emergency need to use off-road equipment that is not retrofitted with an ARB Level 3 VDECS. If the ERO grants the waiver, the Contractor must use the next cleanest piece of off-road equipment, according to Table A below.

Table A – Off-Road Equipment Compliance Step-down Schedule

Compliance Alternative	Engine Emission Standard	Emissions Control
1	Tier 2	ARB Level 2 VDECS
2	Tier 2	ARB Level 1 VDECS
3	Tier 2	Alternative Fuel*

How to use the table: If the ERO determines that the equipment requirements cannot be met, then the project sponsor would need to meet Compliance Alternative 1. If the ERO determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 1, then the Contractor must meet

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Compliance Alternative 2. If the ERO determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 2, then the Contractor must meet Compliance Alternative 3.

\*\* Alternative fuels are not a VDECS.

- C. *Construction Emissions Minimization Plan.* Before starting on-site construction activities, the Contractor shall submit a Construction Emissions Minimization Plan (Plan) to the ERO for review and approval. The Plan shall state, in reasonable detail, how the Contractor will meet the requirements of Section A.
1. The Plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed, the description may include: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used.
  2. The project sponsor shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall include a certification statement that the Contractor agrees to comply fully with the Plan.
  3. The Contractor shall make the Plan available to the public for review on-site during working hours. The Contractor shall post at the construction site a legible and visible sign summarizing the Plan. The sign shall also state that the public may ask to inspect the Plan for the project at any time during working hours and shall explain how to request to inspect the Plan. The Contractor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right-of-way.
- D. *Monitoring.* After start of Construction Activities, the Contractor shall submit quarterly reports to the ERO documenting compliance with the Plan. After completion of construction activities and prior to receiving a final certificate of occupancy, the project sponsor shall submit to the ERO a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the Plan.

## **Operational Air Quality Impacts**

Land use projects typically result in emissions of criteria air pollutants and toxic air contaminants primarily from an increase in motor vehicle trips. However, land use projects may also result in criteria air pollutants and toxic air contaminants from combustion of natural gas, landscape

maintenance, use of consumer products, and architectural coating. The following addresses air quality impacts resulting from operation of the proposed project.

**Impact AQ-3: During project operations, the proposed project would result in emissions of criteria air pollutants, but not at levels that would violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Less than Significant)**

As discussed above in Impact AQ-1, the air district, in its *CEQA Air Quality Guidelines* (May 2017), has developed screening criteria to determine whether a project requires an analysis of project-generated criteria air pollutants. If all the screening criteria are met by a proposed project, then the lead agency or applicant does not need to perform a detailed air quality assessment.

The proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, and would generate an estimated 417 daily vehicle trips.<sup>86</sup> The proposed project would be below the criteria air pollutant screening sizes for hotel uses (489 rooms) identified in the air district's *CEQA Air Quality Guidelines*. Thus, quantification of project-generated criteria air pollutant emissions is not required, and the proposed project would not exceed any of the significance thresholds for criteria air pollutants. Therefore, there would be a less than significant impact with respect to criteria air pollutants, and no mitigation measures are necessary.

#### **Siting Sensitive Land Uses**

**Impact AQ-4: The proposed project would generate toxic air contaminants, including diesel particulate matter, exposing sensitive receptors to substantial air pollutant concentrations. (Less than Significant with Mitigation)**

The project site is located within the Air Pollutant Exposure Zone as described above. Nearby sensitive land uses include the Ritz-Carlton Residences at 690 Market Street, the Paramount Building at Third Street and Jessie Street, The Montgomery at 74 New Montgomery Street, and condominiums at 765 Market Street. The proposed project would include a 750 kW emergency back-up generator on the building rooftop. Although the project site is within the APEZ, the proposed project does not contain any sensitive uses for air quality analysis (residences, schools, children's day care centers, hospitals, and nursing and convalescent homes), as the proposed project would contain hotel, office, retail, and restaurant/bar uses. Therefore, it would not be subject to article 38.

#### **Sources of Toxic Air Contaminants**

Individual projects result in emissions of toxic air contaminants primarily as a result of an increase in vehicle trips. The air district considers roads with less than 10,000 vehicles per day "minor, low-impact" sources that do not pose a significant health impact even in combination with other nearby

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<sup>86</sup> Vehicle trip increases are conservative (overestimates) because they do not subtract trips associated with existing uses from proposed new construction and changes in uses.

sources and recommends that these sources be excluded from the environmental analysis. The proposed project's 417 daily vehicle trips would be well below this level and would be distributed among the local roadway network, therefore an assessment of project-generated toxic air contaminants resulting from vehicle trips is not required and the proposed project would not generate a substantial amount of toxic air contaminant emissions that could affect nearby sensitive receptors.

The proposed project would also include a backup emergency generator. Emergency generators are regulated by the air district through their New Source Review (Regulation 2, Rule 5) permitting process. The project applicant would be required to obtain applicable permits to operate an emergency generator from the air district. Although emergency generators are intended only to be used in periods of power outages, monthly testing of the generator would be required. The air district limits testing to no more than 50 hours per year. Additionally, as part of the permitting process, the air district would limit the excess cancer risk from any facility to no more than ten per one million population and requires any source that would result in an excess cancer risk greater than one per one million population to install Best Available Control Technology for Toxics. However, because the project site is located in an area that already experiences poor air quality, the proposed emergency back-up generator has the potential to expose sensitive receptors to substantial concentrations of diesel emissions, a known toxic air contaminant, resulting in a significant air quality impact. Implementation of **Mitigation Measure M-AQ-4, Best Available Control Technology for Diesel Generators**, would reduce the magnitude of this impact to a less-than-significant level by reducing emissions by 89 to 94 percent compared to equipment with engines that do not meet any emission standards and without a VDECS. Therefore, although the proposed project would add a new source of toxic air contaminants within an area that already experiences poor air quality, implementation of M-AQ-4 would reduce this impact to a less-than-significant level.

**Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators**

The project sponsor shall ensure that the backup diesel generator meet or exceed one of the following emission standards for particulate matter: (1) Tier 4 certified engine, or (2) Tier 2 or Tier 3 certified engine that is equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The project sponsor shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.

**Impact AQ-5: The proposed project would not conflict with, or obstruct implementation of, the 2017 Clean Air Plan. (Less than Significant)**

The most recently adopted air quality plan for the air basin is the *2017 Clean Air Plan*. The *2017 Clean Air Plan* is a road map that demonstrates how the San Francisco Bay Area will achieve compliance with the state ozone standards as expeditiously as practicable and how the region will reduce the transport of ozone and ozone precursors to neighboring air basins. In determining consistency with the *2017 Clean Air Plan*, this analysis considers whether the project would: (1) support the primary goals of the *2017 Clean Air Plan*, (2) include applicable control measures from the *2017 Clean Air Plan*, and (3) avoid disrupting or hindering implementation of control measures identified in the *2017 Clean Air Plan*.

The primary goals of the *2017 Clean Air Plan* are to: (1) Protect air quality and health at the regional and local scale; (2) eliminate disparities among Bay Area communities in cancer health risk from toxic air contaminants; and (3) protect the climate by reducing greenhouse gas emissions. To meet the primary goals, the *2017 Clean Air Plan* recommends specific control measures and actions. These control measures are grouped into various categories and include stationary and area source measures, mobile source measures, transportation control measures, land use measures, and energy and climate measures. The *2017 Clean Air Plan* recognizes that to a great extent, community design dictates individual travel mode, and that a key long-term control strategy to reduce emissions of criteria pollutants, air toxics, and greenhouse gases from motor vehicles is to channel future Bay Area growth into vibrant urban communities where goods and services are close at hand, and people have a range of viable transportation options. To this end, the *2017 Clean Air Plan* includes 85 control measures aimed at reducing air pollution in the air basin.

The measures most applicable to the proposed project are transportation control measures and energy and climate control measures. The proposed project's impacts with respect to GHGs are discussed in Section E.7, Greenhouse Gas Emissions, which demonstrates that the proposed project would comply with the applicable provisions of the city's Greenhouse Gas Reduction Strategy.

The compact development of the proposed project and high availability of viable transportation options ensure that residents could bicycle, walk, and ride transit to and from the project site instead of taking trips via private automobile. These features ensure that the project would avoid substantial growth in automobile trips and vehicle miles traveled. The proposed project's anticipated 417 vehicle trips would result in a negligible increase in air pollutant emissions. Furthermore, the proposed project would be generally consistent with the *San Francisco General Plan*, as discussed in section C. Transportation control measures that are identified in the *2017 Clean Air Plan* are implemented by the *San Francisco General Plan* and the *Planning Code*, for example, through the city's Transit First Policy, bicycle parking requirements, and transit impact development fees. Compliance with these requirements would ensure the project includes relevant transportation control measures specified in the *2017 Clean Air Plan*. Therefore, the proposed project would include applicable control measures identified in the *2017 Clean Air Plan* to meet the *2017 Clean Air Plan's* primary goals.

Examples of a project that could cause the disruption or delay of *2017 Clean Air Plan* control measures are projects that would preclude the extension of a transit line or bike path, or projects



that propose excessive parking beyond parking requirements. The proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses in a dense, walkable urban area near a concentration of regional and local transit service. It would not preclude the extension of a transit line or a bike path or any other transit improvement, and thus would not disrupt or hinder implementation of control measures identified in the *2017 Clean Air Plan*.

For the reasons described above, the proposed project would not interfere with implementation of the *2017 Clean Air Plan*, and because the proposed project would be consistent with the applicable air quality plan that demonstrates how the region will improve ambient air quality and achieve the state and federal ambient air quality standards, this impact would be less than significant, and no mitigation measures are necessary.

**Impact AQ-6: The proposed project would not create objectionable odors that would affect a substantial number of people. (Less than Significant)**

Typical odor sources of concern include wastewater treatment plants, sanitary landfills, transfer stations, composting facilities, petroleum refineries, asphalt batch plants, chemical manufacturing facilities, fiberglass manufacturing facilities, auto body shops, rendering plants, and coffee roasting facilities. During construction, diesel exhaust from construction equipment would generate some odors. However, construction-related odors would be temporary and would not persist upon project completion. Observation indicates that the project site is not substantially affected by sources of odors<sup>87</sup>. Additionally, the proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, and would therefore not create significant sources of new odors. Therefore, odor impacts would be less than significant, and no mitigation measures are necessary.

**Impact C-AQ-1: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area would contribute to cumulative air quality impacts. (Less than Significant with Mitigation)**

As discussed above, regional air pollution is by its very nature largely a cumulative impact. Emissions from past, present, and future projects contribute to the region's adverse air quality on a cumulative basis. No single project by itself would be sufficient in size to result in regional nonattainment of ambient air quality standards. Instead, a project's individual emissions contribute to existing cumulative adverse air quality impacts.<sup>88</sup> The project-level thresholds for criteria air pollutants are based on levels by which new sources are not anticipated to contribute to an air quality violation or result in a considerable net increase in criteria air pollutants. Therefore, because the proposed project's construction (Impact AQ-1) and operational (Impact AQ-3)

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<sup>87</sup> Field observation in April 2018.

<sup>88</sup> BAAQMD, *CEQA Air Quality Guidelines*, May 2017, page 2-1.

emissions would not exceed the project-level thresholds for criteria air pollutants, the proposed project would not be considered to result in a cumulatively considerable contribution to regional air quality impacts.

As discussed above, the project site is located in an area that already experiences poor air quality. The project would add a rooftop back-up generator and additional vehicle trips within an area already adversely affected by air quality, resulting in a considerable contribution to cumulative health risk impacts on nearby sensitive receptors. This would be a significant cumulative impact. The proposed project would be required to implement Mitigation Measure M-AQ-2, Construction Air Quality, which could reduce construction period emissions by as much as 94 percent and Mitigation Measure M-AQ-4, Best Available Control Technology for Diesel Generators, which requires best available control technology to limit emissions from the project's emergency back-up generator. Implementation of these mitigation measures would reduce the project's contribution to cumulative air quality impacts to a less-than-significant level.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>7. GREENHOUSE GAS EMISSIONS. Would the project:</b>					
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Greenhouse gas (GHG) emissions and global climate change represent cumulative impacts. GHG emissions cumulatively contribute to the significant adverse environmental impacts of global climate change. No single project could generate enough GHG emissions to noticeably change the global average temperature; instead, the combination of GHG emissions from past, present, and future projects have contributed and will continue to contribute to global climate change and its associated environmental impacts.

The Bay Area Air Quality Management District (air district) has prepared guidelines and methodologies for analyzing GHGs. These guidelines are consistent with CEQA Guidelines sections 15064.4 and 15183.5, which address the analysis and determination of significant impacts from a proposed project's GHG emissions. CEQA Guidelines section 15064.4 allows lead agencies to rely on a qualitative analysis to describe GHG emissions resulting from a project. CEQA Guidelines section 15183.5 allows for public agencies to analyze and mitigate GHG emissions as

part of a larger plan for the reduction of GHGs and describes the required contents of such a plan. Accordingly, San Francisco has prepared *Strategies to Address Greenhouse Gas Emissions*<sup>89</sup> which presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's qualified GHG reduction strategy in compliance with the CEQA guidelines. These GHG reduction actions have resulted in a 29 percent reduction in GHG emissions in 2016 compared to 1990 levels,<sup>90</sup> exceeding the year 2020 reduction goals outlined in the air district's 2017 Clean Air Plan, Executive Order S-3-05, and Assembly Bill 32 (also known as the Global Warming Solutions Act).<sup>91</sup>

Given that the City has met the state and region's 2020 GHG reduction targets and San Francisco's GHG reduction goals are consistent with, or more aggressive than, the long-term goals established under order S-3-05<sup>92</sup>, order B-30-15,<sup>93,94</sup> and Senate Bill 32<sup>95,96</sup> the City's GHG reduction goals are consistent with order S-3-05, order B-30-15, Assembly Bill 32, Senate Bill 32 and the 2017 Clean Air Plan. Therefore, proposed projects that are consistent with the City's GHG reduction strategy would be consistent with the aforementioned GHG reduction goals, would not conflict with these

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<sup>89</sup> San Francisco Planning Department, *Strategies to Address Greenhouse Gas Emissions in San Francisco*, July 2017. This document is available online at: <http://sf-planning.org/strategies-address-greenhouse-gas-emissions>.

<sup>90</sup> San Francisco Department of the Environment, *San Francisco's Carbon Footprint*. Available at <https://sfenvironment.org/carbon-footprint>, accessed July 3, 2018.

<sup>91</sup> Executive Order S-3-05, Assembly Bill 32, and the air district's 2017 Clean Air Plan (continuing the trajectory set in the 2010 Clean Air Plan) set a target of reducing GHG emissions to below 1990 levels by year 2020.

<sup>92</sup> Office of the Governor, Executive Order S-3-05, June 1, 2005. Available at [http://static1.squarespace.com/static/549885d4e4b0ba0b0ff5dc695/t/54d7f1e0e4b0f0798cee3010/1423438304744/California+Executive+Order+S-3-05+\(June+2005\).pdf](http://static1.squarespace.com/static/549885d4e4b0ba0b0ff5dc695/t/54d7f1e0e4b0f0798cee3010/1423438304744/California+Executive+Order+S-3-05+(June+2005).pdf). Executive Order S-3-05 sets forth a series of target dates by which statewide emissions of GHGs need to be progressively reduced, as follows: by 2010, reduce GHG emissions to 2000 levels (approximately 457 million metric tons of carbon dioxide equivalents (MTCO<sub>2</sub>E)); by 2020, reduce emissions to 1990 levels (approximately 427 million MTCO<sub>2</sub>E); and by 2050 reduce emissions to 80 percent below 1990 levels (approximately 85 million MTCO<sub>2</sub>E). Because of the differential heat absorption potential of various GHGs, GHG emissions are frequently measured in "carbon dioxide-equivalents," which present a weighted average based on each gas's heat absorption (or "global warming") potential.

<sup>93</sup> Office of the Governor, *Executive Order B-30-15*, April 29, 2015. Available at: <https://www.gov.ca.gov/news.php?id=18938>, accessed March 3, 2016. Executive Order B-30-15, issued on April 29, 2015, sets forth a target of reducing GHG emissions to 40 percent below 1990 levels by 2030 (estimated at 2.9 million MTCO<sub>2</sub>E).

<sup>94</sup> San Francisco's GHG reduction goals are codified in Section 902 of the Environment Code and include: (i) by 2008, determine City GHG emissions for year 1990; (ii) by 2017, reduce GHG emissions by 25 percent below 1990 levels; (iii) by 2025, reduce GHG emissions by 40 percent below 1990 levels; and by 2050, reduce GHG emissions by 80 percent below 1990 levels.

<sup>95</sup> Senate Bill 32 amends California Health and Safety Code Division 25.5 (also known as the California Global Warming Solutions Act of 2006) by adding Section 38566, which directs that statewide greenhouse gas emissions to be reduced by 40 percent below 1990 levels by 2030.

<sup>96</sup> Senate Bill 32 was paired with Assembly Bill 197, which would modify the structure of the State Air Resources Board; institute requirements for the disclosure of greenhouse gas emissions criteria pollutants, and toxic air contaminants; and establish requirements for the review and adoption of rules, regulations, and measures for the reduction of greenhouse gas emissions.

plans or result in significant GHG emissions, and would therefore not exceed San Francisco's applicable GHG threshold of significance.

The following analysis of the proposed project's impact on climate change focuses on the project's contribution to cumulatively significant GHG emissions. Because no individual project could emit GHGs at a level that could result in a significant impact on the global climate, this analysis is in a cumulative context, and this section does not include an individual project-specific impact statement.

**Impact C-GG-1: The proposed project would generate greenhouse gas emissions, but not at levels that would result in a significant impact on the environment or conflict with any policy, plan, or regulation adopted for the purpose of reducing greenhouse gas emissions. (Less than Significant)**

Individual projects contribute to the cumulative effects of climate change by directly or indirectly emitting GHGs during construction and operational phases. Direct operational emissions include GHG emissions from new vehicle trips and area sources (natural gas combustion). Indirect emissions include emissions from electricity providers; energy required to pump, treat, and convey water; and emissions associated with waste removal, disposal, and landfill operations.

The proposed project would increase the intensity of use of the site by converting approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses. Therefore, the proposed project may contribute to annual long-term increases in GHGs as a result of increased vehicle trips (mobile sources) and commercial operations that result in an increase in energy use, water use, wastewater treatment, and solid waste disposal. Construction activities would also result in temporary increases in GHG emissions.

The proposed project would be subject to regulations adopted to reduce GHG emissions as identified in the GHG reduction strategy. As discussed below, compliance with the applicable regulations would reduce the project's GHG emissions related to transportation, energy use, waste disposal, and use of refrigerants.

Compliance with the City's Commuter Benefits Ordinance, Transportation Sustainability Program, Jobs-Housing Linkage Program, and bicycle parking requirements would reduce the proposed project's transportation-related emissions. These regulations reduce GHG emissions from single-occupancy vehicles by promoting the use of alternative transportation modes with zero or lower GHG emissions on a per capita basis.

The proposed project would be required to comply with the energy efficiency requirements of the City's Green Building Code, Water Efficient Irrigation Ordinance, Commercial Water Conservation

Ordinance, which would promote energy and water efficiency, thereby reducing the proposed project's energy-related GHG emissions.<sup>97</sup>

The proposed project's waste-related emissions would be reduced through compliance with the City's Recycling and Compositing Ordinance, Construction and Demolition Debris Recovery Ordinance, and Green Building Code requirements. These regulations reduce the amount of materials sent to a landfill, reducing GHGs emitted by landfill operations. These regulations also promote reuse of materials, conserving their embodied energy<sup>98</sup> and reducing the energy required to produce new materials.

Compliance with the City's street tree planting requirements would serve to increase carbon sequestration. Other regulations, including those limiting refrigerant emissions and the air district's wood-burning regulations would reduce emissions of GHGs and black carbon, respectively. Regulations requiring low-emitting finishes would reduce *volatile organic compounds*.<sup>99</sup> Thus, the proposed project was determined to be consistent with San Francisco's GHG reduction strategy.<sup>100</sup>

The project sponsor is required to comply with these regulations, which have proven effective as San Francisco's GHG emissions have measurably decreased when compared to 1990 emissions levels, demonstrating that the City has met and exceeded Executive Order S-3-05, Assembly Bill 32, and the 2017 Clean Air Plan GHG reduction goals for the year 2020. Furthermore, the city has met its 2017 GHG reduction goal of reducing GHG emissions to 25% below 1990 levels by 2017. Other existing regulations, such as those implemented through Assembly Bill 32, will continue to reduce a proposed project's contribution to climate change. In addition, San Francisco's local GHG reduction targets are consistent with the long-term GHG reduction goals of Executive Order S-3-05, Executive Order B-30-15, Assembly Bill 32, Senate Bill 32 and the 2017 Clean Air Plan. Therefore, because the proposed project is consistent with the City's GHG reduction strategy, it is also consistent with the GHG reduction goals of Executive Order S-3-05, Executive Order B-30-15, Assembly Bill 32, Senate Bill 32 and the 2017 Clean Air Plan, would not conflict with these plans, and would therefore not exceed San Francisco's applicable GHG threshold of significance. As such, the proposed project would result in a less-than-significant impact with respect to GHG emissions. No mitigation measures are necessary.

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<sup>97</sup> Compliance with water conservation measures reduce the energy (and GHG emissions) required to convey, pump and treat water required for the project.

<sup>98</sup> Embodied energy is the total energy required for the extraction, processing, manufacture and delivery of building materials to the building site.

<sup>99</sup> While not a GHG, volatile organic compounds are precursor pollutants that form ground level ozone. Increased ground level ozone is an anticipated effect of future global warming that would result in added health effects locally. Reducing volatile organic compound emissions would reduce the anticipated local effects of global warming.

<sup>100</sup> San Francisco Planning Department, *Greenhouse Gas Analysis: Compliance Checklist for 5 Third Street*, May 21, 2018.

Furthermore, the proposed project would also meet LEED Gold standards, which would also reduce the project's GHG emissions.

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<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>8. WIND AND SHADOW. Would the project:</b>					
a) Alter wind in a manner that substantially affects public areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact WS-1: The proposed project would not alter wind in a manner that substantially affects public areas. (Less than Significant)**

Average wind speeds in San Francisco are the highest in the summer and lowest in winter. However, the strongest peak winds occur in winter. Throughout the year, the highest wind speeds occur in midafternoon and the lowest in the early morning. West-northwest, west, northwest, and west-southwest are the most frequent and strongest of primary wind directions during all seasons (referred to as prevailing winds).

Tall buildings and exposed structures can strongly affect the wind environment for pedestrians. A building that stands alone or is much taller than the surrounding buildings can intercept and redirect winds that might otherwise flow overhead and bring them down the vertical face of the building to ground level, where they create ground-level wind and turbulence. These redirected winds can be relatively strong, turbulent, and incompatible with the intended uses of nearby ground-level spaces. A building with a height that is similar to the heights of surrounding buildings typically would cause little or no additional ground level wind acceleration and turbulence. Thus, wind impacts are generally caused by large building masses extending substantially above their surroundings, and by buildings oriented such that a large wall catches a prevailing wind, particularly if such a wall includes little or no articulation. In general, new buildings less than approximately 80 feet in height are unlikely to result in substantial adverse effects on ground level winds such that pedestrians would be uncomfortable. Such winds may exist under existing conditions, but shorter buildings typically do not cause substantial changes in ground-level winds. The Planning Code sets criteria for comfort and hazards. For the purposes of evaluating impacts under CEQA, the analysis uses the hazard criterion to determine whether the proposed project would alter wind in a manner that substantially affects public areas.

The Planning Code pedestrian comfort criterion of 11 miles per hour (mph) is based on wind speeds measured and averaged over a period of 1 minute. In contrast, the Planning Code wind hazard criterion of 26 mph is defined by a wind speed that is measured and averaged over a period of 1 hour. When stated on the same time basis as the comfort criterion wind speed, the hazard criterion wind speed (26 mph averaged over 1 hour) is equivalent to a 1-minute average of 36 mph, which is a speed where wind gusts can blow people over, and therefore, are hazardous.

The project site is located in the C-3 District. San Francisco Planning Code Section 148 requires buildings to be shaped so as not to cause ground-level wind speeds to exceed comfort and hazard criteria in the C-3 District. The proposed project would remove water towers and an existing penthouse structure, while adding new mechanical and elevator penthouses, and a roof deck and bar on the 13<sup>th</sup> floor. A terrace would also be constructed on the 4<sup>th</sup> floor for use by hotel guests, and would also be used as an events space. As a result of the rooftop construction, the overall height of the building would decrease from approximately ~~189~~ 187 feet to approximately ~~184~~ 185 feet.

A screening-level wind analysis was prepared for the proposed project.<sup>101</sup> The following discussion relies on the information provided in that report. The report was based on a review of long-term meteorological data for the San Francisco area, proposed project design drawings, extensive wind-tunnel studies undertaken for the nearby 706 Mission Street development, use of software to assess wind conditions around building forms, and engineering judgment and expertise. The report found the winds from the west-northwest, west, northwest, and west-southwest have the greatest frequency of occurrence and make up the majority of the strong winds that occur at the project location. The assessment of existing wind conditions was based on the results of the wind tunnel test conducted for the 706 Mission Street development and engineering judgement, and found that existing winds speeds around the project site, including the sidewalks of Market, Third, Stevenson, Kearney, and Annie streets are expected to be high. The 11 mph wind comfort criterion is expected to be exceeded at most locations along these sidewalks. Wind speeds are expected to meet the 35 mph wind hazard criterion at most locations along these sidewalks, with the exception of the intersection of Market and Third streets, where the hazard criterion is expected to be exceeded on both the east and west sides of Third Street. These existing conditions are due to downwashing of the westerly and northwesterly winds off the tall facades of the Hearst building (the project site) and the existing buildings across Third Street, acceleration of winds around the building corners, and channeling of winds between the two buildings along Third Street.

The report found that the proposed modifications to the building rooftop and terrace would not be substantial enough to increase the downwashing effects to a degree that would result in an increase

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<sup>101</sup> RWDI, *Screening-Level Wind Analysis, Hearst Hotel, San Francisco, CA, Project #1702854*, April, 2018.

in ground-level wind speeds at the base of the building and at the surrounding sidewalks. The existing high wind speeds along the sidewalks of Market, Third, Stevenson, Kearney, and Annie streets are expected to remain unchanged, while the locations where the exceedance of the hazard criterion are prediction under existing conditions are expected to remain the same with project development. The proposed retrofit to the existing building was found to be minor compared to the size of the existing building, and would not have any substantial effect on the existing wind conditions around the building and at the surrounding sidewalks. As the proposed retrofit would not affect the wind conditions around the project site and surrounding areas, the proposed project would have a less-than-significant wind impact.

**Impact WS-2: The proposed project would not create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas. (Less than Significant)**

In 1984, San Francisco voters approved an initiative known as “Proposition K, The Sunlight Ordinance,” which was codified as Planning Code Section 295 in 1985. Planning Code Section 295 generally prohibits new structures above 40 feet in height that would cast additional shadows on open space that is under the jurisdiction of the San Francisco Recreation and Park Commission between one hour after sunrise and one hour before sunset, at any time of the year, unless that shadow would not result in a significant adverse effect on the use of the open space. Public open spaces that are not under the jurisdiction of the Recreation and Park Commission as well as private open spaces are not subject to Planning Code Section 295. In addition, Planning Code Section 147 requires that new buildings and additions to buildings in C-3 Districts (which the proposed project is located in) shall be shaped to reduce substantial shadow impacts on public plazas and other ~~publically~~ publicly accessible open space other than those protected under Section 295.

The proposed project would result in a ~~185~~184-foot-tall building (as compared to the existing ~~187~~189-foot-tall building); therefore, the Planning Department prepared a preliminary shadow fan to determine whether the project would have the potential to cast new shadow on nearby parks.<sup>102</sup> The shadow fan indicated the proposed project would not cast a shadow on any new park or open space protect under Planning Code Section 295, but that the project may cast new show on Maiden Lane and Annie Street Plaza (see Figure 21 in Section J below). Therefore, a detailed shadow analysis was prepared to determine if the project would create new shadow that results in an adverse impact on Maiden Lane and Annie Street Plaza.<sup>103</sup>

The shadow analysis examined three shading scenarios—existing, existing plus project, and the project plus the cumulative scenario, which included all approved and cumulative surrounding buildings. The shadow analysis included a set of shadow diagrams and calculations to evaluate net new shadows created by the proposed project and cumulative building scenarios and found that no net new shadow would be cast by the proposed project on Maiden Lane and Annie Street

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<sup>102</sup> San Francisco Planning Department, *Preliminary Shadow Fan Analysis: 5 Third Street*, September 2016.

<sup>103</sup> RWDI, *5 Third Street Hearst Hotel Shadow Analysis*, December 2017.



Plaza. Therefore, the proposed project would not contribute any new shadow to either Maiden Lane or Annie Street Plaza.

The proposed project would shade portions of streets, sidewalks, and private properties in the project vicinity at various times of the day throughout the year. Shadows on streets and sidewalks would not exceed levels commonly expected in urban areas and would be considered a less-than-significant effect under CEQA. Although occupants of nearby properties may regard the increase in shadow as undesirable, the limited increase in shading of private properties as a result of the proposed project would not be considered a significant impact under CEQA.

For these reasons, the proposed project would not create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas, and this impact would be less than significant.

**Impact C-WS-1: The proposed project, in combination with past, present, and reasonably foreseeable future project, would not result in a cumulative wind impact. (Less than Significant)**

The screening-level wind analysis prepared for the proposed project also analyzed the proposed project in the context of other projects. The report found that the modifications to the building rooftop and terrace would not be substantial enough to increase the downwashing effects to a degree that would result in an increase in ground-level wind speeds at the base of the building and at the surrounding sidewalks. The existing high wind speeds along the sidewalks of Market, Third, Stevenson, Kearney, and Annie streets are expected to remain unchanged, while the locations where the exceedance of the hazard criterion are prediction under existing conditions are expected to remain the same. Under cumulative conditions, there would be no new exceedances due to the proposed project. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative wind impact.

**Impact C-WS-2: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative shadow impact. (Less than Significant)**

As discussed above, the proposed project would not create any net new shadow on any nearby parks or open spaces. Therefore, the proposed project would not contribute to any potential cumulative shadow impact on parks and open spaces.

The sidewalks in the project vicinity are already shaded for periods of the day by the densely developed, multi-story buildings. Although implementation of the proposed project and nearby cumulative development project may add net new shadow to the sidewalks in the project vicinity, these shadows would be transitory in nature, would not substantially affect the use of the sidewalks, and would not increase shadow above levels that are common and generally expected in a densely developed urban environment.

For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future project in the project vicinity to create a significant cumulative shadow impact.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>9. RECREATION.</b>					
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact RE-1: The proposed project would not increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated. (Less than Significant)**

The proposed project would be served by the San Francisco Recreation and Parks Department (park department), which administers more than 220 parks, playgrounds, and open spaces throughout the City, as well as recreational facilities including recreation centers, swimming pools, golf courses, and athletic fields, tennis courts, and basketball courts. The project site is located within an intensely developed urban neighborhood, and does not contain large regional park facilities, but includes a number of neighborhood parks and open spaces, as well as other recreational facilities. The 2014 Recreation and Open Space of the San Francisco General Plan identified areas of “high-need,” which are given highest priority for the construction of new parks and recreation improvements.<sup>104</sup> The project site is located within proximate distance to some medium- and higher-need areas, but is currently served by existing park department facilities.

The neighborhood parks or other recreational facilities closest to the project site (within 0.2 mile) are Annie Street Plaza, McKesson Plaza, One Montgomery Terrace, Crocker Galleria Terrace, Trinity Plaza, Maiden Lane, Jessie Square, and Yerba Buena Gardens. While the proposed project would not include an increase in the residential population on the project site, the project would include the addition of hotel guest and 186 employees on-site (a net reduction in employees). This increase in population would not substantially increase the demand for recreational facilities. The proposed project would partially offset the demand for recreational facilities by providing a terrace on the 4<sup>th</sup> floor, as well as a rooftop lounge/event space. Although the proposed hotel guests and on-site employees may use parks, open spaces, and other recreational facilities in the project

<sup>104</sup> San Francisco Planning Department, San Francisco General Plan, Recreation and Open Space Element, April 2014. Available online at: <http://openspace.sfplanning.org/>, accessed June 2018.

vicinity, the additional use of these recreational facilities is expected to be modest based on the size of the projected population increase.

On a citywide/regional basis, the increased demand on recreational facilities from hotel guests and 186 employees would be negligible considering the number of people living and working in San Francisco and the region as well as the number of existing and planned recreational facilities. For these reasons, implementation of the proposed project would not increase the use of existing recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated. This impact would be less than significant, and no mitigation measures are necessary.

**Impact RE-2: The proposed project would not include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment. (Less than Significant)**

The proposed project would provide a terrace on the 4<sup>th</sup> floor, as well as a rooftop lounge/event space for hotel guests. This open space would partially offset the demand for recreational facilities. In addition, the project site is within walking distance to a number of parks or other recreational facilities, as discussed above. It is anticipated that these existing recreational facilities would be able to accommodate the increase in demand for recreational resources generated by the project. For these reasons, the construction of new or the expansion of existing recreational facilities, both of which might have an adverse physical effect on the environment, would not be required. This impact would be less than significant, and no mitigation measures are necessary.

**Impact C-RE-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative impact on recreational facilities or resources. (Less than Significant)**

Cumulative development in the project vicinity would result in an intensification of land uses and a cumulative increase in the demand for recreational facilities and resources. The City has accounted for such growth as part of the Recreation and Open Space Element of the *General Plan*. In addition, San Francisco voters passed two bond measures, in 2008 and 2012, to fund the acquisition, planning, and renovation of the City's network of recreational resources. As discussed above, there are numerous neighborhood parks located within several blocks of the project site. It is expected that these existing recreational facilities would be able to accommodate the increase in demand for recreational resources generated by nearby cumulative development projects. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative impact on recreational facilities or resources.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>10. UTILITIES AND SERVICE SYSTEMS.</b>					
<b>Would the project:</b>					
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Have sufficient water supply available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact UT-1: Implementation of the proposed project would not exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board, would not exceed the capacity of the wastewater treatment provider that would serve the project, and would not require the construction of new or expansion of existing wastewater treatment or stormwater drainage facilities. (Less than Significant)**

Project-related wastewater and stormwater would flow to the City's combined stormwater/sewer system and would be treated to standards contained in the City's National Pollutant Discharge Elimination System (NPDES) Permit for the Southeast Water Pollution Control Plant prior to discharge into San Francisco Bay. The NPDES standards are set and regulated by the San Francisco Bay Area Regional Water Quality Control Board (RWQCB). Therefore, the proposed project would not conflict with RWQCB requirements.

Implementation of the proposed project would incrementally increase wastewater flows from the project site due to the introduction of hotel guest in 170 rooms and about 186 employees. The proposed project would incorporate water-efficient fixtures, as required by Title 24 of the California Code of Regulations and the San Francisco Green Building Ordinance. Compliance with

these regulations would reduce wastewater flows and the amount of potable water used for building functions. The San Francisco Public Utilities Commission's (SFPUC's) infrastructure capacity plans account for projected population and employment growth. The incorporation of water-efficient fixtures into new development is also accounted for by the SFPUC, because widespread adoption can lead to more efficient use of existing capacity. For these reasons, the population increase associated with the proposed project would not require the construction of new or expansion of existing wastewater treatment facilities.

The project site has been developed since 1898, and the proposed building footprint would cover the entire project site. Implementation of the proposed project would not result in an increase in impervious surfaces. The City's Stormwater Management Ordinance (Ordinance No. 83-10, effective May 22, 2010) requires the proposed project to maintain, reduce, or eliminate the existing volume and rate of stormwater runoff discharged from the project site. To achieve this objective, the proposed project would implement and install appropriate stormwater management systems that retain runoff on site, promote stormwater reuse, and limit (or eliminate altogether) site discharges from entering the City's combined stormwater/sewer system. This, in turn, would limit the incremental demand on both the collection system and wastewater facilities resulting from stormwater discharges and would minimize the potential for constructing new or expanding existing stormwater drainage facilities.

For these reasons, the proposed project would not substantially increase the demand for wastewater or stormwater treatment. This impact would be less than significant, and no mitigation measures are necessary.

**Impact UT-2: The SFPUC has sufficient water supply available to serve the proposed project from existing entitlements and resources and would not require new or expanded water supply resources or entitlements. (Less than Significant)**

The proposed project would convert approximately 119,237 square feet of office, retail and restaurant/bar uses to a 170-room hotel with office, retail, and restaurant/bar uses and add about 186 employees to the project site, which would increase water demand, but not in excess of amounts provided and planned for in the project area. The SFPUC provides water to both retail and wholesale customers. Approximately two-thirds of the SFPUC's water supply is delivered to wholesale customers; the remaining one-third is delivered to retail customers. Retail customers include the residents, businesses, and industries located within city limits, referred to as the in-city retail service area. Wholesale customers include other municipalities in California.

On June 14, 2016, the SFPUC adopted the 2015 Urban Water Management Plan (UWMP) for the City and County of San Francisco.<sup>105</sup> The 2015 UWMP presents water demand and supply

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<sup>105</sup> San Francisco Public Utilities Commission, 2015 Urban Water Management Plan for the City and County of San Francisco, June 2016, <https://sfwater.org/modules/showdocument.aspx?documentid=9300>, accessed June, 2018.

projections through 2040, water supplies available to meet existing and future demands under a range of conditions, water shortage contingency plans, and demand management measures to reduce long-term water demand.

The 2015 UWMP estimates that current and projected water supplies will be sufficient to meet future retail demand through 2035 under normal year, single dry year and multiple dry years conditions; however, if a multiple dry year event occurs, the SFPUC would experience a shortfall of 1.1 million gallons per day of water (1.2 per cent of demand) in 2040 for the City and County of San Francisco during the second and third year of a multiple dry year. Under a shortfall scenario, the SFPUC would respond by implementing water use and supply reductions via a drought response plan and a corresponding retail water shortage allocation plan.

Retail demand projections presented in the 2015 UWMP are based on demographic data and growth forecasts prepared by the California Department of Finance, the Association of Bay Area Governments (ABAG), and the San Francisco Planning Department for the in-City retail service area. Through these projections, the 2015 UWMP has accounted for the increase in water demand that would be generated by the proposed project. In addition, the proposed project would incorporate water-efficient fixtures as required by Title 24 of the California Code of Regulations and the City's Green Building Ordinance.

Since the additional project-generated water demand could be accommodated by existing and planned water supplies anticipated under the 2015 UWMP, the proposed project would not result in a substantial increase in water use, would be served from existing water supply entitlements and resources and would not require the expansion or construction of new water supply or treatment facilities. Therefore, this impact would be less than significant, and no mitigation measures are necessary.

**Impact UT-3: The proposed project would be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs, and would follow all applicable statutes and regulations related to solid waste. (Less than Significant)**

In September 2015, the City approved an Agreement with Recology, Inc. for the transport and disposal of the City's municipal solid waste at the Recology Hay Road Landfill in Solano County. The City began disposing its municipal solid waste at Recology Hay Road Landfill in January 2016, and that practice is anticipated to continue for approximately nine years, with an option to renew the agreement thereafter for an additional six years. San Francisco set a goal of 75 percent solid waste diversion by 2010, which it exceeded at 80 percent diversion, and currently has a goal of 100 percent solid waste diversion or "zero waste" to landfill or incineration by 2020. San Francisco Ordinance No. 27-06 requires mixed construction and demolition debris to be transported by a Registered Transporter and taken to a Registered Facility that must recover for reuse or recycling and divert from landfill at least 65 percent of all received construction and demolition debris. San

Francisco's Mandatory Recycling and Composting Ordinance No. 100-09 requires all properties and persons in the City to separate their recyclables, compostables, and landfill trash.

The proposed project would incrementally increase total City waste generation; however, the proposed project would be required to comply with San Francisco ordinance numbers 27-06 and 100-09. Due to the existing and anticipated increase of solid waste recycling in the City and the agreement with Recology for diversion of solid waste to the Hay Road Landfill, any increase in solid waste resulting from the proposed project would be accommodated by the existing landfill. Thus, the proposed project would have less-than-significant impacts related to solid waste.

**Impact C-UT-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative impact on utilities and service systems. (Less than Significant)**

The proposed project would not substantially impact utility supply or service. Nearby development would not contribute to a cumulatively substantial effect on the utility infrastructure within the project area. Furthermore, existing service management plans address anticipated growth in the surrounding area and the region. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative impact on utilities and service systems.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>11. PUBLIC SERVICES.</b>					
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the public services such as fire protection, police protection, schools, parks, or other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For a discussion of impacts on parks and recreation facilities, refer to Section E.9, Recreation.

**Impact PS-1: The proposed project would increase demand for police protection, fire protection, and other government services, but not to an extent that would require new or physically altered governmental facilities, the construction of which could cause significant environmental impacts. (Less than Significant)**

The project site receives fire protection and emergency medical services from the San Francisco Fire Department's Fire Station No. 1 at 935 Folsom Street, approximately 0.7 mile southwest of the

project site.<sup>106</sup> The project site receives police protection services from the San Francisco Police Department's Central Police Station at 766 Vallejo Street, approximately 1.0 mile north of the project site.<sup>107</sup> Implementation of the proposed project would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, which may increase the demand for fire protection, emergency medical, and police protection services. This increase in demand would not be substantial given the overall demand for such services on a citywide basis. Fire protection, emergency medical, and police protection resources are regularly redeployed based on need in order to maintain acceptable service ratios. Moreover, the proximity of the project site to Fire Station No. 1 and the Central Police Station would help minimize Fire Department and Police Department response times should incidents occur at the project site. The proposed project may also incrementally increase the demand for other governmental services and facilities, such as libraries. The San Francisco Public Library operates 27 branches throughout San Francisco,<sup>108</sup> and the Main Library at 100 Larkin Street, approximately 1.0 mile southwest of the project site, would accommodate any very minor increase in demand for library services generated by the proposed project. Therefore, impacts on police, fire, and other governmental services would be less than significant.

**Impact PS-2: The proposed project would not substantially increase the population of school-aged children and would not require new or physically altered school facilities. (Less than Significant)**

Implementation of the proposed project would result in the conversion of approximately 119,237 square feet of office, retail and restaurant/bar uses to a 170-room hotel with office, retail, and restaurant/bar uses, which would add a minimum of 170 hotel guests and 186 employees on the project site (a net reduction in employees). No new permanent residents would be added, thus no new demand for schools operated by the San Francisco Unified School District (school district), or private schools in the vicinity, would occur. There would also be fewer employees at the project site than under existing conditions. For these reasons, implementation of the proposed project would not result in a substantial unmet demand for school facilities and would not require the construction of new or alteration of existing school facilities. This impact would be less than significant.

**Impact PS-3: The project would not increase demand for government services, and there would be a less than significant impact on government facilities. (Less than Significant)**

Similar to Impacts PS-1 and PS-2, employees and guests of the project would most likely use existing government services, including libraries, but this increase in demand would be small compared with demand from the existing population and overall service capacity. The proposed

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<sup>106</sup> San Francisco Fire Department website, <http://www.sf-fire.org/index.aspx?page=176#divisions>, accessed March 25, 2018.

<sup>107</sup> San Francisco Police Department website, <http://sanfranciscopolice.org/index.aspx?page=796>, accessed March 25, 2018.

<sup>108</sup> San Francisco Public Library website, <http://sfpl.org/pdf/libraries/sfpl421.pdf>, accessed March 25, 2018.



project would not be of such a magnitude that the demand could not be reasonably accommodated by existing facilities. Therefore, the project would not affect government services to the extent that new or physically altered government facilities would be required. This impact would be less than significant.

**Impact C-PS-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative impact on public services. (Less than Significant)**

Cumulative development in the project vicinity would result in an intensification of land uses and a cumulative increase in the demand for fire protection, police protection, school services, and other public services. The fire department, the police department, the school district, and other city agencies have accounted for such growth in providing public services to the residents of San Francisco. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative impact on public services, and this impact would be less than significant.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>12. BIOLOGICAL RESOURCES:</b>					
<b>Would the project:</b>					
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The project area does not include riparian habitat or other sensitive natural communities, as defined by the California Department of Fish and Wildlife and the U.S. Fish and Wildlife Service. The project area does not contain any wetlands, as defined by Section 404 of the Clean Water Act. The project site is not located within the jurisdiction of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan. Therefore, Topics E.12(b), E.12(c) and E.12(f) will not be discussed further in this section.

**Impact BI-1: The project would not have a substantial adverse effect, either directly or through habitat modifications, on any special-status species. (No Impact)**

The project site is located in a dense urban environment with high levels of human activity. Only common bird species are likely to nest in the area. The project site is currently used as an office building with ground-level retail, and is completely covered by buildings or paved with impervious surfaces. Therefore, the project site does not support, or provide habitat for, any special-status plant or animal species.

The proposed project would include three new street trees along the building's Third Street frontage and four new street trees along the Stevenson Street frontage. The existing trees along the building's Market Street frontage would be retained and protected during construction of the proposed project. No special-status species are known to occur at the project site. The project would therefore have no impacts on special-status species.

**Impact BI-2: The project would not interfere with the movement of native resident or wildlife species or with established native resident or migratory wildlife corridors. (Less than Significant)**

Structures in an urban setting may present risks for birds as they traverse their migratory paths due to building location and/or features. The City has adopted guidelines to address this issue and provided regulations for bird-safe design within the City.<sup>109</sup> The regulations establish bird-safe standards for new building construction, additions to existing buildings, and replacement façades to reduce bird mortality from circumstances that are known to pose a high risk to birds and are considered to be "bird hazards." The two circumstances regulated are 1) location-related hazards

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<sup>109</sup> San Francisco Planning Department. 2011. Standards for Bird Safe Buildings. Available: <http://sf-planning.org/standards-bird-safe-buildings>. Accessed: March 25, 2018.

where the siting of a structure (defined as inside or within 300 feet of an Urban Bird Refuge (open spaces that are 2 acres and larger and dominated by vegetation or open water) creates an increased risk to birds, and 2) feature-related hazards, which may increase risks to birds regardless of where the structure is located. For new building construction where the location-related standard would apply, the façade requirements include no more than 10 percent untreated glazing and minimal lighting. Any lighting that is used must be shielded and prevented from resulting in any uplighting. Feature-related hazards include free-standing glass walls, wind barriers, skywalks, balconies, and greenhouses on rooftops that have unbroken glazed segments 24 square feet or larger in size. Any structure that contains these elements must treat 100 percent of the glazing.

The project site is not located within 300 feet of an Urban Bird Refuge. The standards for location-related hazards would therefore not apply. The project would not include features on rooftops that would have unbroken glazed segments 24 square feet or larger in size, nor would the project include bird hazards related to building features.

The project would also be required to comply with the California Fish and Game Code and the Migratory Bird Treaty Act (MBTA), which protect special-status bird species. Existing street trees could support native nesting birds that are protected under the California Fish and Game Code or the MBTA. Although the existing tree on Market Street would not be directly affected by construction activities, the activities could occur during the breeding season. However, compliance with the requirements of the Fish and Game Code and the MBTA would ensure that there would be no loss of active nests or bird mortality. The requirements include one or more of the following for construction that takes place during the bird nesting season (January 15–August 15):

- Preconstruction surveys will be conducted by a qualified biologist no more than 15 days prior to the start of work during the nesting season to determine if any birds are nesting in or in the vicinity of any vegetation that is to be removed for the construction to be undertaken.
- Any nests that are identified will be avoided, and the qualified biologist will establish a construction-free buffer zone, which is to be maintained until the nestlings have fledged.

Because the project would be subject to and would comply with City-adopted regulations for bird-safe buildings and federal and State migratory and nesting bird regulations, the project would not interfere with the movement of native resident or wildlife species or with established native resident or migratory wildlife corridors. The impacts would be less than significant.

**Impact BI-3: The proposed project would not conflict with the City's local tree ordinance. (Less than Significant)**

The City's Urban Forestry Ordinance, *Public Works Code* Sections 801 et. seq., requires a permit from Public Works to remove any protected trees. Protected trees include landmark trees, significant trees, or street trees located on private or public property anywhere within the territorial limits of the City and County of San Francisco.

The proposed project does not involve the removal of an existing tree. The proposed project would retain the existing street tree in front of the project site and would plant three new street trees along the building's Third Street frontage and four new street trees along the Stevenson Street frontage. Because the proposed project would not conflict with the City's local tree ordinance, this impact would be less than significant.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>13. GEOLOGY AND SOILS. Would the project:</b>					
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:					
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Be located on geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The proposed project would connect to San Francisco's sewer and stormwater collection and treatment system. It would not use a septic water disposal system. Therefore, Topic E.13(e) is not applicable to the project.

The proposed project would use 50 micropiles to supplement the existing foundation, which would require soil disturbance to a depth of 50 feet below ground surface, and would require excavation and removal of up to 40 cubic yards of soil. In the basement, new structural walls would be added as part of a seismic retrofit that would reconfigure existing tenant space by shifting the location of existing storage space and restrooms.

CEQA does not require lead agencies to consider how existing hazards or conditions might impact a project's users or residents, except for specified projects or where the project would significantly exacerbate an existing environmental hazard. Accordingly, hazards resulting from a project that places development in an existing or future seismic hazard area or an area with unstable soils are not considered impacts under CEQA unless the project would significantly exacerbate the seismic hazard or unstable soil conditions. Thus, the analysis below evaluates whether the proposed project would exacerbate future seismic hazards or unstable soils at the project site and result in a substantial risk of loss, injury, or death. The impact is considered significant if the proposed project would exacerbate existing or future seismic hazards or unstable soils by increasing the severity of these hazards that would occur or be present without the project.

This section describes the geology, soils, and seismicity characteristics of the project area as they relate to the proposed project, and relies on the information and findings provided in a geotechnical investigation that was conducted for the project site and proposed project.<sup>110</sup> The geotechnical investigation included a site visit, a review of available geologic and geotechnical data for the site vicinity, an excavation of a test pit to evaluate foundation stiffness, an engineering analysis of the proposed project in the context of geologic and geotechnical site conditions, and project-specific design and construction recommendations.

The project site is anticipated to be underlain by about 15 feet of sandy fill. The fill is likely underlain by sand over a marsh deposit, which is between 3 to 15 feet thick. The marsh deposit is underlain by medium dense to very dense sand bedrock is on the order of 200 feet below ground surface. Groundwater was previously observed in the site vicinity at depths between 20 and 30 feet below ground surface, and is expected to fluctuate seasonally.

The existing building is supported by a column foundation, on shallow spread footing bearing on steel beam grillage in sand. Any new loads provided by the seismic retrofit of the existing building as part of the proposed project may need to be supplemented by additional foundations. The report noted the micropiles were being considered to supplement the foundation, and provided recommendations on micropile spacing, and also recommended that micropiles be double corrosion protected. The report also noted that the project site is within the BART zone of influence, as it is adjacent to BART infrastructure underlying Market Street, which will require review of the project plans by BART staff. BART requires engineering evaluation of the potential impacts that

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<sup>110</sup> Langan Engineering and Environmental Services, Inc., *Geotechnical Engineering Services, Heart Building Seismic Retrofit, 5 Third Street, San Francisco, California, Project No. 731682301, March 2017.*

any changes to the existing load conditions within the BART zone of influence may have on BART facilities. Micropiles are typically 6- to 12-inches in diameter. It is anticipated the proposed project would utilize micropiles approximated 8-inches in diameter to a depth of 50 feet below ground surface. The actual width and depth of the micropiles would be determined in the filed by the geotechnical engineer during micropile installation. As described below, the project sponsor would be required to comply with the San Francisco Building Code. As part of the building permit review process, project plans would be reviewed for conformance with the geotechnical investigation recommendations for the proposed project. In addition, the building department would not issue the permit without confirmation from BART either that a construction permit has been issued or that a construction permit would not be required, since construction activities would occur within the BART Zone of Influence.

**Impact C-GE-1: The proposed project would not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, strong seismic ground shaking, seismic-related ground failure, or landslides, and would not be located on unstable soil that could result in lateral spreading, subsidence, liquefaction, or collapse. (Less than Significant)**

#### **Fault Rupture**

There are no known active faults intersecting the project site and the site is not within an Earthquake Fault Zone. Therefore, the potential of surface rupture occurring at the site is very low. As such, the proposed project would not exacerbate the potential for surface rupture and therefore would have no impact on fault ruptures.

#### **Strong Seismic Ground Shaking**

The San Francisco Bay Area is a seismically active region. The project site is located approximately 9.5 miles northeast of the San Andreas Fault. According to the U.S. Geological Survey, the overall probability of a magnitude 6.7 or greater earthquake to occur in the San Francisco Bay Area during the next thirty years is 72 percent.<sup>111</sup> Therefore, it is probable that a strong to very strong earthquake would affect the proposed project during its lifetime. The severity of the event would depend on a number of conditions, including distance to the epicenter, depth of movement, length of shaking, and the properties of underlying materials. However, the proposed project would be required to comply with the California Building Code (state building code, California Code of Regulations, Title 24) and the San Francisco Building Code, described in more detail below, which ensure the safety of all new construction in the State and City, respectively. Therefore, the proposed project would not have the potential to exacerbate seismic-related ground shaking, and as a result, would have a less-than-significant impact on strong seismic ground shaking.

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<sup>111</sup> U.S. Geological Survey, *What is the Probability that an Earthquake will Occur in the Los Angeles Area? In the San Francisco Bay Area?* Available: [https://www.usgs.gov/faqs/what-probability-earthquake-will-occur-los-angeles-area-san-francisco-bay-area?qt-news\\_science\\_products=0#qt-news\\_science\\_products](https://www.usgs.gov/faqs/what-probability-earthquake-will-occur-los-angeles-area-san-francisco-bay-area?qt-news_science_products=0#qt-news_science_products), Accessed: June, 2018.

## Liquefaction and Lateral Spreading

Liquefaction and lateral spreading of soils can occur when ground shaking causes saturated soils to lose strength due to an increase in pore pressure. According to the California Geological Survey, the project site is within a designated liquefaction hazard zone.<sup>112</sup> As a result, site design and construction must comply with the Seismic Hazards Mapping Act (seismic hazard act),<sup>113</sup> its implementing regulations, and the California Department of Conservation's guidelines for evaluating and mitigating seismic hazards. The seismic hazard act, enacted in 1990, protects public safety from the effects of strong ground shaking, liquefaction, landslides, or other ground failures or hazards caused by earthquakes. In addition to the seismic hazard act, adequate investigation and mitigation of failure-prone soils is also required by the mandatory provisions of the California Building Code. The San Francisco Building Code has adopted the state building code with certain local amendments. The regulations implementing the seismic hazard act include criteria for approval of projects within seismic hazard zones that require that a project be approved only when the nature and severity of the seismic hazards at the site have been evaluated in a geotechnical report and appropriate mitigation measures have been proposed and incorporated into the project, as applicable.

The proposed project is required to conform to the local building code, which ensures the safety of all new construction in the City. In particular, Chapter 18 of state building code, Soils and Foundations, provides the parameters for geotechnical investigations and structural considerations in the selection, design and installation of foundation systems to support the loads from the structure above. Section 1803 sets forth the basis and scope of geotechnical investigations conducted. Section 1804 specifies considerations for excavation, grading and fill to protect adjacent structures and prevent destabilization of slopes due to erosion and/or drainage. In particular, Section 1804.1, which addresses excavation near foundations, requires that adjacent foundations be protected against a reduction in lateral support as a result of project excavation. This is typically accomplished by underpinning or protecting said adjacent foundations from detrimental lateral or vertical movement, or both. Section 1807 specifies requirements for foundation walls, retaining walls, and embedded posts and poles to ensure stability against overturning, sliding, and excessive pressure, and water lift including seismic considerations. Sections 1808 (foundations) and 1810 (deep foundations) specify requirements for foundation systems such that the allowable bearing capacity of the soil is not exceeded and differential settlement is minimized based on the most unfavorable loads specified in Chapter 16, Structural, for the structure's seismic design category and soil classification at the project site.

The Department of Building Inspection (DBI) would review the project-specific geotechnical report during its review of the building permit for the project. In addition, DBI may require additional

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<sup>112</sup> California Geological Survey, *State of California Seismic Hazard Zones, City and County of San Francisco (Map Scale 1:24,000)*, November 17, 2000.

<sup>113</sup> The Seismic Hazards Mapping Act is found in Public Resources Code 2690, *et seq.*

site specific soils report(s) through the building permit application process, as needed. The DBI requirement for a geotechnical report and review of the building permit for conformance with recommendations in the geotechnical report(s) pursuant to DBI's implementation of the Building Code, local implementing procedures, and state laws, regulations and guidelines would ensure that the proposed project would not exacerbate the potential for seismic-related ground failure. Therefore, impacts would be less than significant.

### **Landslides**

According to the California Geological Survey, the project site is not within a designated earthquake-induced landslide hazard zone.<sup>114</sup> Nonetheless, as previously discussed, the proposed project would be required to comply with the California Building Code and the San Francisco Building Code, which would ensure that the proposed project would not exacerbate the potential for landslide hazards. Therefore, impacts would be less than significant.

### **Impact GE-2: The proposed project would not result in substantial soil erosion or the loss of topsoil. (Less than Significant)**

The project site is fully developed and entirely occupied by the Hearst Building. For these reasons, the proposed project would not result in the loss of topsoil. Excavation activities for micropile installation would disturb soil to a depth of 50 feet below ground surface, which could create the potential for windborne and waterborne soil erosion. Sloping terrain is more susceptible to soil erosion than flat terrain. Since the project site is flat, construction activities would not result in substantial soil erosion. In addition, the construction contractor would be required to implement best management practices to prevent erosion and discharge of sediment into construction site stormwater runoff (see Section E.14, Hydrology and Water Quality). This impact would be less than significant, and no mitigation measures are necessary.

### **Impact GE-3: The proposed project site would not be located on a geologic unit or soil that is unstable, or that could become unstable as a result of the project. (Less than Significant)**

The project site and adjacent sites do not include hills or cut slopes that are likely to be subject to landslide. However, as discussed above in under Impact GE-1, the project site is within a state-designated liquefaction hazard zone and, as a result, the proposed project would be required to comply with the Seismic Hazards Mapping Act, as well as the mandatory provisions of the California Building Code and San Francisco Building Code. Adherence to these requirements would ensure that the project sponsor adequately addresses any potential impacts related to unstable soils as part of the design-level geotechnical investigation prepared for the proposed project. Therefore, any potential impacts related to unstable soils would be less than significant, and no mitigation measures are necessary.

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<sup>114</sup> California Geological Survey, *State of California Seismic Hazard Zones, City and County of San Francisco (Map Scale 1:24,000)*, November 17, 2000.



**Impact GE-4: The proposed project would not create substantial risks to life or property as a result of being located on expansive soil. (Less than Significant)**

Expansive soils expand and contract in response to changes in soil moisture, most notably when nearby surface soils change from saturated to a low-moisture content condition and back again. The expansion potential of the project site soil, as measured by its plasticity index, has not yet been determined. Nonetheless, the San Francisco Building Code would require an analysis of the project site's potential for soil expansion impacts and, if applicable, implementation of measures to address them as part of the design-level geotechnical investigation prepared for the proposed project. Therefore, potential impacts related to expansive soils would be less than significant, and no mitigation measures are necessary.

**Impact GE-5: The proposed project would not substantially change the topography or any unique geologic or physical features of the site. (No Impact)**

The project site is relatively flat and currently developed with the Hearst Building that covers the entire site; there are no unique geologic or physical features at the project site. Therefore, the proposed project, which would convert approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, would have no impact on the general topography or any unique geologic or physical features of the site.

**Impact GE-6: The proposed project would not directly or indirectly destroy a unique paleontological resource or site. (No Impact)**

Paleontological resources include fossilized remains or traces of mammals, plants, and invertebrates, as well as their imprints. Such fossil remains, as well as the geological formations that contain them, are also considered a paleontological resource. Together, they represent a limited, non-renewable scientific and educational resource. The potential to affect fossils varies with the depth of disturbance, construction activities and previous disturbance.

The proposed project would include soil disturbance to a depth of up to 50 feet below ground surface to install 50 micropiles. Up to 40 cubic yards of soil would be excavated. All excavation would occur within the existing building envelope.

The bedrock that underlies the project site may be fossiliferous. However, the proposed project does not include substantial ground disturbance at these levels. Accordingly, impacts to paleontological resources during ground-disturbing activities would be less than significant, and no mitigation measures are necessary.

**Impact C-GE-1: The proposed project, in combination with the past, present, and reasonably foreseeable future projects in the vicinity of the project site, would not result in a cumulative impacts related to geology and soils. (Less than Significant)**

Geology and soils impacts are generally site-specific and localized. Past, present, and foreseeable cumulative projects could require various levels of excavation or cut-and-fill, which could affect local geologic conditions. As noted above, the San Francisco Building Code regulates construction in the City and County of San Francisco, and all development projects would be required to comply

with its requirements to ensure maximum feasible seismic safety and minimize geologic impacts. Site-specific measures would also be implemented, as site conditions warrant, to reduce any potential impacts from unstable soils, ground shaking, liquefaction, or lateral spreading. The cumulative development projects identified in the “Cumulative Setting” section above would be subject to the same seismic safety standards and design review procedures applicable to the proposed project, and are not located adjacent to the project site. Therefore, the proposed project would not combine with cumulative development projects to create or contribute to a cumulative impact related to geology and soils and cumulative impacts would be less than significant, and no mitigation measures are necessary.

<b>Topics:</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>	<b>Not Applicable</b>
<b>14. HYDROLOGY AND WATER QUALITY. Would the project:</b>					
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other authoritative flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact HY-1: The proposed project would not violate any water quality standards or waste discharge requirements or otherwise substantially degrade water quality. (Less than Significant)**

Project-related wastewater and stormwater would flow to the City's combined stormwater/sewer system and would be treated to standards contained in the City's NPDES Permit for the Southeast Water Pollution Control Plant prior to discharge into San Francisco Bay. The NPDES standards are set and regulated by the RWQCB. Therefore, the proposed project would not conflict with RWQCB requirements.

As discussed under Section E.13, Geology and Soils, groundwater is approximately 20 to 30 feet below ground surface and would be encountered at the planned excavation depth of 50 feet. However, micropile installation can occur without dewatering, and dewatering for the proposed project is unlikely be necessary during construction. Nevertheless, if, any groundwater is encountered during construction, it would be discharged into the combined stormwater/sewer system subject to the requirements of the San Francisco Sewer Use Ordinance (Ordinance No. 19-92, amended by Ordinance No. 116-97), as supplemented by Department of Public Works Order No. 158170. These regulations require a permit from the Wastewater Enterprise Collection System Division of the San Francisco Public Utilities Commission (SFPUC). A permit may be issued only if an effective pretreatment system is maintained and operated. Each permit for such discharge shall contain specified water quality standards and may require the project sponsor to install and maintain meters to measure the volume of the discharge to the combined sewer system.

Construction activities such as excavation would expose soil and could result in erosion and excess sediments being carried in stormwater runoff to the combined stormwater/sewer system. In addition, stormwater runoff from temporary on-site use and storage of vehicles, fuels, waste, and other hazardous materials could carry pollutants to the combined stormwater/sewer system if proper handling methods are not employed. Runoff from the project site would drain into the City's combined stormwater/sewer system, ensuring that such runoff is properly treated at the Southeast Treatment Plant before being discharged into San Francisco Bay.

For these reasons, the proposed project would not violate any water quality standards or waste discharge requirements or otherwise substantially degrade water quality. This impact would be less than significant, and no mitigation measures are necessary.

**Impact HY-2: The proposed project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level. (Less than Significant)**

As discussed under Section E.13, Geology and Soils, groundwater is approximately 20 to 30 feet below ground surface and may be encountered at the planned micropile excavation depth of 50 feet; thus, dewatering for the proposed project is unlikely to be necessary during construction. However, if groundwater were encountered during onsite excavation, dewatering activities would be necessary. Construction dewatering, if necessary, would represent a temporary condition on the underlying groundwater table. The project would not require long-term dewatering, and does not propose to extract any underlying groundwater supplies. In addition, the project site is located in the Downtown San Francisco Groundwater Basin. This basin is not used as a drinking water supply and there are no plans for development of this basin for groundwater production. For these reasons, the proposed project would not deplete groundwater supplies or substantially interfere with groundwater recharge. This impact would be less than significant, and no mitigation measures are necessary.

**Impact HY-3: The proposed project would not substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, would not substantially increase the rate or amount of surface runoff in a manner that would result in substantial erosion, siltation, or flooding on- or off-site, and would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. (Less than Significant)**

The project site is completely covered by impervious surfaces, with the exception of a street tree on Market Street along the building frontage. The project site is fully developed and entirely occupied by the Hearst Building. The proposed project, which would result in the conversion of approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses, would not affect the amount of impervious surfaces, aside from planting three new street trees along the building's Third Street frontage and four new street trees along the Stevenson Street frontage, which would slightly reduce impervious surfaces. Implementation of the proposed project would not alter drainage patterns in a manner that would result in substantial erosion, siltation, or flooding. Runoff from the project site would continue to drain into the City's combined stormwater/sewer system. Compliance with the City's Stormwater Management Ordinance would ensure that the proposed project would not create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. This impact would be less than significant, and no mitigation measures are necessary.

**Impact HY-4: The proposed project would not place housing within a 100-year flood hazard area and would not place structures that would impede or redirect flood flows within a 100-year flood hazard area. (No Impact)**

The proposed project would not place housing within a 100-year flood hazard area and would not place structures that would impede or redirect flood flows within a 100-year flood hazard area. The project site is outside of areas identified by the SFPUC as prone to flooding during storms when storm flows exceed the capacity of the combined sewer system.<sup>115</sup> Therefore, there would be no impact, and no mitigation measures are necessary.

**Impact HY-5: The proposed project would not expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam, or involving inundation by seiche, tsunami, or mudflow. (Less than Significant)**

A seiche is a periodic oscillation (rise and fall) of the surface of an enclosed or semi-enclosed body of water that can be caused by atmospheric or seismic disturbances. Tidal records for San Francisco Bay show that the 1906 earthquake caused a seiche of approximately four inches. A temporary four-inch rise in the water level of San Francisco Bay would not reach the project site, which is approximately three-quarters of a mile southwest of the nearest shoreline. For these reasons, the proposed project would not be at risk of inundation by seiche. As shown on Map 5, Tsunami Hazard Zones, San Francisco, 2012, in the Community Safety Element of the *General Plan*, the project site is not in a tsunami hazard zone, so the proposed project would not be at risk of inundation by tsunami.<sup>116</sup> The project site is not in a landslide zone, so the proposed project would not be at risk of inundation by mudflow.<sup>117</sup> Therefore, Topic E.14j is not applicable to the proposed project.

**Impact C-HY-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative impact related to hydrology and water quality. (Less than Significant)**

Cumulative development in the project vicinity would result in an intensification of land uses, a cumulative increase in water consumption, and a cumulative increase in wastewater generation. The SFPUC has accounted for such growth in its service projections. Nearby cumulative development projects would be subject to the same water conservation, stormwater management, and wastewater discharge ordinances applicable to the proposed project. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects

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<sup>115</sup> San Francisco Planning Department, Planning Director Bulletin No. 4: Review of Projects in Areas Prone to Flooding, April 2007. Available online at [http://www.sf-planning.org/ftp/files/publications\\_reports/DB\\_04\\_Flood\\_Zones.pdf](http://www.sf-planning.org/ftp/files/publications_reports/DB_04_Flood_Zones.pdf), accessed January 2018.

<sup>116</sup> San Francisco Planning Department, San Francisco General Plan, Community Safety Element, p. 15. Available online at [http://www.sf-planning.org/ftp/General\\_Plan/Community\\_Safety\\_Element\\_2012.pdf](http://www.sf-planning.org/ftp/General_Plan/Community_Safety_Element_2012.pdf), accessed January 2018.

<sup>117</sup> San Francisco Planning Department, GIS database geology layer, accessed January 2018.

in the project vicinity to create a significant cumulative impact related to hydrology and water quality.

<u>Topics:</u>	<u>Potentially Significant Impact</u>	<u>Less Than Significant with Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	<u>Not Applicable</u>
<b>15. HAZARDS AND HAZARDOUS MATERIALS. Would the project:</b>					
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The project site is not located within an airport land use plan area or in the vicinity of a private airstrip. Therefore, Topics E.15(e) and E.15(f) are not applicable.

**Impact HZ-1: The proposed project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. (Less than Significant)**

The proposed project's hotel, office, retail and restaurant/bar uses would involve the use of relatively small quantities of hazardous materials such as cleaners and disinfectants for routine purposes. These products are labeled to inform users of potential risks and to instruct them in appropriate handling procedures. Most of these materials are consumed through use, resulting in relatively little waste. For these reasons, the proposed project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. This impact would be less than significant, and no mitigation measures are necessary.

**Impact HZ-2: The project site is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5; however, the proposed project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. (Less than Significant)**

The project site is on a list of hazardous materials sites compiled by the California Department of Toxic Substance Control pursuant to Government Code Section 65962.5. According to the State Water Resource Control Board, the site was listed as containing a leaking underground storage tank in 1996, but the case was abated in 1999.<sup>118</sup> In addition, the project site is located in a Maher Area, meaning that it is known or suspected to contain contaminated soil and/or groundwater.<sup>119</sup> If the proposed project were to disturb at least 50 cubic yards of soil, and the site history indicated that hazardous substances may be present, the proposed project would be required to enroll in the Maher program.

The foundation reinforcement for the proposed project would require approximately 50 micropiles, which would be about 8 inches in diameter. The micropile installation would require excavation to a depth of approximately 50 feet in depth, which would require excavation and removal of up to 40 cubic yards of soil.<sup>120</sup> As the proposed project would remove less than 50 cubic yards of soil and the project does not propose sensitive land uses, it would not be subject to Health Code Article 22A (also known as the Maher Ordinance), which is administered and overseen by the Department of Public Health (public health department). For the reasons described above, this impact would be less than significant, and no mitigation measures are necessary.

**Impact HZ-3: The proposed project would not emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school. (No Impact)**

The closest school to the project site is Notre Dame Des Victoires School, located on Pine Street between Stockton Street and Grant Avenue, which is approximately a third of a mile from the project

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<sup>118</sup> State Water Resource Control Board, Leaking Underground Tank Sites, Geotracker, , The Hearst Corporation (T0607501172), 38-1287 (Regional Board), 11164 (Local Agency). Added to list: May 23, 1996. Case Closed: October 8, 1999. Available online at: <https://geotracker.waterboards.ca.gov>, accessed July 31, 2018

<sup>119</sup> San Francisco Planning Department, *Expanded Maher Area Map*, March 2015. Available online at [http://www.sfplanning.org/ftp/files/publications\\_reports/library\\_of\\_cartography/Maher%20Map.pdf](http://www.sfplanning.org/ftp/files/publications_reports/library_of_cartography/Maher%20Map.pdf), accessed June 15, 2018.

<sup>120</sup> Conservatively assuming the micropiles remove the full volume of the soil they replace.

site. No schools are currently planned within a one-quarter mile of the project site. As there are no existing or proposed schools within one-quarter mile of the project site, there would be no impact.

**Impact HZ-4: The proposed project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan and would not expose people or structures to a significant risk of loss, injury, or death involving fires. (Less than Significant)**

San Francisco ensures fire safety primarily through provisions of the Building and Fire Codes. Final building plans would be reviewed and approved by the San Francisco Fire Department (as well as the Department of Building Inspection), to ensure conformance with these provisions. In this way, potential fire hazards, including those associated with hydrant water pressures and emergency access would be mitigated during the permit review process. Compliance with fire safety regulations would ensure that the proposed project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan or expose people or structures to a significant risk of loss, injury, or death involving fires.

Implementation of the proposed project could add incrementally to transportation conditions in the immediate area in the event of an emergency evacuation. As discussed in Section E.4 above, the proposed project would have a contribution to traffic conditions that would not be substantial within the context of the dense urban setting of the project site, and it is expected that project-related traffic would be dispersed within the existing street grid, such that there would be no significant adverse impacts on transportation conditions. Therefore, the proposed project would not impair implementation of, or physically interfere with, an adopted emergency response plan or emergency evacuation plan. This impact would be less than significant, and no mitigation measures are necessary.

**Impact C-HZ-1: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in a cumulative impact related to hazards and hazardous materials. (Less than Significant)**

Environmental impacts related to hazards and hazardous materials are generally site-specific. Nearby cumulative development projects would be subject to the same fire safety and hazardous materials cleanup ordinances applicable to the proposed project. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative impact related to hazards and hazardous materials.



<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>16. MINERAL AND ENERGY RESOURCES. Would the project:</b>					
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

All land in San Francisco, including the project site, is designated Mineral Resource Zone 4 (MRZ-4) by the California Division of Mines and Geology (CDMG) under the Surface Mining and Reclamation Act of 1975.<sup>121</sup> This designation indicates that there is inadequate information available for assignment to any other MRZ, and thus, the project site is not a designated area of significant mineral deposits. Further, according to the General Plan, no significant mineral resources exist in San Francisco. No operational mineral resource recovery sites exist in the project area. Therefore, Topics E.16(a) and E.16(b) are not applicable to the project.

**Impact ME-1: The project would not encourage activities that would result in the use of large amounts of fuel, water, or energy or use these resources in a wasteful manner. (Less than Significant)**

The proposed project would result in the conversion of approximately 119,237 square feet of office and retail space to a 170 room hotel with office and retail, including new restaurant/bar uses. Electricity would be required during excavation and construction activities to operate necessary machinery and equipment. Construction vehicles and equipment would use primarily diesel fuel, and construction workers' vehicles would primarily use gasoline and diesel to commute. Construction activities would not result in a demand for electricity or fuels that would be greater than that of any other similar project in the region. Construction-related energy use would not be large or wasteful relative to similar projects or energy use in the region as a whole. Therefore, the construction-related impacts of the project related to fuel, water, or energy use would be less than significant.

Operation of the proposed hotel building would not result in wasteful use of fuel, water, or energy. The GHG analysis includes a description of the energy-conservation measures that would be implemented under the project. The project would use energy produced in regional power plants

<sup>121</sup> California Division of Mines and Geology. 1996. Open File Report 96 03 and Special Report 146, Parts I and II. Available: <http://www.conservation.ca.gov/cgs/minerals/mlc/Pages/index.aspx>.

from hydropower, natural gas, coal, and nuclear fuels and would not use substantial quantities of other nonrenewable natural resources. The project would meet or exceed current state and local energy conservation standards, including the City's Green Building Code and Title 24 of the California Code of Regulations, which is enforced by the San Francisco Department of Building Inspection (building department). Although the project would increase demand for energy, the project-generated demand would be typical for a project of this size and negligible in the context of the overall consumer demand in San Francisco and the state. As such, operations-related energy use would not be large or wasteful. Operations-related impacts of the project related to fuel, water, or energy use would be less than significant, and no mitigation measures are necessary.

**Impact-C-ME-1: The project, in combination with past, present, and reasonably foreseeable future projects in the vicinity of the project site, would increase the use of fuel, water resources, and energy, but not in a wasteful manner. (Less than Significant)**

The project-generated demand for electricity would be negligible in the context of overall demand within San Francisco, the greater Bay Area, and the state and would not in and of itself require any expansion of power facilities. The City plans to reduce GHG emissions to 25 percent below 1990 levels by 2017 and ultimately reduce GHG emission to 80 percent below 1990 levels by 2050, which would be achieved through a number of different strategies, including energy efficiency. While several other projects in the vicinity would require energy and resources, compliance with the existing plans and conservation ordinances would ensure that a significant cumulative impact would not occur. Because San Francisco is substantially built out, development in the city's urban core focuses on densification, which effectively reduces per capita use of energy and fuel by concentrating utilities and services in locations where they can be used efficiently. Similarly, the City and County of San Francisco recognizes the need for water conservation and has instituted programs and policies to maximize water conservation. San Francisco has one of the lowest per capita water use rates in the state<sup>122</sup> and routinely implements water conservation measures through code requirements and policy. Therefore, the proposed project would not contribute considerably to a significant cumulative energy impact.

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<sup>122</sup> San Francisco Public Utilities Commission, Annual Water Report, 2015-2016 Available at <https://view.joomag.com/water-resources-division-annual-report-fy-2015%202016/0871482001480967586?shor>. Accessed August 10, 2018.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
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#### 17. AGRICULTURE AND FORESTRY RESOURCES:

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.

##### Would the project:

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The proposed project is within an urbanized area in the City and County of San Francisco that does not contain any Prime Farmland, Unique Farmland, or Farmland of Statewide Importance; designated forest land or timberland; or land under Williamson Act contract. The area is not zoned for any agricultural uses. Therefore, Topics E.17(a), E.17(b), E.17(c), E.17(d), and E.17(e) are not applicable to the proposed project.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>18. MANDATORY FINDINGS OF SIGNIFICANCE—</b>					
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

As discussed in Sections E.1 through E.17, impacts resulting from the proposed project are anticipated to be less than significant or less than significant with mitigation, in the case of cultural resources, noise, and air quality.

As described in Section E.3, Cultural Resources, the proposed project could result in a substantial adverse change on archeological resources, including tribal cultural resources. In addition, the proposed project could disturb human remains. However, implementation of Mitigation Measure M-CR-3, Archeological Testing, would reduce the impact to a less-than-significant level. Therefore, the proposed project would not result in a significant impact through the elimination of important examples of major periods of California history or prehistory.

As described in Section E.5, Noise, the proposed project could result in substantial temporary or permanent increase in ambient noise levels. However, with the implementation of Mitigation Measures M-NO-1a (Outdoor Fixed Noise Minimization), M-NO-1b (4<sup>th</sup> Floor Terrace Noise Minimization), and M-NO-1c (Rooftop Deck Noise Minimization), the proposed project would reduce the project’s impact to both temporary and permanent ambient noise to a less-than-significant level.

As discussed in Section E.6, Air Quality, the proposed project is located in an area that already experiences poor air quality. Project construction would add new sources of toxic air contaminants within an area already adversely affected by poor air quality, and would add a new backup generator, both of which would result in a considerable contribution to cumulative health risk impacts on nearby sensitive receptors, which would cause substantial adverse effects on human

beings. However, implementation of Mitigation Measures M-AQ-2 and M-AQ-4 would reduce the project's contribution to cumulative air quality impacts to a less-than-significant level.

In summary, both short-term and long-term project-level and cumulative environmental effects, including substantial adverse effects on human beings, associated with the proposed project would be less than significant or less than significant with mitigation, as discussed under each environmental topic.

Note: Authority cited: Sections 21083 and 21083.05, 21083.09 Public Resources Code. Reference: Section 65088.4, Gov. Code; Sections 21073, 21074 21080(c), 21080.1, 21080.3, 21083, 21083.05, 21083.3, 21080.3.1, 21080.3.2, 21082.3, 21084.2, 21084.3, 21093, 21094, 21095, and 21151, Public Resources Code; Sundstrom v. County of Mendocino, (1988) 202 Cal.App.3d 296; Leonoff v. Monterey Board of Supervisors, (1990) 222 Cal.App.3d 1337; Eureka Citizens for Responsible Govt. v. City of Eureka (2007) 147 Cal.App.4th 357; Protect the Historic Amador Waterways v. Amador Water Agency (2004) 116 Cal.App.4th at 1109; San Franciscans Upholding the Downtown Plan v. City and County of San Francisco (2002) 102 Cal.App.4th 656.

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## F. MITIGATION MEASURES AND IMPROVEMENT MEASURES

### Mitigation Measures:

The following mitigation measures have been identified to reduce potentially significant environmental impacts resulting from the proposed project to less-than-significant levels.

#### **Mitigation Measure M-CR-2: Archeological Testing**

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 Department Qualified Archaeological Consultants List (QACL) maintained by the Planning Department archaeologist. The project sponsor shall contact the Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less than significant level potential effects on a significant archeological resource as defined in CEQA Guidelines Sect. 15064.5 (a) and (c).

*Consultation with Descendant Communities:* On discovery of an archeological site<sup>123</sup> associated with descendant Native Americans, the Overseas Chinese, or other potentially interested descendant group an appropriate representative<sup>124</sup> of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to offer recommendations to the ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archaeological Resources Report shall be provided to the representative of the descendant group.

*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 potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.

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:

- C) The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or

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<sup>123</sup> By the term “archeological site” is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

<sup>124</sup> An “appropriate representative” of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and in the case of the Overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the Department archeologist.

- D) A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

*Archeological Monitoring Program.* If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:

- The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils- disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archaeological resources and to 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), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource;
- 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 soils-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving or deep foundation activities (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile driving or deep foundation activities may affect an archeological resource, the pile driving or deep foundation activities shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.

Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.

*Archeological Data Recovery Program.* The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *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.

*Human Remains, Associated or Unassociated Funerary Objects.* The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The ERO shall also be



immediately notified upon discovery of human remains. The archeological consultant, project sponsor, ERO, and MLD shall have up to but not beyond six days after the discovery to make all reasonable efforts to develop an agreement for the treatment of human remains and associated or unassociated funerary objects with appropriate dignity (CEQA Guidelines, Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, 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 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 an agreement has been made or, otherwise, as determined by the archeological consultant and the ERO. If no agreement is reached State regulations shall be followed including the reinternment of the human remains and associated burial objects with appropriate dignity on the property in a location not subject to further subsurface disturbance (Pub. Res. Code Sec. 5097.98).

*Final Archeological Resources Report.* The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.

Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one bound, one unbound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.

### **Mitigation Measure M-CR-3: Tribal Cultural Resources Interpretive Program**

If the ERO determines that a significant archeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the ERO determines that the resource constitutes a tribal cultural resource (TCR) and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible.

If the ERO determines that preservation-in-place of the TCR is both feasible and effective, then the archeological consultant shall prepare an archeological resource preservation plan (ARPP). Implementation of the approved ARPP by the archeological consultant shall be required when feasible.

If the ERO, in consultation with the affiliated Native American tribal representatives and the project sponsor, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, 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.

#### **Mitigation Measure M-NO-1a: Outdoor Fixed Noise Minimization**

In order to meet the requirements of the Noise Ordinance, a reduction of up to 11 dBA would be required during operation of outdoor noise generating equipment for HVAC equipment, and up to 31 dBA would be required for emergency generator use. The project sponsor shall ensure that a combination of the following noise-reducing measures shall be used to meet the requirements:

- Equipment can be selected with lower noise emission levels. There can be 10 dBA variability among models and manufacturers for equipment achieving the same function and performance;
- Equipment can be located away from the property line where feasible; moving equipment to 50 feet instead of 20 feet from the property line could reduce the noise by 8 dBA;
- Internal acoustic mufflers can be used to lower exhaust noise emission levels by 3 to 5 dBA;
- An acoustic enclosure can be used to reduce the noise by 5 to 20 dBA.

The project sponsor shall provide documentation demonstrating the combination of measures chosen to achieve the required noise reduction to the Planning Department prior to the issuance of the certificate of occupancy.

**Mitigation Measure M-NO-1b: 4<sup>th</sup> Floor Terrace Noise Minimization**

In order to reduce potential noise impacts from hotel guests, visitors, and events held on the 4<sup>th</sup> floor terrace, the project sponsor shall ensure that all amplified sound shall be limited to no louder than 69 dBA and 80 dBC at the roof parapet line, irrespective of loudspeaker equipment or configuration.

**Mitigation Measure M-NO-1c: Rooftop Deck Noise Minimization**

In order to reduce potential noise impacts from hotel guests, visitors, and events held on the rooftop deck, the project sponsor shall ensure that all amplified sound shall be limited to no louder than 69 dBA and 80 dBC at the east property line just beyond the roof parapet, irrespective of loudspeaker equipment or configuration.

**Mitigation Measure M-AQ-2: Construction Air Quality**

The project sponsor or the project sponsor's Contractor shall comply with the following:

A. *Engine Requirements.*

1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and have been retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement.
2. Where access to alternative sources of power are available, portable diesel engines shall be prohibited.
3. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than two minutes, at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions, safe operating conditions). The Contractor shall post legible and visible signs in English, Spanish, and Chinese, in designated queuing areas and at the construction site to remind operators of the two minute idling limit.
4. The Contractor shall instruct construction workers and equipment operators on the maintenance and tuning of construction equipment, and require that such workers and operators properly maintain and tune equipment in accordance with manufacturer specifications.

B. *Waivers.*

1. The Planning Department's Environmental Review Officer or designee (ERO) may waive the alternative source of power requirement of Subsection (A)(2) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the Contractor must submit documentation that the equipment used for onsite power generation meets the requirements of Subsection (A)(1).
2. The ERO may waive the equipment requirements of Subsection (A)(1) if: a particular piece of off-road equipment with an ARB Level 3 VDECS is technically not feasible; the equipment would not produce desired emissions reduction due to expected operating modes; installation of the equipment would create a safety hazard or impaired visibility for the operator; or, there is a compelling emergency need to use off-road equipment that is not retrofitted with an ARB Level 3 VDECS. If the ERO grants the waiver, the Contractor must use the next cleanest piece of off-road equipment, according to Table A below.

Table A – Off-Road Equipment Compliance Step-down Schedule

Compliance Alternative	Engine Emission Standard	Emissions Control
1	Tier 2	ARB Level 2 VDECS
2	Tier 2	ARB Level 1 VDECS
3	Tier 2	Alternative Fuel*

How to use the table: If the ERO determines that the equipment requirements cannot be met, then the project sponsor would need to meet Compliance Alternative 1. If the ERO determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 1, then the Contractor must meet Compliance Alternative 2. If the ERO determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 2, then the Contractor must meet Compliance Alternative 3.

\*\* Alternative fuels are not a VDECS.

- C. *Construction Emissions Minimization Plan.* Before starting on-site construction activities, the Contractor shall submit a Construction Emissions Minimization Plan (Plan) to the ERO for review and approval. The Plan shall state, in reasonable detail, how the Contractor will meet the requirements of Section A.

1. The Plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed, the description may include: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used.
  2. The project sponsor shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall include a certification statement that the Contractor agrees to comply fully with the Plan.
  3. The Contractor shall make the Plan available to the public for review on-site during working hours. The Contractor shall post at the construction site a legible and visible sign summarizing the Plan. The sign shall also state that the public may ask to inspect the Plan for the project at any time during working hours and shall explain how to request to inspect the Plan. The Contractor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right-of-way.
- D. *Monitoring.* After start of Construction Activities, the Contractor shall submit quarterly reports to the ERO documenting compliance with the Plan. After completion of construction activities and prior to receiving a final certificate of occupancy, the project sponsor shall submit to the ERO a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the Plan.

**Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators**

The project sponsor shall ensure that the backup diesel generator meet or exceed one of the following emission standards for particulate matter: (1) Tier 4 certified engine, or (2) Tier 2 or Tier 3 certified engine that is equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The project sponsor shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.

### Improvement Measures:

The following improvement measures have been identified to further reduce less-than-significant environmental impacts resulting from the proposed project with respect to historic resources and transportation and circulation.

#### **Improvement Measure I-CR-A: Historic Resource Documentation**

Prior to the issuance of demolition or site permits, the project sponsor should undertake Historic American Building Survey (HABS) documentation of the subject property, structures, objects, materials, and surrounding context. The project sponsor should retain a professional who meets the Secretary of the Interior's Professional Qualifications Standards for Architectural History, as set forth by the Secretary of the Interior's Professional Qualification Standards (36 CFR, Part 61), to prepare written and photographic documentation of the Hearst Building. The documentation should consist of the following:

- *Measured Drawings:* A set of measured drawings that depict the existing size, scale, and dimension of the subject property. Planning Department Preservation staff will accept the original architectural drawings or an as-built set of architectural drawings (plan, section, elevation, etc.). Planning Department Preservation staff will assist the consultant in determining the appropriate level of measured drawings;
- *HABS-Level Photographs:* Either HABS standard large format or digital photography should be used. The scope of the digital photographs should be reviewed by Planning Department Preservation staff for concurrence, and all digital photography shall be conducted according to the latest National Park Service Standards. The photography should be undertaken by a qualified professional with demonstrated experience in HABS photography. Photograph views for the dataset shall include (a) contextual views; (b) views of each side of the building and interior views, where possible; (c) oblique views of the building; and (d) detail views of character-defining features, including features on the interior. All views shall be referenced on a photographic key. This photographic key shall be on a map of the property and shall show the photograph number with an arrow to indicate the direction of the view. Historic photographs shall also be collected, reproduced, and included in the dataset; and
- *HABS Historical Report:* A written historical narrative and report, per HABS Historical Report Guidelines.
- A Print On Demand softcover book should be produced that includes the content of the HABS historical report, historical photos, HABS-level photography, measured drawings and field notes.

The project sponsor should transmit such documentation, in both printed and electronic form, to the History Room of the San Francisco Public Library, San Francisco Architectural Heritage, and the Northwest Information Center of the California Historical Information Resource System. All documentation will be reviewed and approved by the San Francisco Planning Department's Preservation Coordinator prior to granting any demolition or site permit.

**Improvement Measure I-CR-B: Construction Best Practices for Historic Resources**

The Project Sponsor should incorporate into construction specifications for the proposed project a requirement that the construction contractor(s) use all feasible means to avoid damage to the historic masonry and terra cotta cladding at 5 Third Street and 190 Stevenson Street as well as the brick and terra cotta cladding at 17-29 Third Street. This should include: staging of equipment and materials as far as possible from the historic buildings to limit damage; using techniques in the selective demolition and all construction activity that creates 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 should be submitted to the Planning Department for review and approval by Preservation staff along with the Site Permit Application.

**Improvement Measure I-TR-A: Coordination of Large Deliveries and Trash Pick-up**

The project's building management should coordinate with building tenants and delivery services to minimize deliveries and moving activities of truck with lengths exceeding 40 feet during peak passenger loading periods and to use the existing metered curbside commercial loading spaces along the Stevenson Street project frontage, thereby reducing activity during the peak hour for loading and reducing the potential for double parking of delivery or trash vehicles within the travel lane adjacent to the project site on Stevenson Street (in the event that the existing or proposed on-street loading spaces are occupied), which will result in minimum conflict with other loading activity, traffic, bus circulation, or pedestrians walking in the immediate vicinity of the project.

Although many deliveries cannot be limited to specific hours, the building management should work with tenants to find opportunities to consolidate deliveries and reduce the need for peak-period deliveries, wherever possible.

**Improvement Measure I-TR-B: Construction Truck Deliveries During Off-Peak Periods.**

The project sponsor and their construction contractor(s) should limit construction truck deliveries to the hours between 9:00 a.m. and 3:30 p.m. weekdays (or other times as provided for in the conditions of Special Traffic Permits), thereby minimizing disruption of the general traffic flow on adjacent streets during the weekday a.m. and p.m. peak periods. If required by the SFMTA, the use of flaggers at the intersection of Third and

Stevenson streets should be used to manage pedestrian traffic when construction vehicles are present, in order to expedite their entry onto Stevenson Street and prevent construction vehicles from queueing along Third Street.

As part of the city review of the construction logistics plan a designated staging area will be identified, if needed, for any construction vehicles waiting to enter the construction site on Stevenson Street, in order to prevent any conflicts with transit vehicles on Third Street.

**Improvement Measure I-TR-C: Construction Updates for Nearby Residents and Businesses.**

To minimize construction impacts on nearby residents and businesses, the project sponsor and their construction contractor(s) should provide regularly-updated information (typically in the form of website, email and/or list-serve, and on-site postings) regarding project construction activities and schedule (e.g., sidewalk closures), as well as will include contact information for specific construction inquiries or concerns. This notification will be coordinated with other notification required for construction activities, for example, noisy construction activities or night noise permits.

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## G. PUBLIC NOTICE AND COMMENT

On September 26, 2017, the Planning Department mailed a Notification of Project Receiving Environmental Review to owners of properties within 300 feet of the project site, adjacent occupants, and neighborhood groups. Two comments were received in response to the notification, both of which requested copies of all notices and documents produced by the Planning Department for this project. No other comments were received.

On August 22, 2018, the Planning Department issued a “Notice of Availability of and Intent to Adopt a Negative Declaration” to owners and residents of properties within 300 feet of the project site and neighborhood groups.

In response to the Notice of Availability of and Intent to Adopt a Mitigated Negative Declaration, on September 11, 2018, two separate appellants, Rachel Mansfield-Howlett of Provencher & Flatt, LLP, on behalf of Friends of Hearst Building, and Yasin Salma, filed letters appealing the determination to issue a MND. Both appellants provided supplemental information in subsequent letters. The appeal letters and supplemental information allege that the PMND fails to adequately address the following concerns:

- Impacts to Historic Resources: The project would alter or destroy character-defining features of a historic resource, which may constitute a significant impact under CEQA.
- Land Use Entitlements: Potentially significant impacts may occur in relation to each discretionary project approval.
- Hazardous Materials: The project site is identified as the site of a former leaking underground storage tank, and toxic underground contamination would be exacerbated by excavation.
- Displacement of Non-Profit Businesses: The displacement of non-profit businesses from the historic office building may be a potentially significant impact.
- BART Tunnel Impacts: Construction adjacent to the BART tunnel under Market Street may be a potentially significant impact.
- Site-specific Cumulative Significant Impacts: A full range of environmental resource impacts, both site-specific and cumulative, may result from the proposed project.
- Preparation of an EIR: The Initial Study contains substantial evidence supporting a fair argument that the project may have significant environmental effects, and an EIR should be prepared to study potential project impacts and feasible alternatives and mitigation.
- Addressing the State Historic Preservation Officer’s (SHPO’s) Review of Application: The proposed project should be revised to meet the Secretary of Interior’s Standards.

- Historic Preservation Commission Process-Related Concerns: The Historic Preservation Commission should review the project prior to the issue of a CEQA determination by the Planning Department.
- Input from San Francisco Heritage: The proposed project should be reviewed by San Francisco Heritage, a non-profit historical preservation organization.
- Change of Use from Retail to Valet Parking for the Hearst Hotel: The proposed project would change the use of the first floor from retail to valet parking use.
- Inclusion of Public Art/Green Walls for Hearst Garage: The proposed project should install public art or a green wall to beautify the Hearst Garage.
- Analysis of Parking, Noise, and Pollution: The report for the proposed project should analyze parking, noise, and pollution.

No other comments (or appeals of the PMND) were received during the public comment period for the PMND. Following receipt of comments from the SHPO, the project sponsor revised the project in order to address the SHPO's concerns regarding the project's consistency with the Secretary of Interior's Standards, with regards to the location of lobby door cuts, as well as other revisions described above. The analysis of the revised project is reflected in this amended PMND. These concerns were evaluated and responded to in an appeal response prepared by the Planning Department and distributed to the Planning Commission and appellants on February 7, 2019. The Planning Department's responses to the appellants' concerns do not change the less-than-significant impact findings of the PMND, or the determination in the PMND that impacts to cultural resources (archeology and tribal cultural resources), noise, and air quality would be less than significant with mitigation.

## H. DETERMINATION

On the basis of this Initial Study:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, no further environmental documentation is required.

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DATE

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Lisa Gibson  
Environmental Review Officer  
for  
John Rahaim  
Director of Planning

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# Section J: Figures



## SAN FRANCISCO PLANNING DEPARTMENT

### 5 Third Street Project Location Map



Figure 1: Location Map

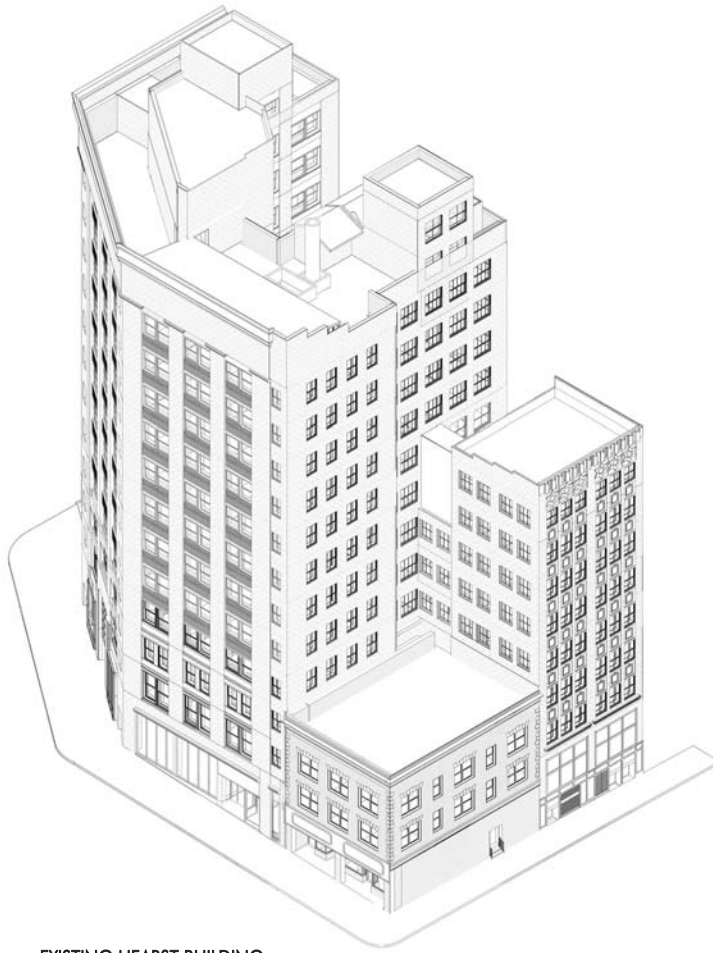


5 Third Street Hearst Hotel Transportation Impact Study

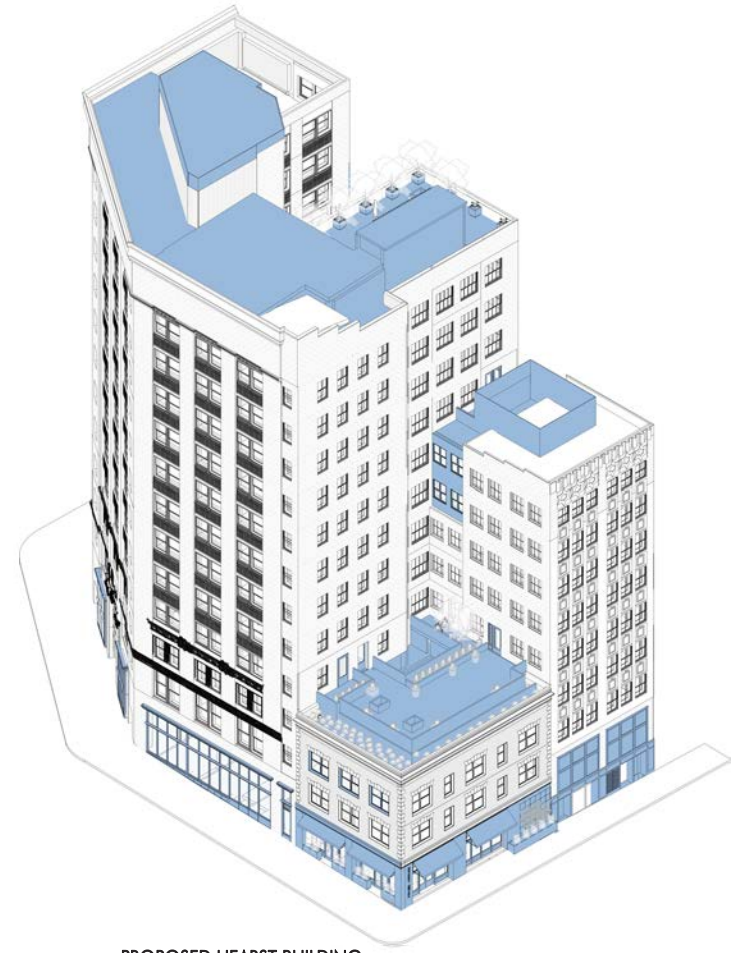


5 Third Street Hearst Hotel Transportation Impact Study



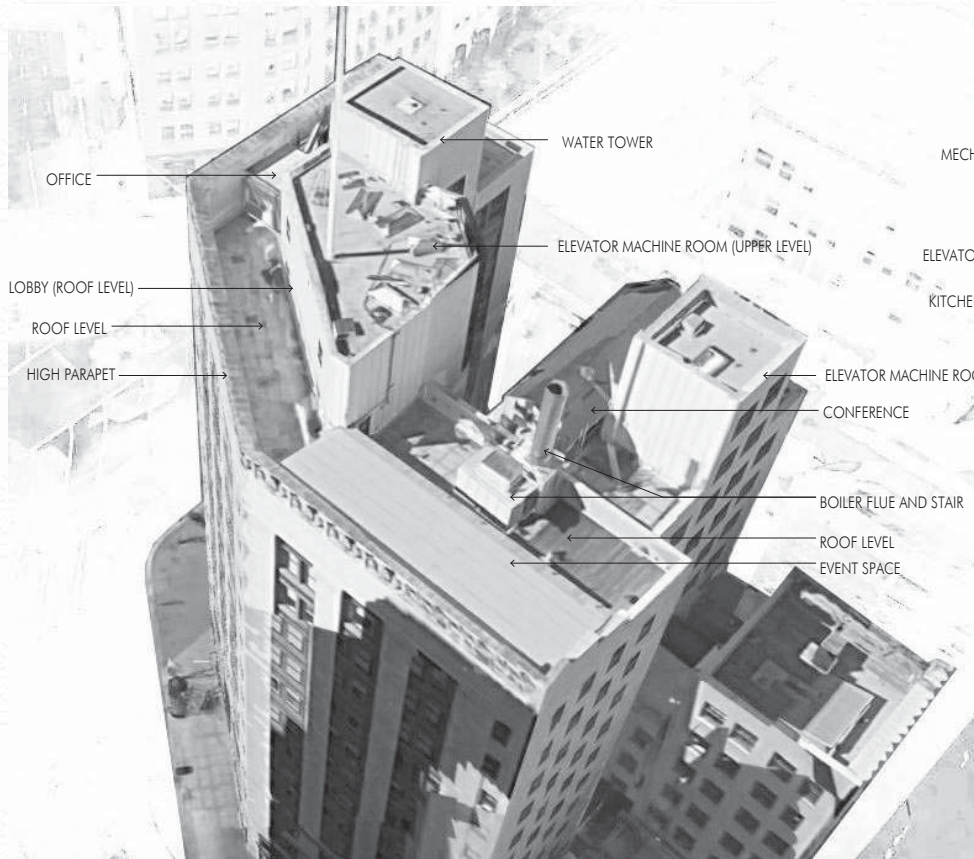


① EXISTING HEARST BUILDING

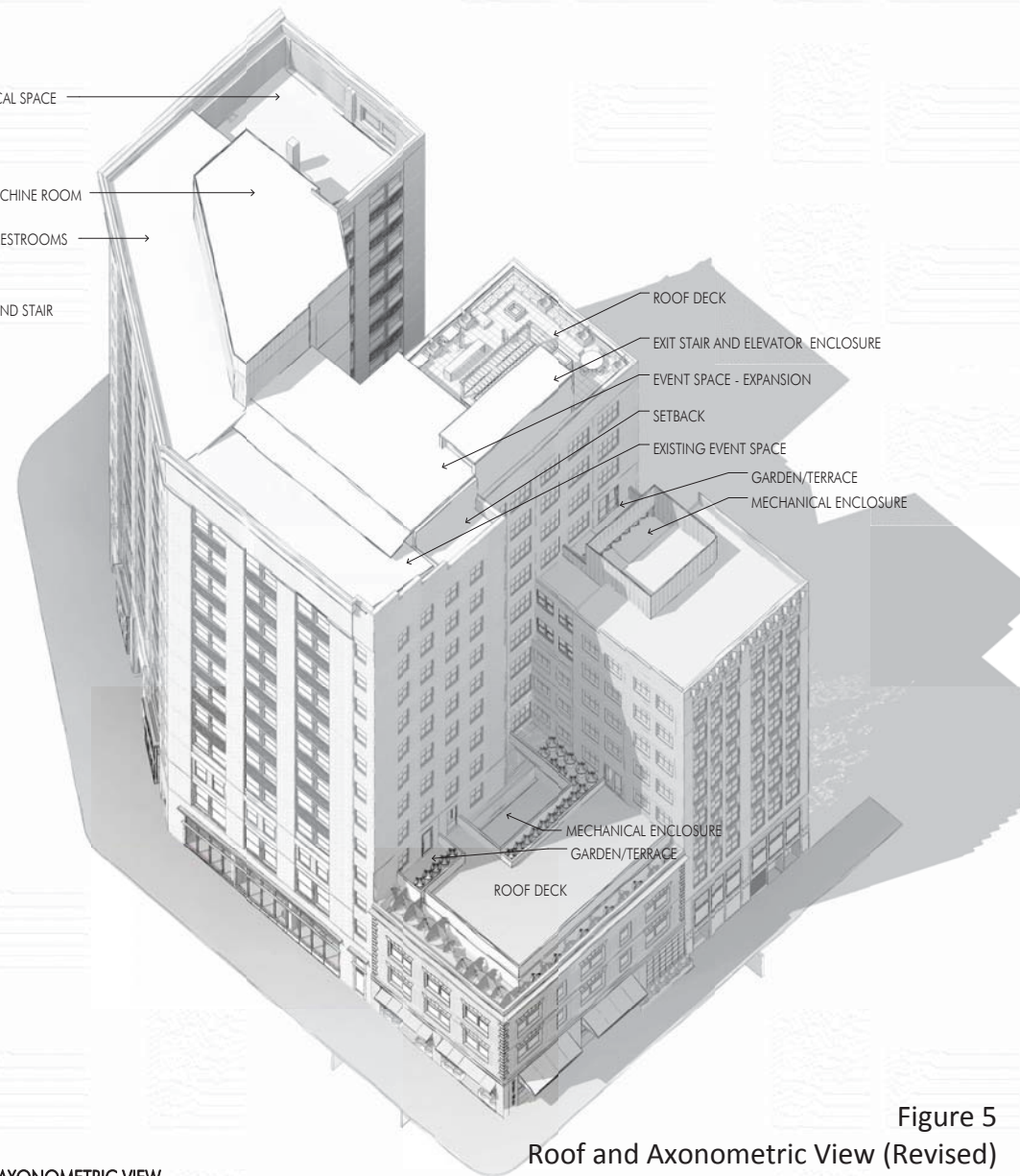


② PROPOSED HEARST BUILDING

Figure 4  
Axonometric View (Revised)



2 AERIAL VIEW OF EXISTING ROOF



1 AXONOMETRIC VIEW

Figure 5  
Roof and Axonometric View (Revised)

# **HEARST HOTEL** *SAN FRANCISCO, CALIFORNIA*

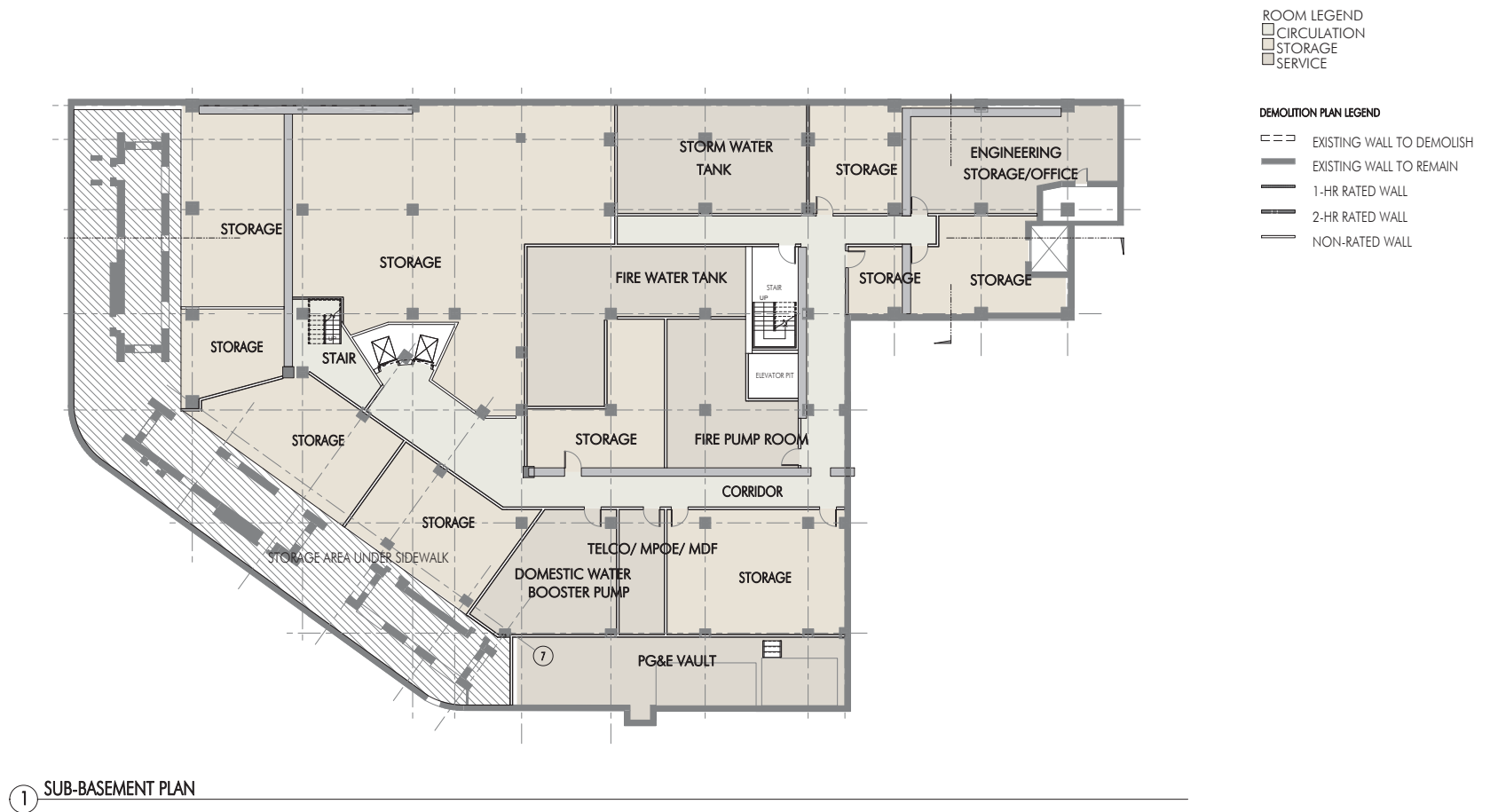
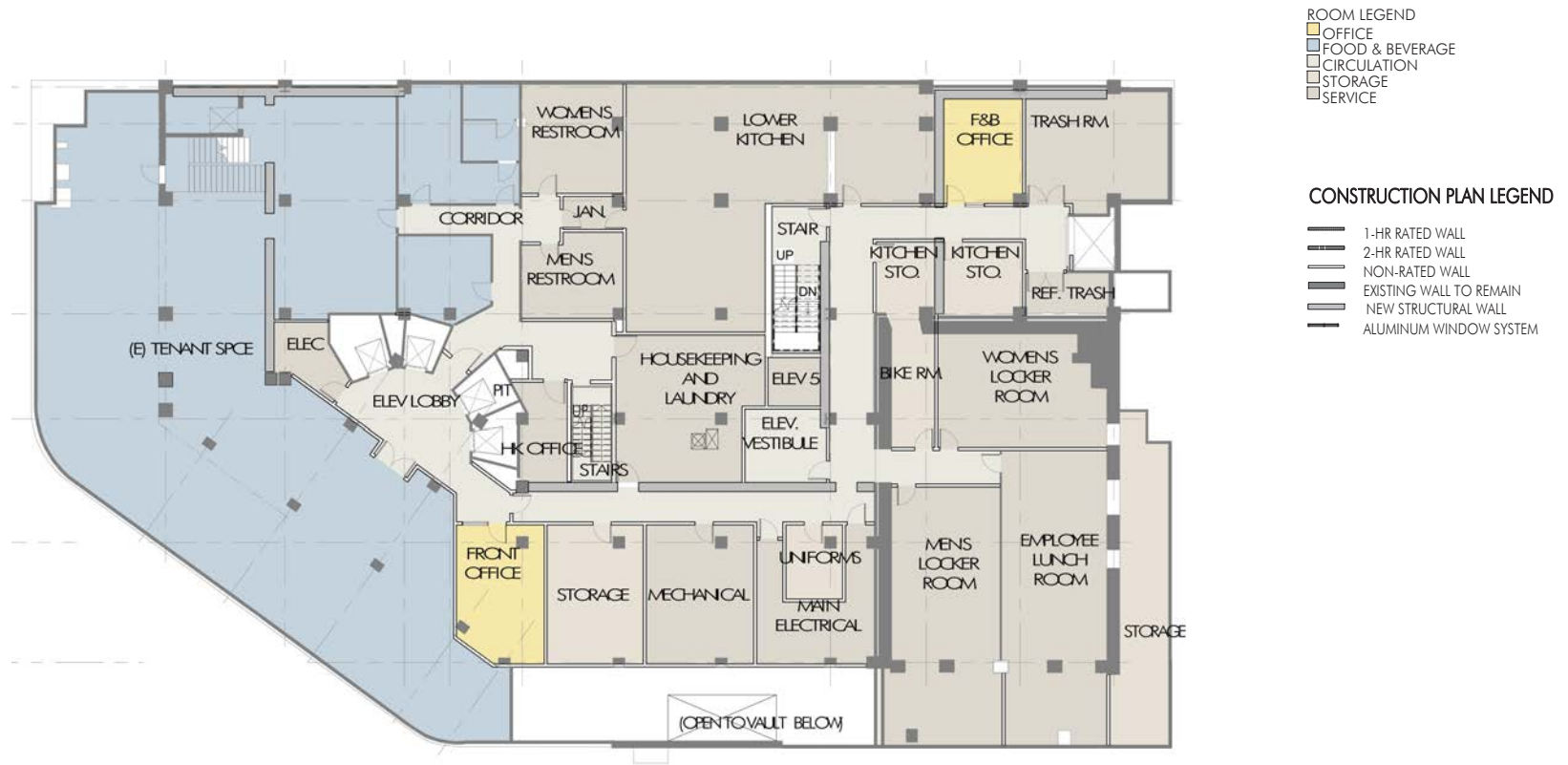


Figure 6  
Sub-basement Plan (Revised)



1 BASEMENT PLAN

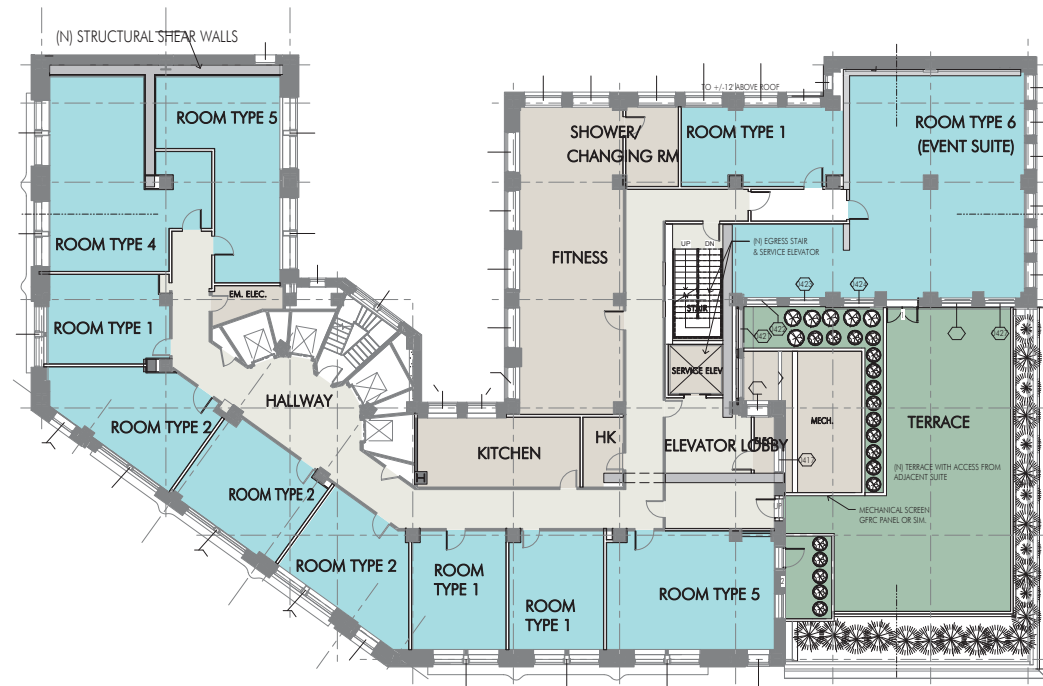
Figure 7  
Basement Plan (Revised)

# **HEARST HOTEL** SAN FRANCISCO, CALIFORNIA









ROOM LEGEND  
 ■ ROOF TERRACE  
 ■ CIRCULATION  
 ■ SERVICE  
 ■ SUITE

CONSTRUCTION PLAN LEGEND  
 — 1-HR RATED WALL  
 — 2-HR RATED WALL  
 — NON-RATED WALL  
 — EXISTING WALL TO REMAIN  
 — NEW STRUCTURAL WALL  
 — ALUMINUM WINDOW SYSTEM

① 4TH FLOOR PLAN

Figure 10  
 Fourth Floor Plan



① 5TH - 6TH FLOOR PLAN, TYP.

Figure 11  
Fifth-Sixth Floor Plan





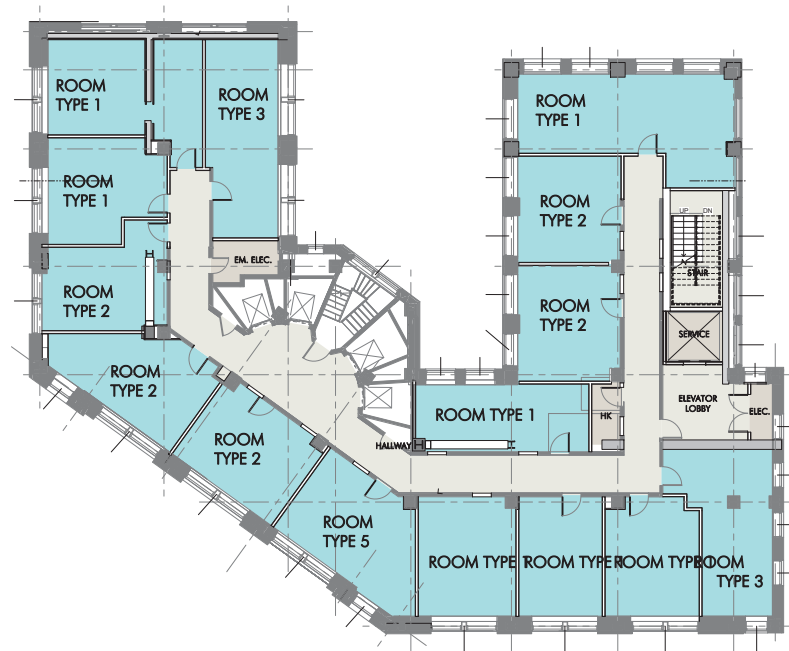
ROOM LEGEND  
 CIRCULATION  
 SERVICE  
 SUITE

CONSTRUCTION PLAN LEGEND  
 1-HR RATED WALL  
 2-HR RATED WALL  
 NON-RATED WALL  
 EXISTING WALL TO REMAIN  
 NEW STRUCTURAL WALL  
 ALUMINUM WINDOW SYSTEM

① 9TH FLOOR

Figure 12  
 Ninth Floor Plan

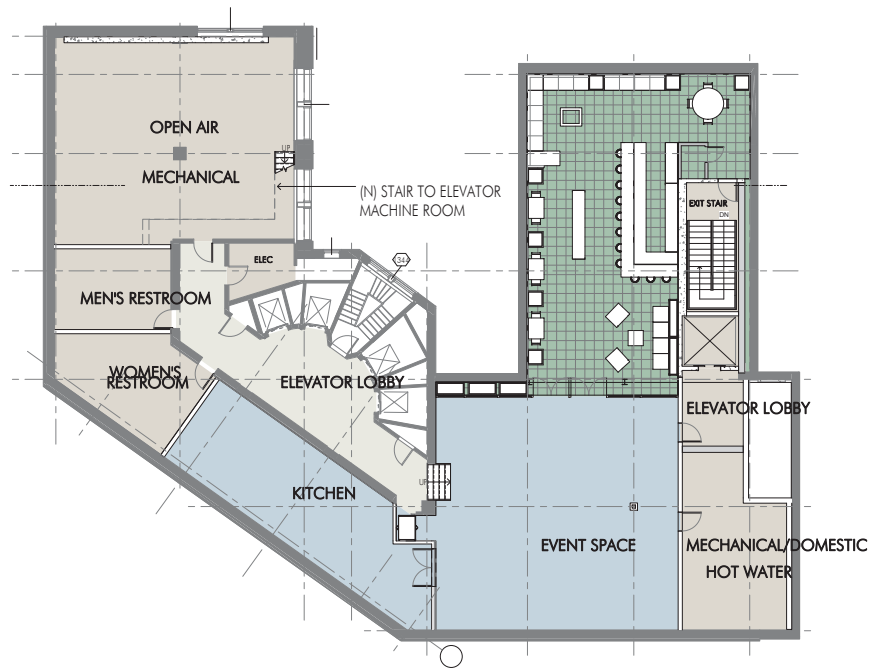
ROOM LEGEND  
 CIRCULATION  
 SERVICE  
 SUITE



① 12TH FLOOR PLAN (10 & 11 SIM.)

Figure 13  
 Twelfth Floor Plan

**HEARST HOTEL**  
*SAN FRANCISCO, CALIFORNIA*

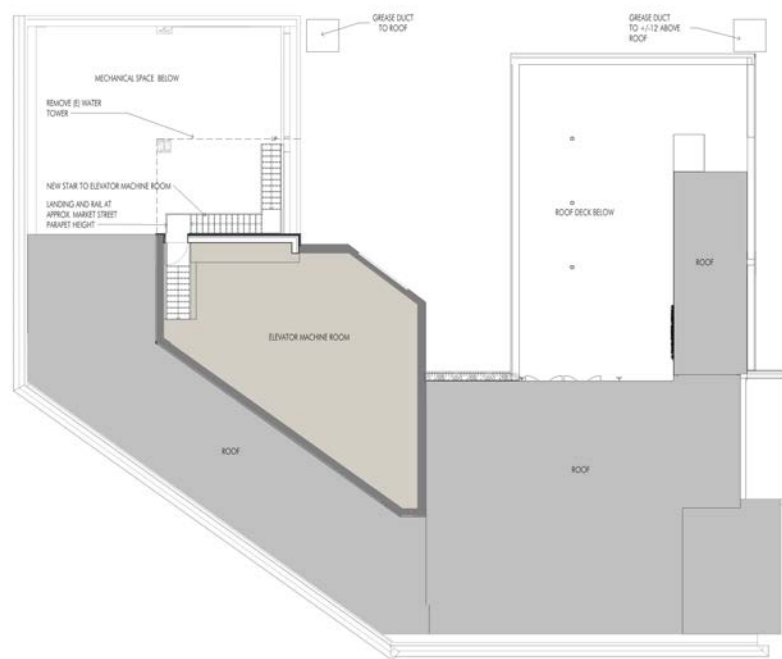


ROOM LEGEND  
 ■ FOOD & BEVERAGE  
 ■ ROOF TERRACE  
 ■ CIRCULATION  
 ■ SERVICE

CONSTRUCTION PLAN LEGEND  
 — 1-HR RATED WALL  
 — 2-HR RATED WALL  
 — NON-RATED WALL  
 — EXISTING WALL TO REMAIN  
 — NEW STRUCTURAL WALL  
 — ALUMINUM WINDOW SYSTEM

① 13TH FLOOR PLAN

Figure 14  
 Thirteenth Floor Plan

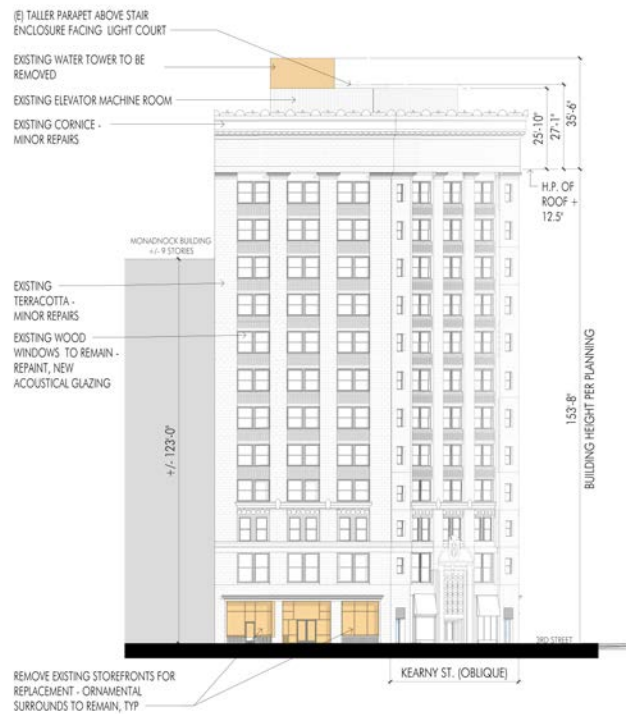


ROOM LEGEND  
 ■ SERVICE  
 ■ SERVICE (PRIVATE)

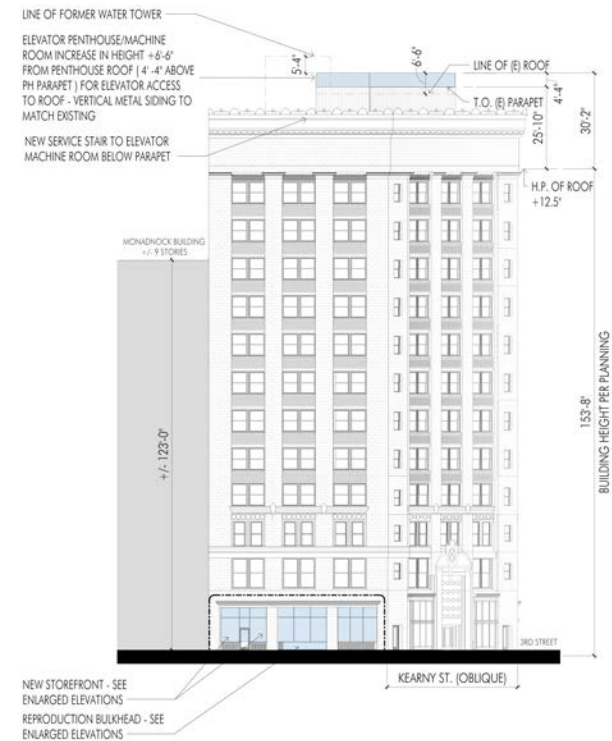
CONSTRUCTION PLAN LEGEND  
 — 1-HR RATED WALL  
 — 2-HR RATED WALL  
 — NON-RATED WALL  
 — EXISTING WALL TO REMAIN  
 — NEW STRUCTURAL WALL  
 — ALUMINUM WINDOW SYSTEM

① UPPER ROOF PLAN

Figure 15  
 Upper Roof Plan (Edited)

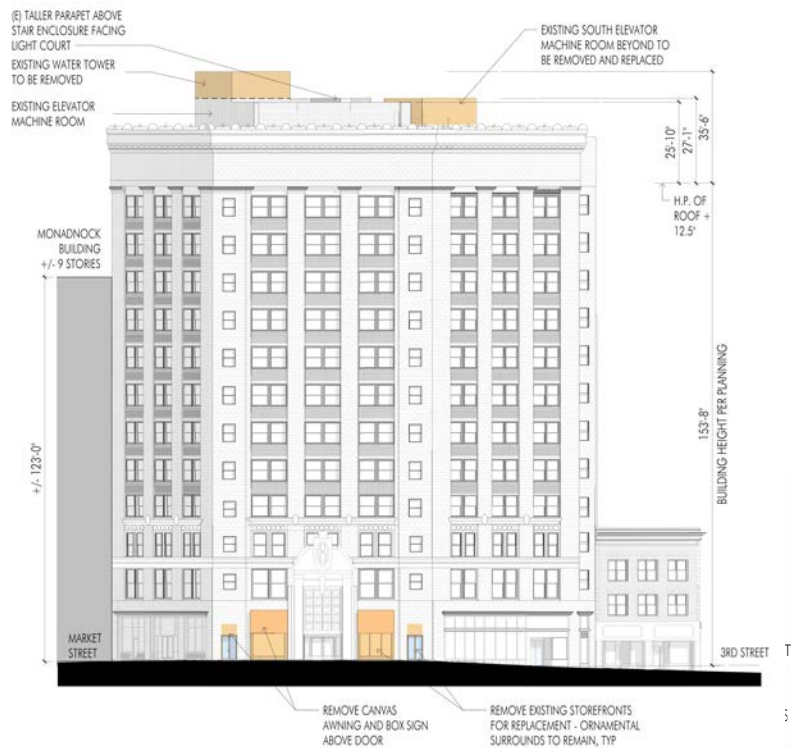


① EXISTING MARKET STREET ELEVATION

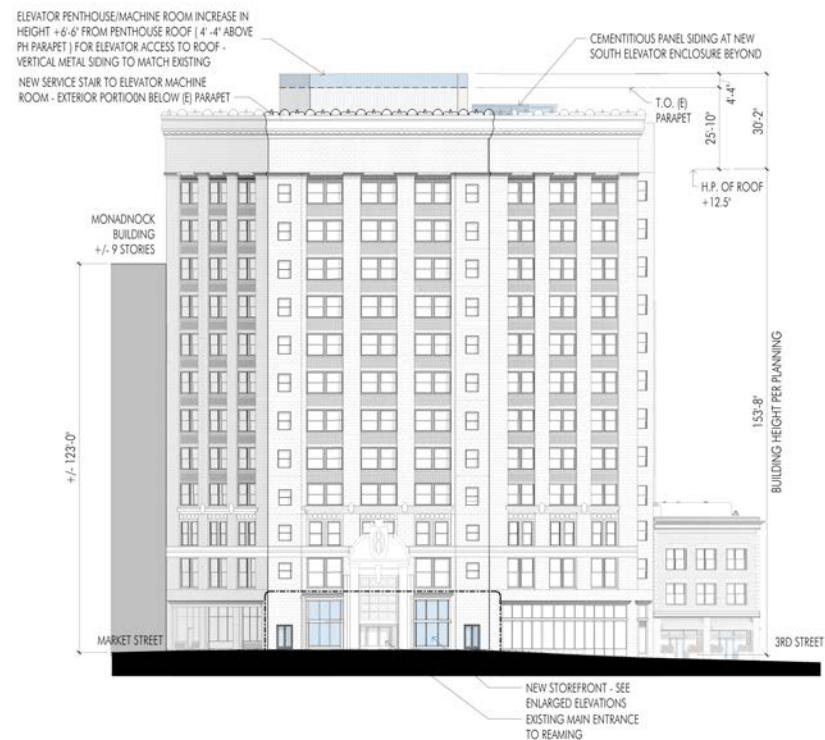


② PROPOSED MARKET STREET ELEVATION

Figure 16  
Market Street Elevation (Revised)

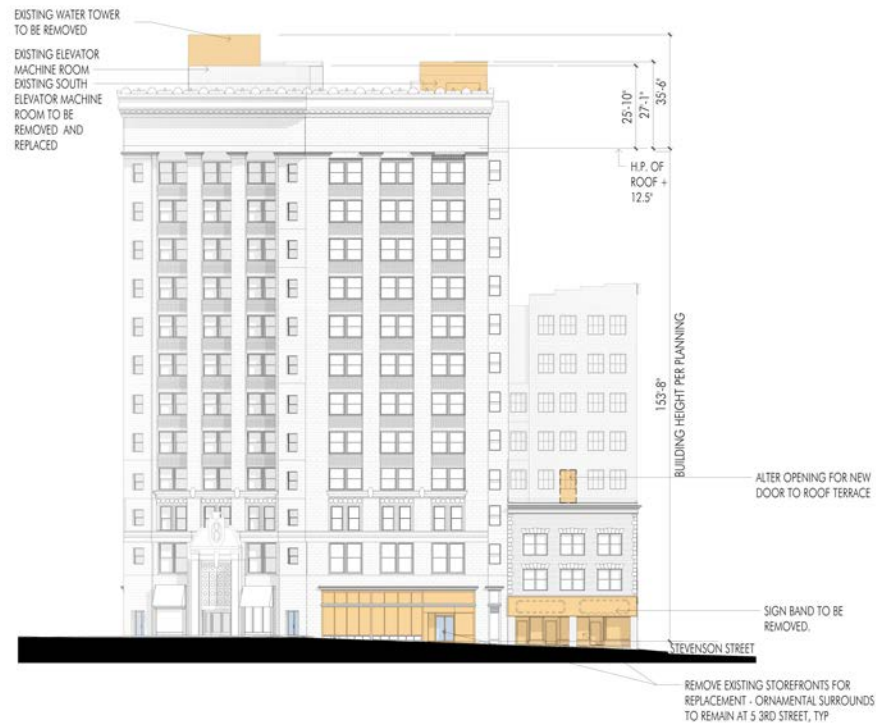


① EXISTING KEARNY STREET ELEVATION

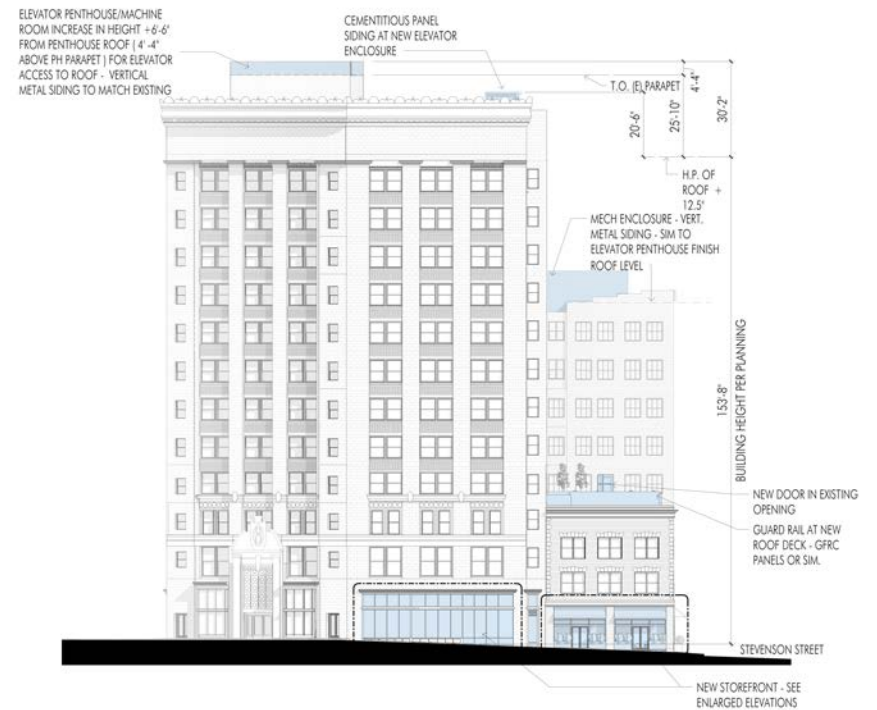


② PROPOSED KEARNY STREET ELEVATION

Figure 17  
Kearny Street Elevation (Revised)



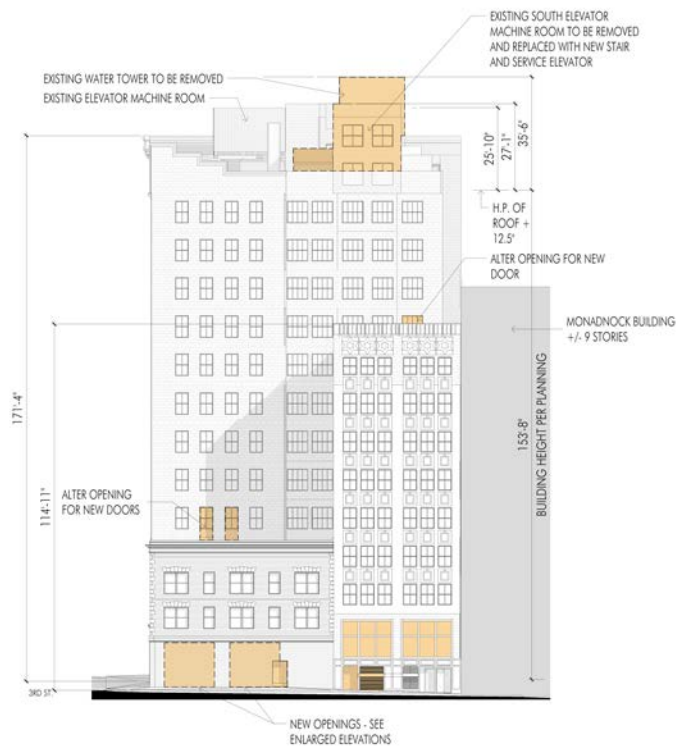
① EXISTING 3RD STREET ELEVATION



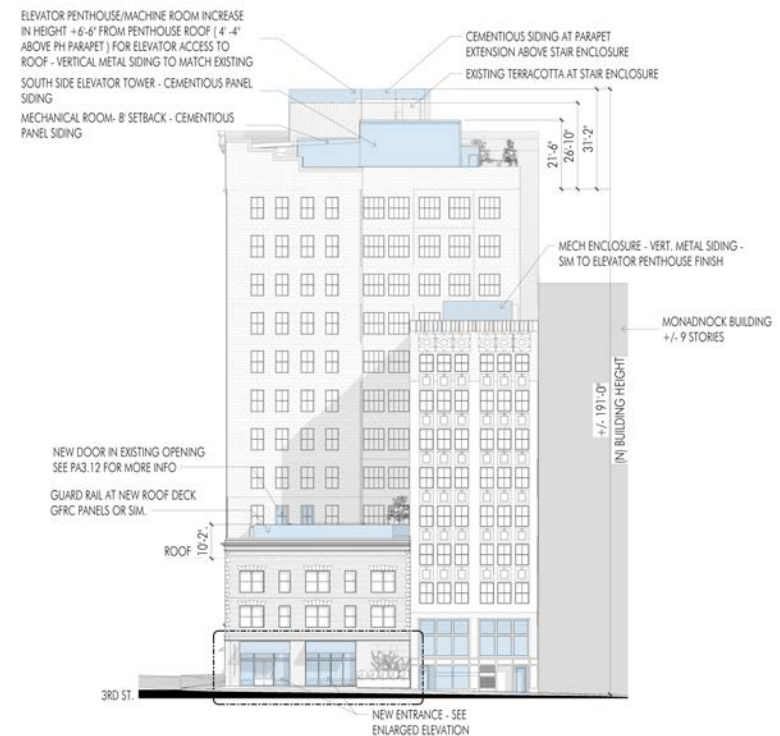
② PROPOSED 3RD STREET ELEVATION

Figure 18  
Third Street Elevation (Revised)





① EXISTING STEVENSON STREET ELEVATION



② PROPOSED STEVENSON STREET ELEVATION

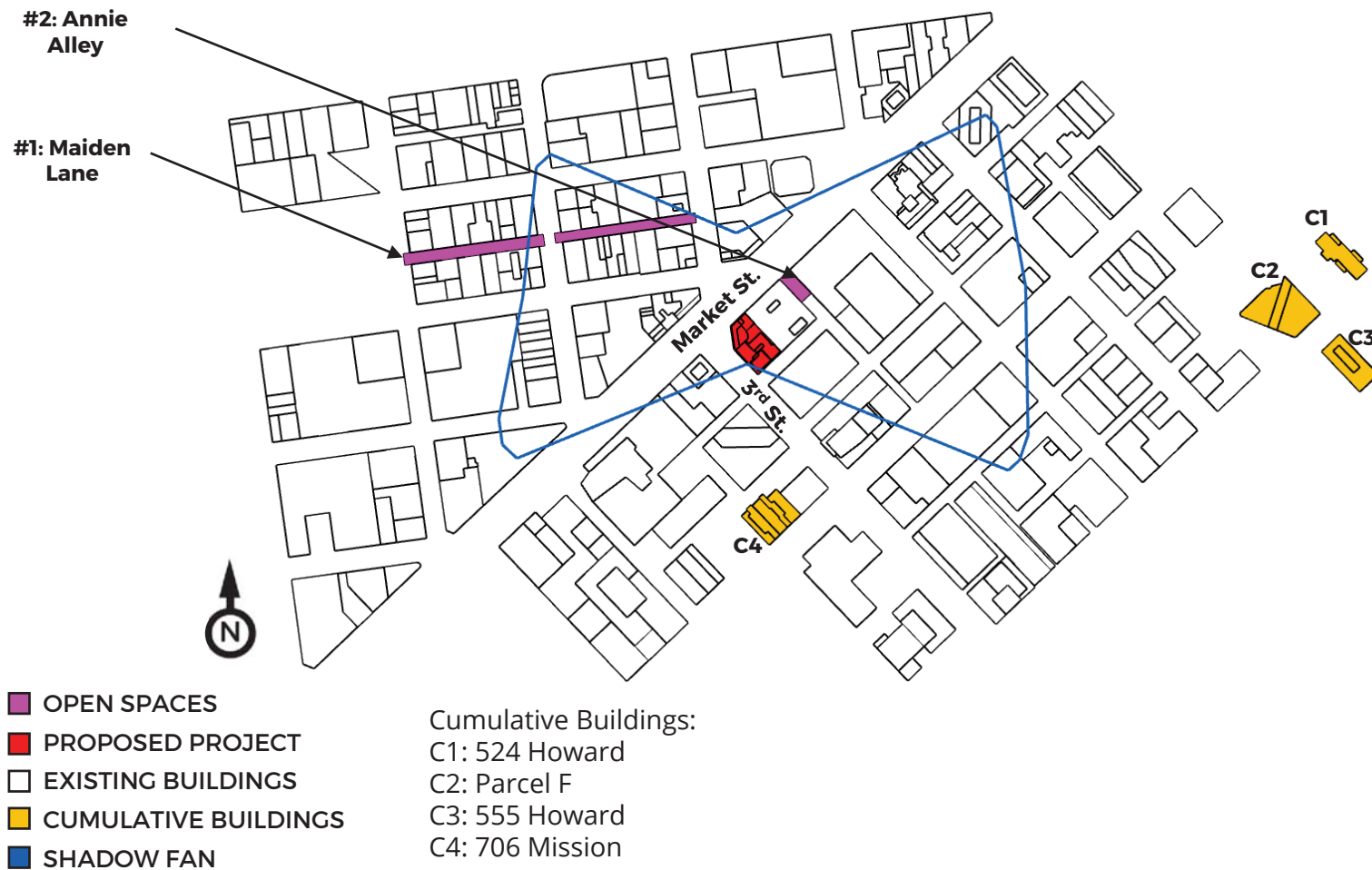
Figure 19  
Stevenson Street Elevation (Revised)





Figure 20  
North-South Section (Revised)

**HEARST HOTEL**  
*SAN FRANCISCO, CALIFORNIA*



Shadow Fan, No Net New Shadow

RWDI Project # 1702854  
 December 14, 2017

Figure 21  
 Shadow Fan