



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use – Formula Retail

HEARING DATE: 01/31/2019
CONSENT CALENDAR

File Date: January 22, 2019
Record No.: 2018-009587CUA
Project Address: 3535 CALIFORNIA STREET
Zoning: NC-S (Neighborhood Commercial, Shopping Center District)
40-X Height and Bulk District
Block/Lot: 1035/004
Project Sponsor: Reuben, Junius & Rose, LLP
One Bush Street Suite 600
San Francisco, CA 94104
Property Owner: California Street Retail, LLC
940 Emmett Ave., Ste. 200
Belmont, CA 94002
Staff Contact: Laura Ajello – (415) 575-9142
laura.ajello@sfgov.org
Recommendation: **Approval with Conditions**

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

PROJECT DESCRIPTION

The Project is a request for Conditional Use Authorization pursuant to Planning Code Sections 303, 303.1, 703.4, and 713 to establish a Formula Retail Use within the NC-S (Neighborhood Commercial Shopping Center) District and a 40-X Height and Bulk District. The proposal is to convert a ground floor commercial space with approximately 2,358 square feet of floor area (currently occupied by “Peninsula Beauty”, a Formula Retail Use) to another Formula Retail Use (d.b.a. Bluemercury, retail beauty store) within the Laurel Village Shopping Center. The proposal will involve interior tenant improvements to the ground floor commercial tenant space. There will be no expansion of the existing building envelope.

According to the project sponsor, Bluemercury currently has approximately 160 stores worldwide (with two store locations in San Francisco). The proposed project will allow for the establishment of a new location in San Francisco which will sell luxury beauty products and provide skin care and salon services. The other San Francisco Bluemercury stores are located on Chestnut Street and the Embarcadero Center.

REQUIRED COMMISSION ACTION

In order for the Project to proceed, the Commission must grant a Conditional Use Authorization to establish the proposed Formula Retail Use (d.b.a. Bluemercury) within the NC-S (Neighborhood Commercial Shopping Center) District and a 40-X Height and Bulk District pursuant to Planning Code Sections 303, 303.1, 703.4, and 713.

ISSUES AND OTHER CONSIDERATIONS

- **Public Comment & Outreach.** The applicant conducted the required Pre-Application community meeting on June 14, 2018; there were two attendees. The Project Sponsor submitted a petition signed by Laurel Heights merchants in support of the project (see Exhibits) on January 15, 2019.

- **Performance-Based Design Guidelines.** As a Formula Retail use, the Project has been reviewed for compliance with the Performance-Based Design Guidelines. No exterior alterations are proposed other than signage alterations. The Project complies with the guidelines and does not have an adverse effect on the architectural and aesthetic character of the District. The signs will be required to have a permit and comply with the requirements of the Planning Code and Formula Retail sign guidelines.

BASIS FOR RECOMMENDATION

The Department finds that the Project is, on balance, consistent with the Objectives and Policies of the General Plan. The Project will replace a similar existing Formula Retail store and will not increase the amount of linear frontage dedicated to Formula Retail. The Department also finds the project to be necessary, desirable, and compatible with the surrounding neighborhood, and not to be detrimental to persons or adjacent properties in the vicinity.

ATTACHMENTS:

Draft Motion – Conditional Use Authorization
Exhibit A – Conditions of Approval
Exhibit B – Plans
Exhibit C – Environmental Determination
Exhibit D – Land Use Data
Exhibit E – Maps and Context Photos
Exhibit F - Project Sponsor Submittal with merchant petition



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Draft Motion HEARING DATE: JANUARY 31, 2019

Record No.: 2018-009587CUA
Project Address: 3535 CALIFORNIA STREET
Zoning: NC-S (Neighborhood Commercial, Shopping Center District)
40-X Height and Bulk District
Block/Lot: 1035/004
Project Sponsor: Reuben, Junius & Rose, LLP
One Bush Street Suite 600
San Francisco, CA 94104
Property Owner: California Street Retail, LLC
940 Emmett Ave., Ste. 200
Belmont, CA 94002
Staff Contact: Laura Ajello – (415) 575-9142
laura.ajello@sfgov.org

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303, 303.1, 703.4, AND 713 TO ALLOW THE ESTABLISHMENT OF A FORMULA RETAIL USE (D.B.A. BLUEMERCURY) AT 3535 CALIFORNIA STREET, LOT 004 IN ASSESSOR'S BLOCK 1035, WITHIN THE NC-S (NEIGHBORHOOD COMMERCIAL SHOPPING CENTER) DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On July 11, 2018, Chloe Angelis of Reuben, Junius & Rose, LLP (hereinafter "Project Sponsor") filed Application No. 2018-009587CUA (hereinafter "Application") with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Sections 303, 303.1, 703.4 and 713 to establish a Formula Retail Use (d.b.a. Bluemercury) at 3535 California Street (hereinafter "Project"), Lot 004 within Assessor's Block 1035 (hereinafter "Project Site") in the Laurel Village Shopping Center.

The Planning Department Commission Secretary is the custodian of records; the File for Record No. 2018-009587CUA is located at 1650 Mission Street, Suite 400, San Francisco, California.

On January 31, 2019, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Authorization Application No. 2018-009587CUA.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

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

MOVED, that the Commission hereby authorizes the Conditional Use Authorization as requested in Application No. 2018-009587CUA, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Project Description.** The proposal is a request for Conditional Use Authorization pursuant to Planning Code Sections 303, 303.1, 703.4, and 713 to establish a Formula Retail Use within the NC-S (Neighborhood Commercial Shopping Center) District and a 40-X Height and Bulk District. The proposal is to change a ground floor commercial space with approximately 2,358 square feet of floor area including a 400 square foot mezzanine area from one Formula Retail use (occupied by "Peninsula Beauty", a Formula Retail Use) to another Formula Retail Use (d.b.a. Bluemercury, retail store specializing in cosmetic sales with personal services) within the Laurel Village Shopping Center. The proposal will involve interior tenant improvements to the ground floor commercial tenant space. There will be no exterior modifications other than business signage and awning replacement.

According to the project sponsor, Bluemercury currently has approximately 160 stores worldwide (with two store locations in San Francisco). The proposed project will allow for the establishment of a new location in San Francisco which will sell luxury beauty products and provide skin care and salon services. The other San Francisco Bluemercury stores are located on Chestnut Street and the Embarcadero Center. The applicant expects to employ four sales associates, two salon stylists and one esthetician. Salon services include hair styling, facials and waxing. No massage services will be offered.

3. **Site Description and Present Use.** The project site at 3535 California Street is located on the south side of California Street between Spruce and Locust Streets, Assessor's Block 1035, Lot 004. It is located within the NC-S (Neighborhood Commercial, Shopping Center District) Zoning District. The subject lot is 13,677 square feet (80 feet wide by 171 feet deep) in size and is occupied by a one-story commercial building built in 1952 with two tenant spaces. The adjacent tenant space was recently annexed by First Republic Bank. The subject ground floor commercial space is occupied by a similar formula retail use established prior to the Formula Retail controls (d.b.a. Peninsula Beauty) which has operated at the premises since 2012 but is going out of business.

4. **Surrounding Properties and Neighborhood.** The project site is located within the Laurel Village Shopping Center which includes a mixture of restaurants, retail establishments, financial institutions, and grocery stores. Laurel Village Shopping Center is located within an NC-S Zoning District in the Presidio Heights neighborhood. The NC-S Zoning District is intended to serve as a small shopping center or supermarket hub for car-oriented shoppers. These districts are primarily occupied by buildings which are removed from the street edge and have access from a parking lot. The adjacent blocks on the south side of California Street, where the project site is located, are characterized by one- and two-story commercial buildings. The surrounding zoning is RM-1 (Residential, Mixed, Low-Density), RM-2 (Residential, Mixed, Moderate-Density), and NC-S (Neighborhood Commercial, Shopping Center District) to the north, west and east, with RH-1 (Residential, House One-Family) and RH-2 (Residential, House Two-Family) zoning districts to the south of the shopping center.
5. **Public Outreach and Comments.** The applicant conducted the required Pre-Application community meeting on June 14, 2018; there were two attendees. The Planning Department received a petition signed by nine Laurel Heights merchants in support of the project.
6. **Planning Code Compliance.** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

- A. **Formula Retail Use.** A *Formula Retail Use* is defined under Planning Code Section 303.1 as a type of retail sales or service activity or retail sales or service establishment that has eleven or more other retail sales establishments in operation, or with local land use or permit entitlements already approved, located anywhere in the world. In addition to the eleven establishments either in operation or with local land use or permit entitlements approved for operation, the business maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, uniform apparel, standardized signage, a trademark or a servicemark.

Within the NC-S Zoning District, Formula Retail Uses require Conditional Use Authorization under Planning Code Section 703.4. Planning Code Section 303.1 provides additional criteria for the Planning Commission to consider when considering any conditional use pursuant to Section 303.1, Formula Retail Uses:

The current proposal is to allow the establishment of a Formula Retail Use (d.b.a. Bluemercury, retail store specializing in cosmetic sales with personal services) in an approximately 2,358 square foot ground floor commercial space on the project site. A Formula Retail Use may be conditionally permitted per Planning Code Sections 303, 303.1, and 703.4.

- B. **Retail Sales and Services Use within the NC-S Zoning District.** Section 713 of the Planning Code permits “retail sales and services uses” establishments (defined under Planning Code Sections 102, 202.2a, and 202.3) on the first and second stories.

The current proposal is to allow the continuation of a 'retail sales and service use' (also formula retail use d.b.a. Bluemercury) on the ground floor of the one-story commercial building.

- C. **Hours of Operation.** Planning Code Section 713 allows hours of operation from 6 a.m. to 2 a.m., within the NC-S Zoning District.

The project sponsor has indicated that the hours of operation of the proposed formula retail use are 10 a.m. to 7 p.m., Monday through Friday and 10 a.m. to 6 p.m. on weekends.

- D. **Off-Street Parking and Loading.** Section 151 of the Planning Code requires off-street parking for every 200 square feet of occupied floor area, where the occupied floor area exceeds 5,000 square feet. Section 152 of the Planning Code requires one off-street loading space for retail stores between 10,001 and 60,000 gross square feet.

The subject commercial tenant space, with approximately 2,358 square feet of floor area, will not require any off-street parking or loading spaces. Patrons will have access to an adjacent surface parking lot with 220 parking spaces for customers of the Laurel Village Shopping Center.

- E. **Street Frontage in Neighborhood Commercial Districts.** Section 145.1 of the Planning Code requires that within NC Districts space for active uses shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. In addition, the floors of street-fronting interior spaces housing non-residential active uses and lobbies shall be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces. Frontages with active uses that must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Any decorative railings or grillwork, other than wire mesh, which is placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular view. Rolling or sliding security gates shall consist of open grillwork rather than solid material, so as to provide visual interest to pedestrians when the gates are closed, and to permit light to pass through mostly unobstructed. Gates, when both open and folded or rolled as well as the gate mechanism, shall be recessed within, or laid flush with, the building facade.

Approximately 68% (17 feet) of the street frontage of the commercial space at the ground level on California Street is fenestrated with transparent windows and doorways allowing for visibility to the inside of the building. The proposed project does not propose any decorative railings or grillwork in front of or behind existing windows. There are no changes proposed to the commercial frontage.

- F. **Signage.** Any proposed signage will be subject to the review and approval of the Planning Department and must comply with Article 6 of the Planning Code.

One new back-lit wall sign with individual letters measuring 18 inches high is proposed at the front elevation. The three-foot by 12-foot sign cabinet at the rear elevation will be refaced. Fabric awnings are proposed for replacement on the existing framework on both elevations.

7. **Conditional Use Findings.** Planning Code Section 303 establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use authorization. On balance, the project complies with said criteria in that:

- A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The size and shape of the site and the arrangement of the structures on the site are adequate for the proposed project. There will be no physical expansion of the existing building. This will complement the mix of goods and services currently available in the district and contribute to the economic vitality of the neighborhood by replacing a similar retail store.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

- (1) Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The height and bulk of the existing building will remain the same and will not alter the existing appearance or character of the project vicinity. The proposed work will not affect the building envelope.

- (2) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

Existing traffic patterns will not be significantly affected by the proposed project. Public transit (Muni Lines 1-California and 1BX) are located in front of the project site on California Street. In addition, the Project is within one quarter mile of the 2-Clement, 3-Jackson, 31AX-Balboa, 33-Ashbury, and 38AX-Geary MUNI bus lines.

There is metered on-street parking in front of the subject property and in the surrounding neighborhood. There is also a surface parking lot with approximately 220 off-street parking spaces at the rear of the building for customers of the Laurel Village Shopping Center.

- (3) The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

No noxious or offensive emissions such as glare, dust, or odor are expected to be produced by the proposed project.

- (4) Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

There will be no addition of off-street parking spaces, loading facilities, open space or service areas. All project signage and projections will be consistent with the controls of the Planning Code.

- C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.

- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The proposed project is consistent with the stated purpose of the NC-S (Neighborhood Commercial, Shopping Center) District in that the intended use is a neighborhood-serving business.

8. **Formula Retail.** Planning Code Section 303.1 provides additional criteria for the Planning Commission to consider when considering and Conditional Use pursuant to Planning Code Section 303.1, Formula Retail Uses:

- a. The existing concentrations of formula retail uses within the district.

*There are approximately 11 Formula Retail uses out of 38 occupied retail storefronts within 300 feet of the Project Site. The **existing concentration of Formula Retail uses within 300 feet of the Project Site is approximately 42%**. The 11 Formula Retail uses within 300 feet account for approximately 464 feet of lot frontage, out of 1,693 feet total for retail uses. The **existing concentration of Formula Retail uses frontage within 300 feet of the Project Site is approximately 27%**. The Project accounts for one retail storefront and 25 feet of lot frontage.*

Other existing Formula Retail businesses include Chico's, Union Bank, Gap Kids, Noah's Bagels, Papyrus, First Republic Bank, Ace Hardware, Bank of America, Starbucks, and Charles Schwab.

*If approved, the Project would **increase the concentration of Formula Retail uses in the 300 feet vicinity to 45%**, while the **concentration of lot frontage devoted to Formula Retail uses would increase to 29%**.*

- b. The availability of other similar retail uses within the district.

Of the 38 occupied retail storefronts within 300 feet of the Project Site, none are occupied by a similar retail beauty store. However, a similar Formula Retail store (dba Sephora Studio) was approved in October 2018 at 3407 California Street.

- c. The compatibility of the proposed formula retail use with the existing architectural and aesthetic character of the district.

The proposed project is a formula retail use will occupy an existing location previously occupied by another retail use (d.b.a. Peninsula Beauty). The Project proposes only signage alterations to the front and rear façades. Any sign alterations will require a Building Permit Application and comply with the requirements of both the Planning Code and Commission Guide for Formula Retail. Storefront transparency guidelines are met, with greater than 60% of the ground floor street frontage transparent. The Project is compatible within, and will have no adverse effect on, the architectural and aesthetic characters of the District.

- d. The existing retail vacancy within the district.

According to the project sponsor, as of November 2018, the vacancy rate was approximately 8% (3 businesses) within the district.

- e. The existing mix of Citywide-serving retail uses and neighborhood-serving retail uses within the district.

The proposed formula retail use will be a neighborhood-servicing and City-wide serving use which will complement the mix of goods and services currently available within this portion of the NC-S Zoning District, which primarily includes a mixture restaurants, retail establishments, financial institutions, and grocery stores. The proposed retail store specializing in cosmetic sales with personal services use is not considered a daily needs-serving use; as such uses are not mutually exclusive from Formula Retail uses.

Of the 38 active non-residential spaces within 300 feet of the Project Site, approximately 13 are daily needs-serving uses is approximately 34%. The Project would not change the number of daily need-serving uses. The concentration of daily needs-serving uses would remain the same.

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

COMMERCE AND INDUSTRY

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.1

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

Policy 1.2

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

Policy 1.3

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

OBJECTIVE 2:

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and attract new such activity to the city.

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

Policy 6.2

Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society.

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

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

The proposed project will be complementary to the existing commercial establishments within the immediate neighborhood. The proposed project will hire approximately seven employees and preserve most of the jobs of current retail associates and salon stylist of the existing retail beauty store.

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

The Project is not anticipated to adversely affect the character or diversity of the neighborhood. Minimal façade changes are proposed. The Project would not impact the existing housing stock in the neighborhood, as the Project Site is currently a commercial use with no residential use.

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

The proposed project will not displace any affordable housing.

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

The proposed project would not significantly increase the automobile traffic congestion and parking problems in the neighborhood. The project site is located within the Laurel Village Shopping Center, which has a 220 space parking lot for use by visitors. The proposal is a neighborhood-serving use which residents can access by walking or taking public transit. The Project Site is served by nearby public transportation options. The Project is located along a Muni bus line (1-California). In addition, the Project is within one quarter mile of the 2-Clement, 3-Jackson, 31AX-Balboa, 33-Ashbury, and 38AX-Geary MUNI bus lines.

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

There is no commercial office development associated with the proposed project and there would be no displacement of any existing industrial or service businesses in the area.

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

The proposed project will comply with all applicable earthquake safety standards and built to the current standards of the California Building Code.

- G. That landmarks and historic buildings be preserved.

The proposed project will not significantly affect any landmarks or historic buildings

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

The proposed project will not affect any city-owned park or open space.

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

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Authorization Application No. 2018-009587CUA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated November 30, 2018, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed (after the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

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

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on January 31, 2019.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: January 31, 2019

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to establish a Formula Retail use under Planning Code Sections 303, 303.1, 703.4 and 713 to establish a Formula Retail Use (d.b.a. **Bluemercury**) located at 3535 California Street, Block 1035, and Lot 004 pursuant to Planning Code Sections 303, 303.1, 703.4 and 713 within the NC-S District and a 40-X Height and Bulk District; in general conformance with plans, dated **October 30, 2018**, and stamped "EXHIBIT B" included in the docket for Record No. **2018-009587CUA** and subject to conditions of approval reviewed and approved by the Commission on **January 31, 2019** under Motion No **XXXXXX**. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on **January 31, 2019** under Motion No **XXXXXX**.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. **XXXXXX** shall be reproduced on the Index Sheet of construction plans submitted with the site or building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

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

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

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

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

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

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

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

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

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

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

6. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
7. **Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since the date that the Planning Code text amendment(s) and/or Zoning Map amendment(s) became effective.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
8. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
9. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

DESIGN

10. **Signage.** Any signs and awnings on the property shall be made to comply with the requirements of Article 6 of the Planning Code.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

MONITORING - AFTER ENTITLEMENT

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

Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

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

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

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

OPERATION

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

For information about compliance, contact the Department of Public Works, 415-554-5810

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

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

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

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

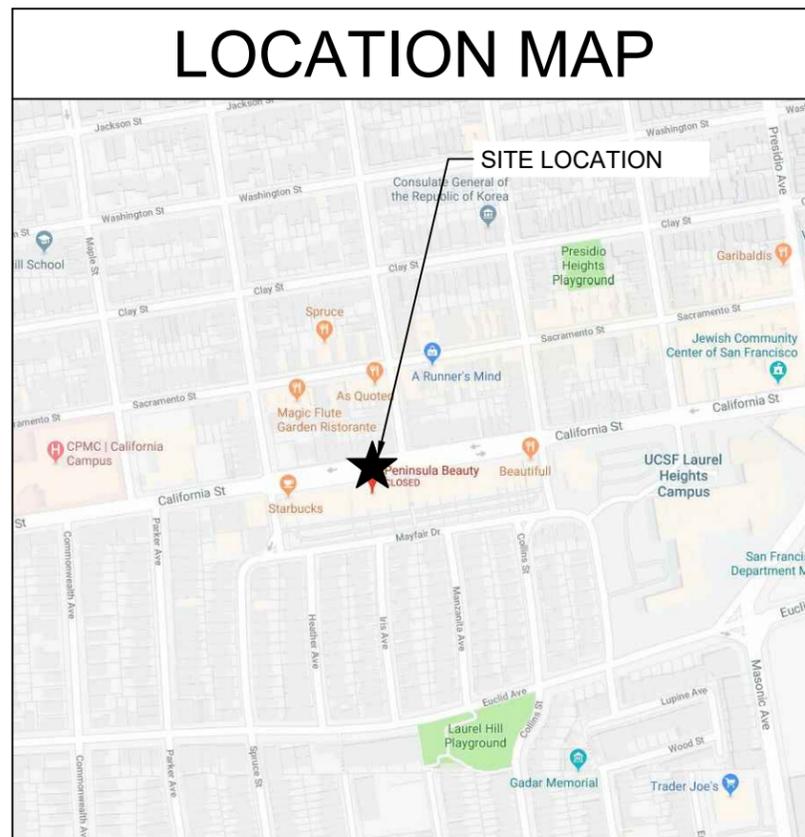
This page intentionally left blank.

bluemercury

APPLICATION FOR CONDITIONAL USE AUTHORIZATION FOR FORMULA RETAIL: BLUEMERCURY

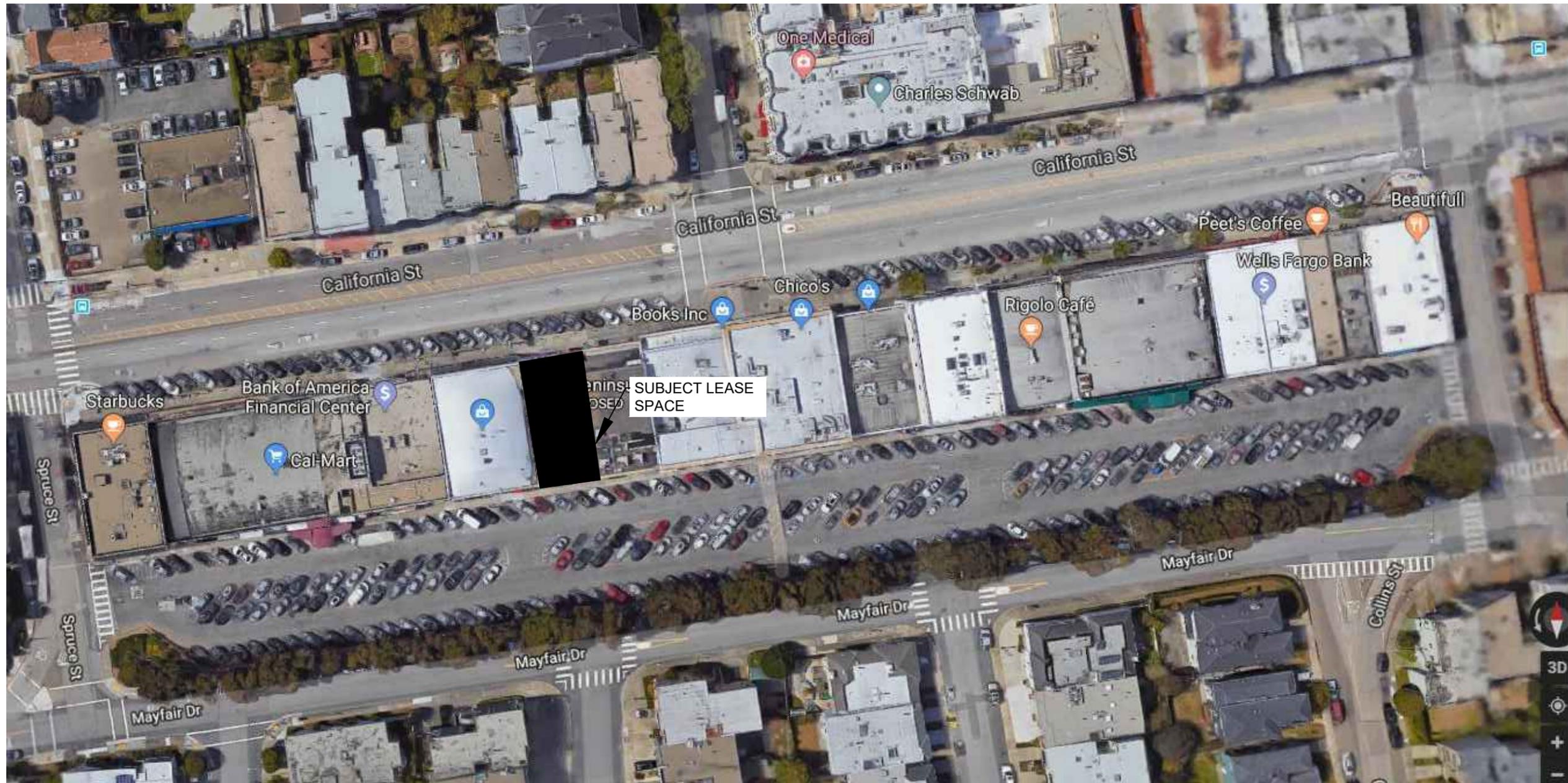
3535 CALIFORNIA STREET
SAN FRANCISCO, CA 94118

LOCATION MAP



DRAWING INDEX

CS	COVER SHEET
IS1	SITE MAP
IS2	FORMULA RETAIL MAP
IS3	EXISTING SITE PHOTOS
A1	EXISTING PLAN
A2	PROPOSED PLAN
A3	EXISTING STOREFRONT ELEVATION
A4	PROPOSED STOREFRONT ELEVATION
A5	EXISTING REAR ELEVATION
A6	PROPOSED REAR ELEVATION
A7	EXTERIOR RENDERING
A8	EXTERIOR RENDERING
A9	INTERIOR RENDERING
A10	INTERIOR RENDERING



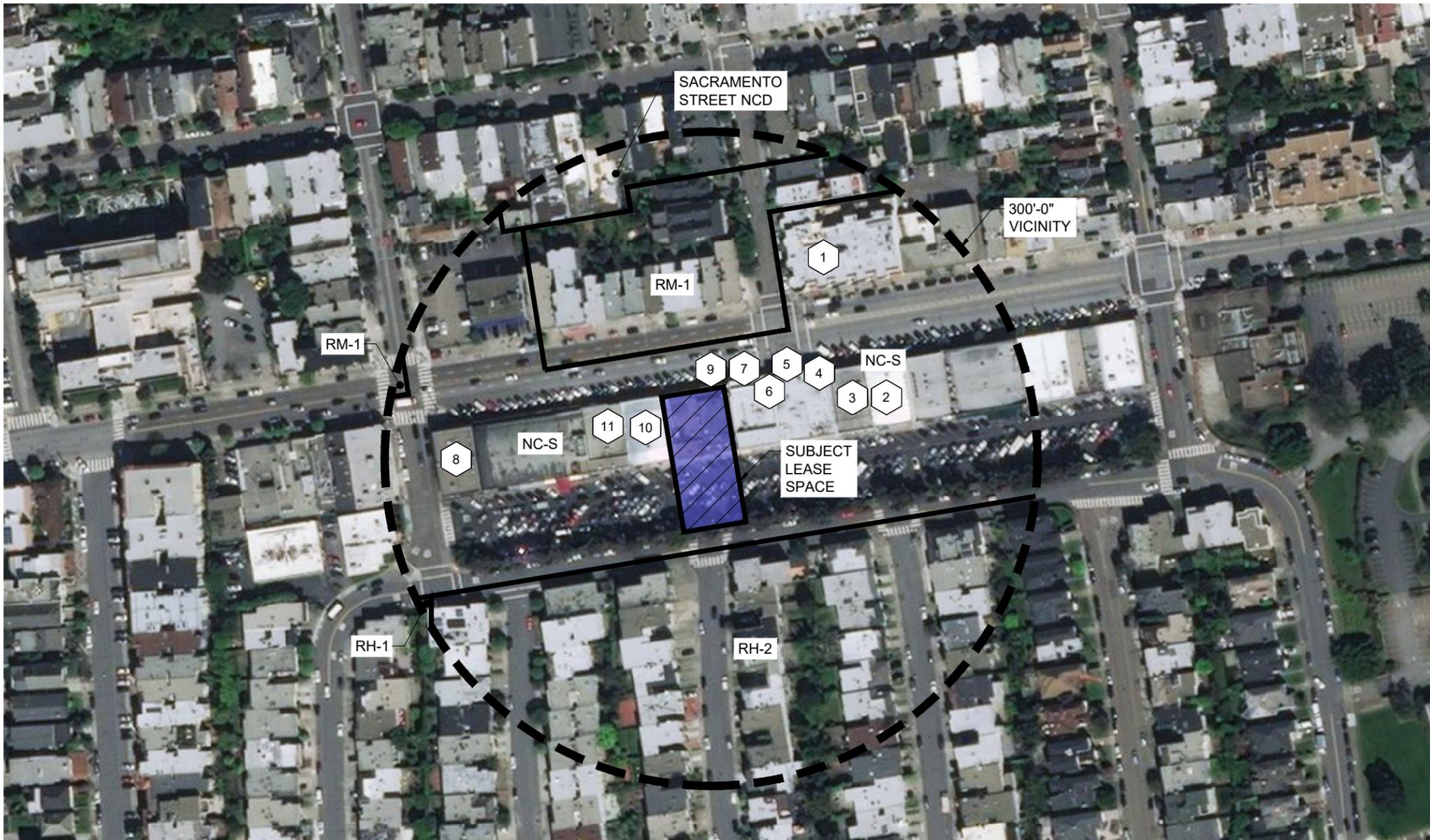
Sheet No. **IS1** Title **SITE PLAN**
 Project # **18095**
 Date **11/30/2018**

These drawings are instruments of the Architect's service and are the property of Lami Grubb Management Services, Inc. They shall not be reproduced or used in any way, whatsoever, without the written permission of Lami Grubb Management Services, Inc. © 2018

BLU MERCURY
 LAUREL VILLAGE
 3535 CALIFORNIA STREET
 SAN FRANCISCO, CA 94118

Lami Grubb

Lami Grubb Management Services, Inc.
 1425 Forbes Ave. Suite 400, Pittsburgh, PA 15219
 Phone: 412.243.3430 • Fax: 412.224.4747



FORMULA RETAIL BUSINESSES			
TAG	BLOCK/LOT	BUSINESS NAME	BUSINESS ADDRESS
1	1019/063	CHARLES SCHWAB	3478 CALIFORNIA STREET
2	1034/006	UNION BANK	3473 CALIFORNIA STREET
3	1034/007	GAP KIDS	3491 CALIFORNIA STREET
4	1034/008	CHICO'S	3505 CALIFORNIA STREET
5	1035/001	BOOKS INC.	3515 CALIFORNIA STREET
6	1035/001	NOAH'S BAGEL	3519 CALIFORNIA STREET
7	1035/001	PAPYRUS	3525 CALIFORNIA STREET
8	1035/003	STARBUCKS	3595 CALIFORNIA STREET
9	1035/004	FIRST REPUBLIC BANK	3533 CALIFORNIA STREET
10	1035/005	ACE HARDWARE	3545 CALIFORNIA STREET
11	1035/006	BANK OF AMERICA	3565 CALIFORNIA STREET



← SPRUCE ST. |

NORTH SIDE OF CALIFORNIA FROM SPRUCE STREET TO LOCUST STREET

| LOCUST ST. →



← LOCUST ST. |

NORTH SIDE OF CALIFORNIA FROM LOCUST STREET TO LAUREL STREET

| LAUREL ST. →



← LAUREL ST. |

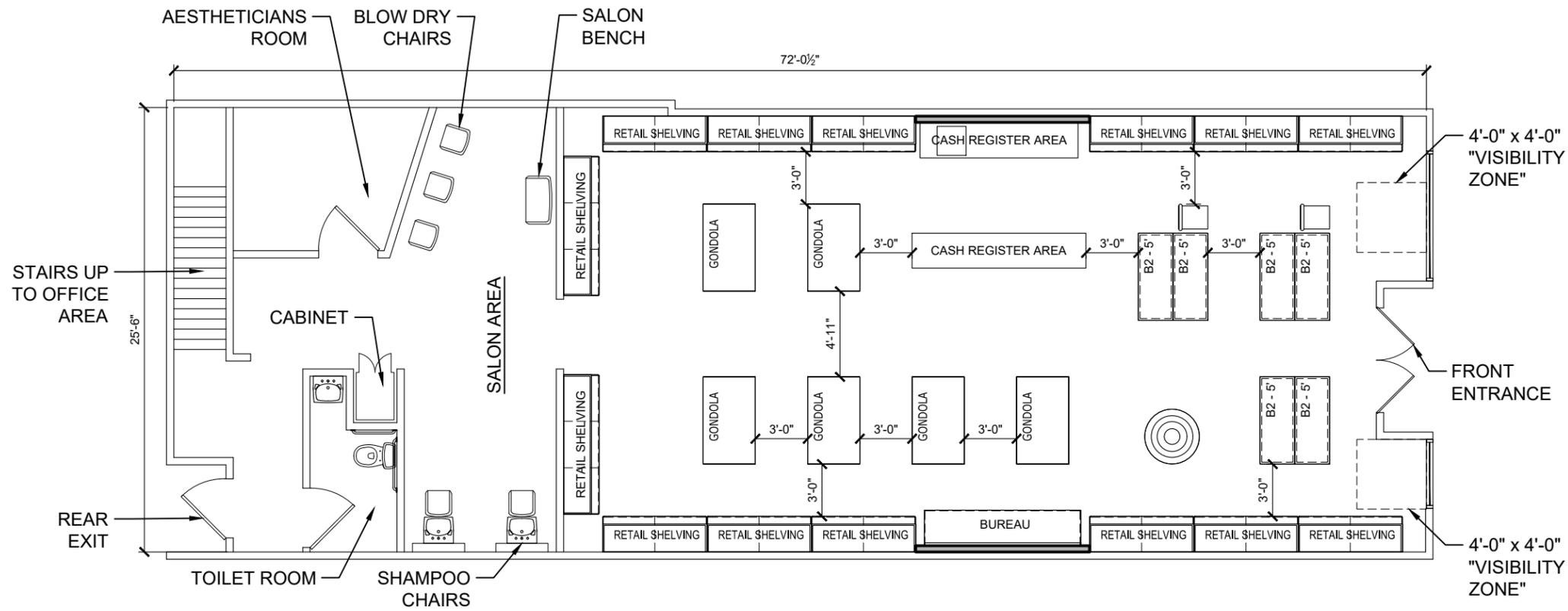
SOUTH SIDE OF CALIFORNIA FROM LAUREL STREET TO SPRUCE STREET



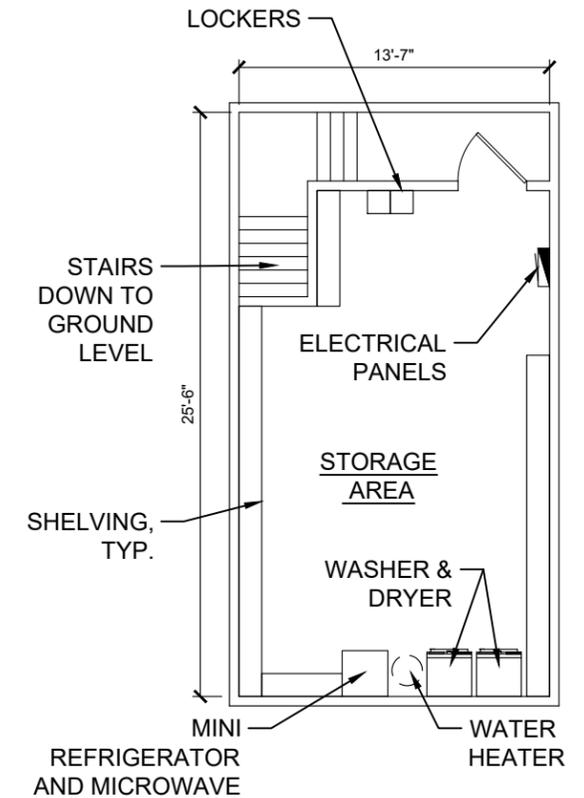
| SUBJECT
PROPERTY |

SOUTH SIDE OF CALIFORNIA FROM LAUREL STREET TO SPRUCE STREET (CONT.)

| SPRUCE ST. →

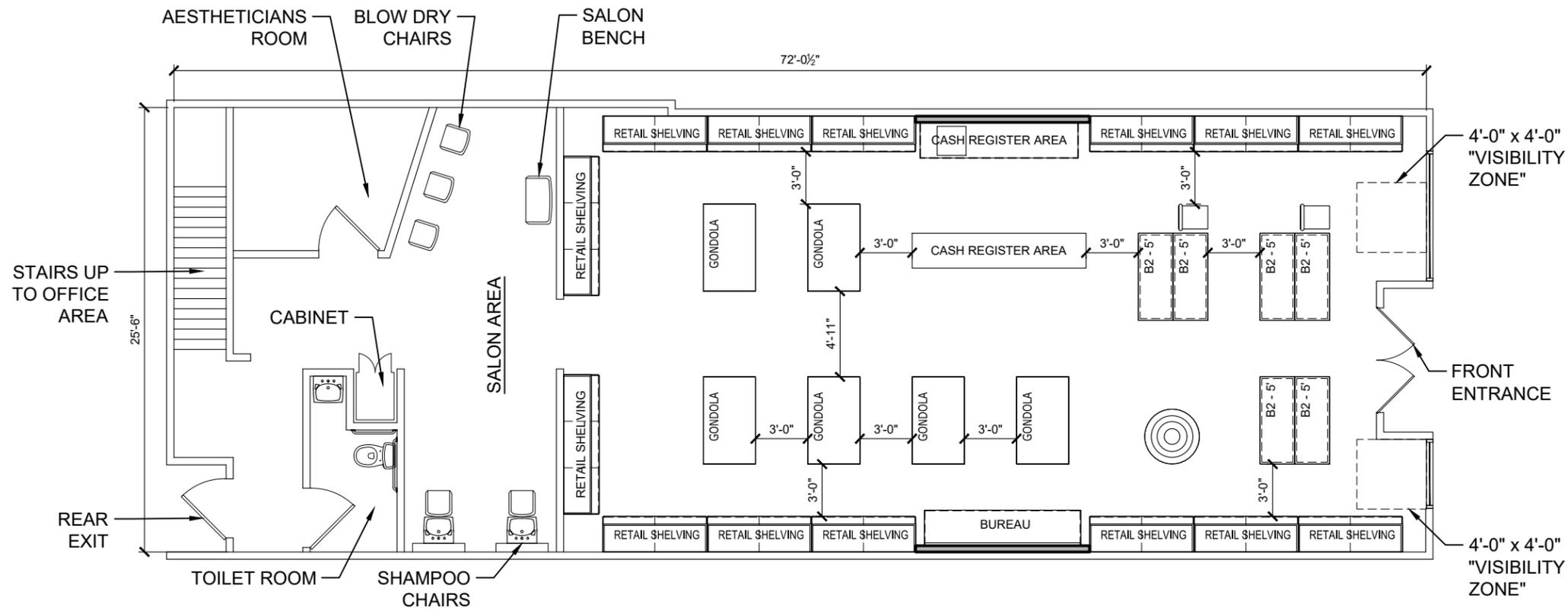


EXISTING GROUND FLOOR PLAN
SCALE: 1/8" = 1'-0"

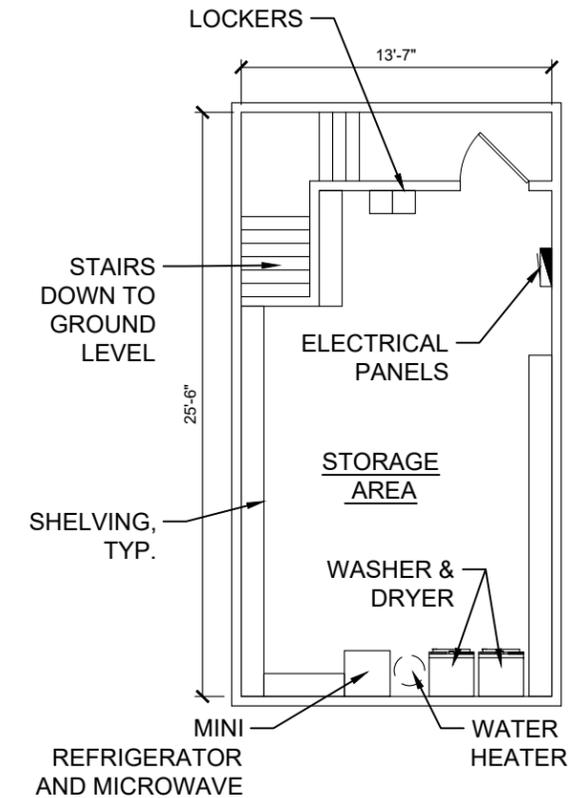


EXISTING UPPER FLOOR PLAN
SCALE: 1/8" = 1'-0"

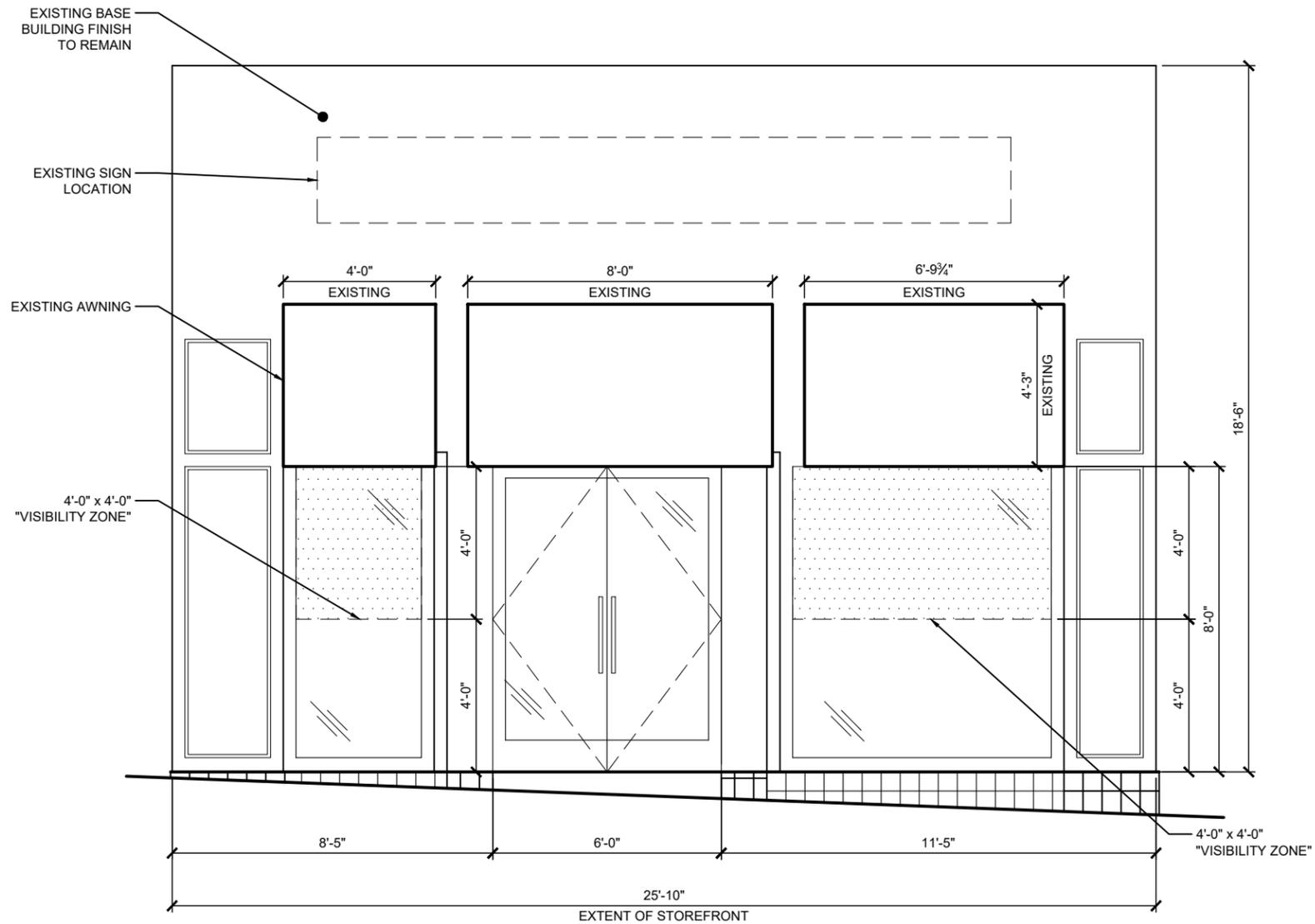
NO CHANGE- FURNITURE SWAP ONLY



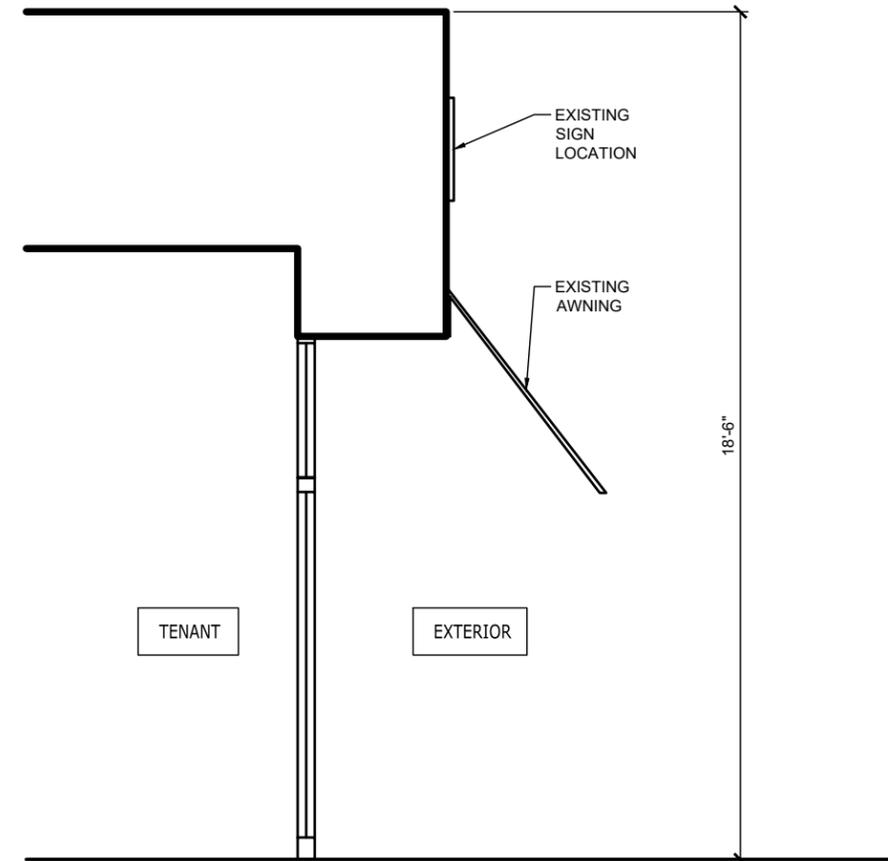
PROPOSED GROUND FLOOR PLAN
SCALE: 1/8" = 1'-0"



PROPOSED UPPER FLOOR PLAN
SCALE: 1/8" = 1'-0"

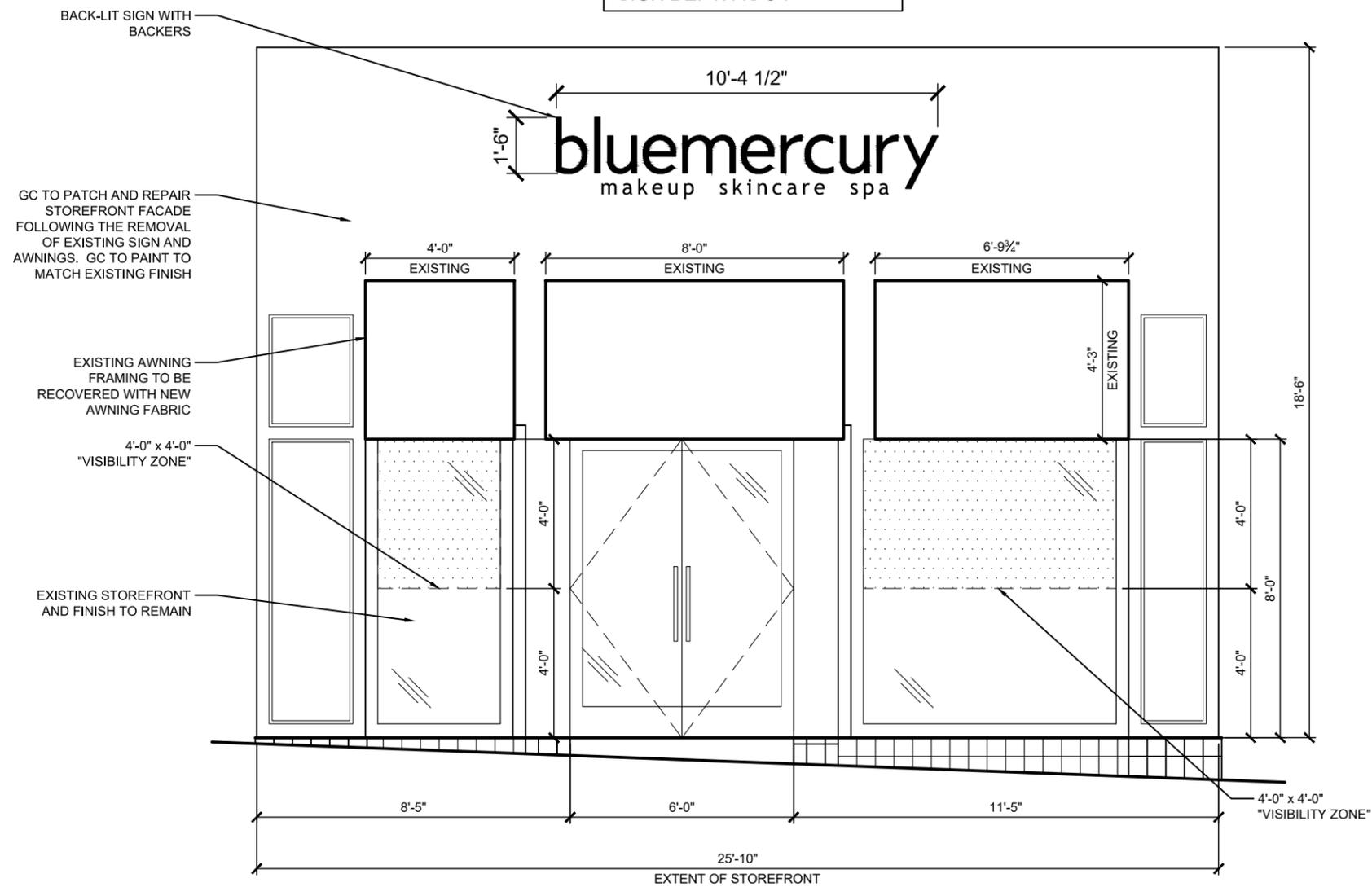


EXISTING STOREFRONT ELEVATION
SCALE: 1/4" = 1'-0"



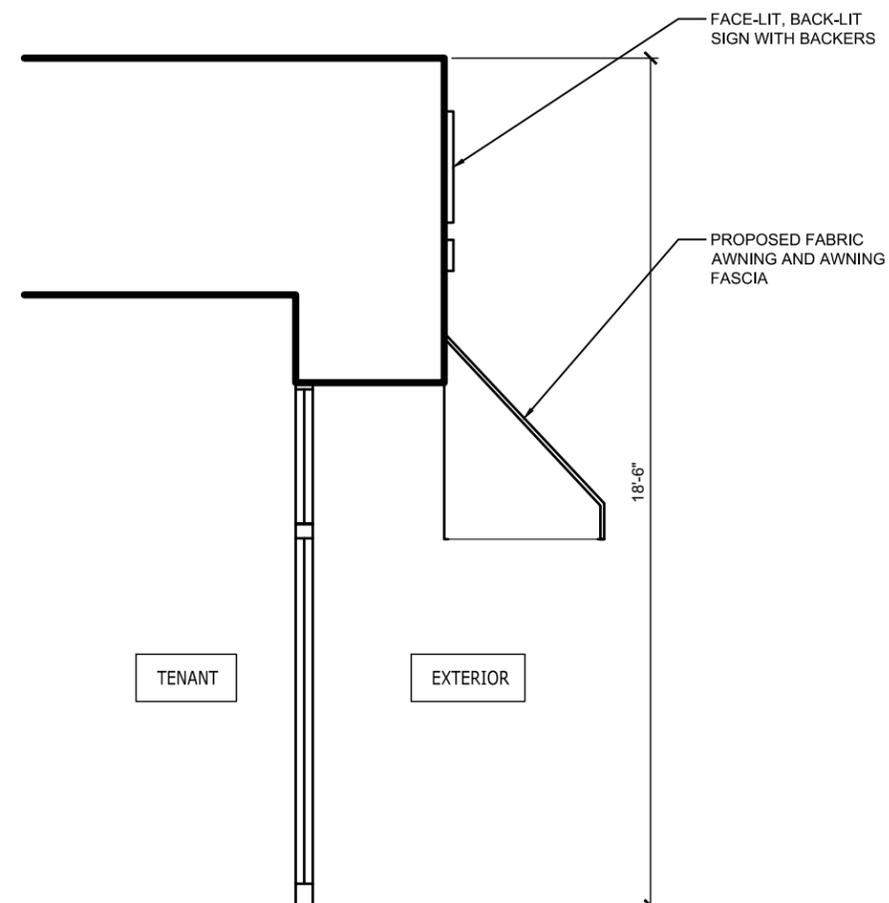
EXISTING SECTION
SCALE: 1/4" = 1'-0"

STOREFRONT SIGN SQUARE
FOOTAGE = 23.06 SF
SIGN DEPTH IS 3".

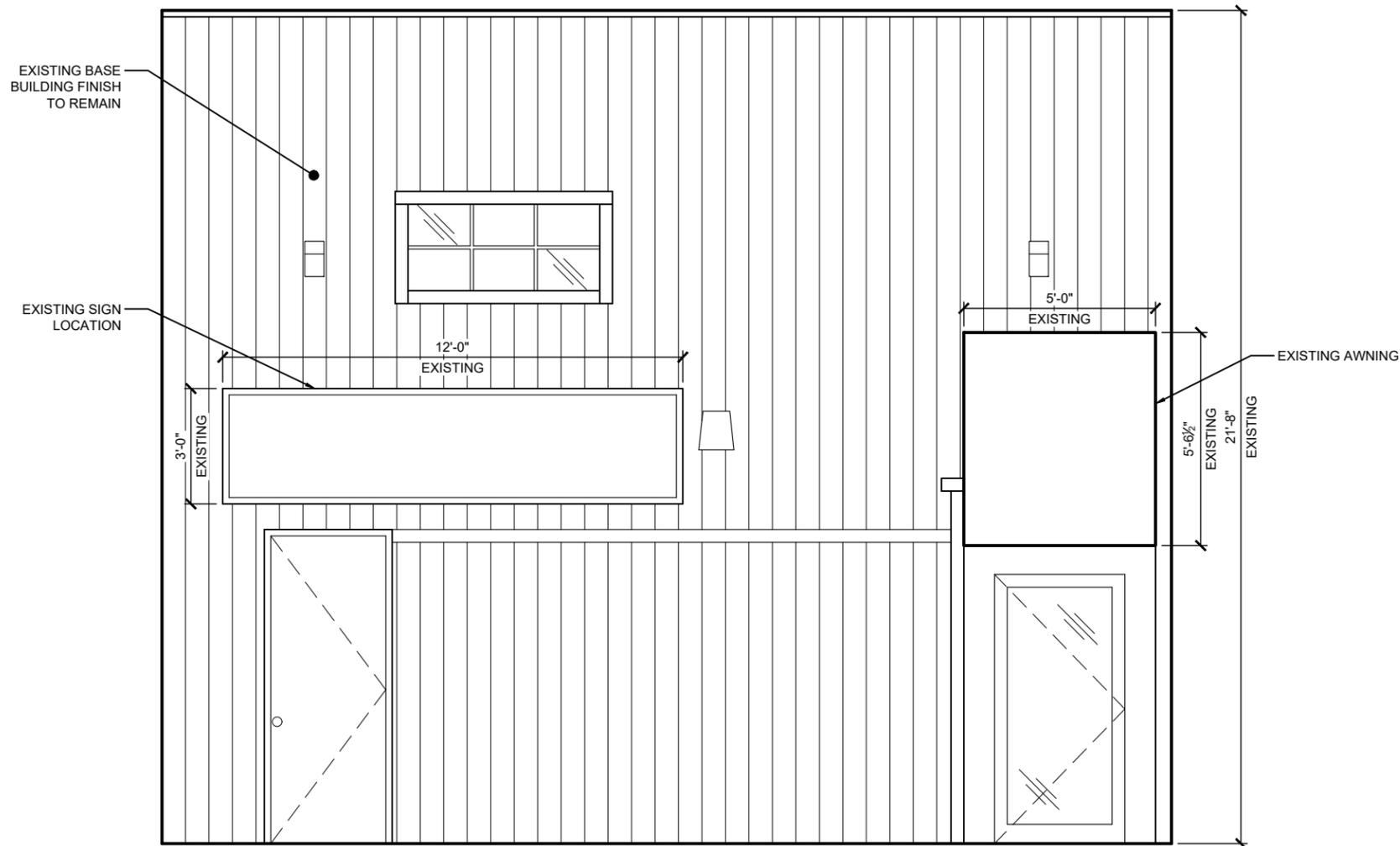


PROPOSED STOREFRONT ELEVATION
SCALE: 1/4" = 1'-0"

NOTE: BUSINESS SIGNAGE AND AWNINGS WILL BE SUBMITTED UNDER A SEPARATE SIGN PERMIT.



PROPOSED SECTION
SCALE: 1/4" = 1'-0"



EXISTING REAR ELEVATION

SCALE: 1/4" = 1'-0"

Sheet No. Title EXISTING REAR ELEVATION

Project # 18095

Date 11/30/2018

These drawings are instruments of the Architect's service and are the property of Lami Grubb Management Services, Inc. They shall not be reproduced or used in any way, whatsoever, without the written permission of Lami Grubb Management Services, Inc. © 2018

A5

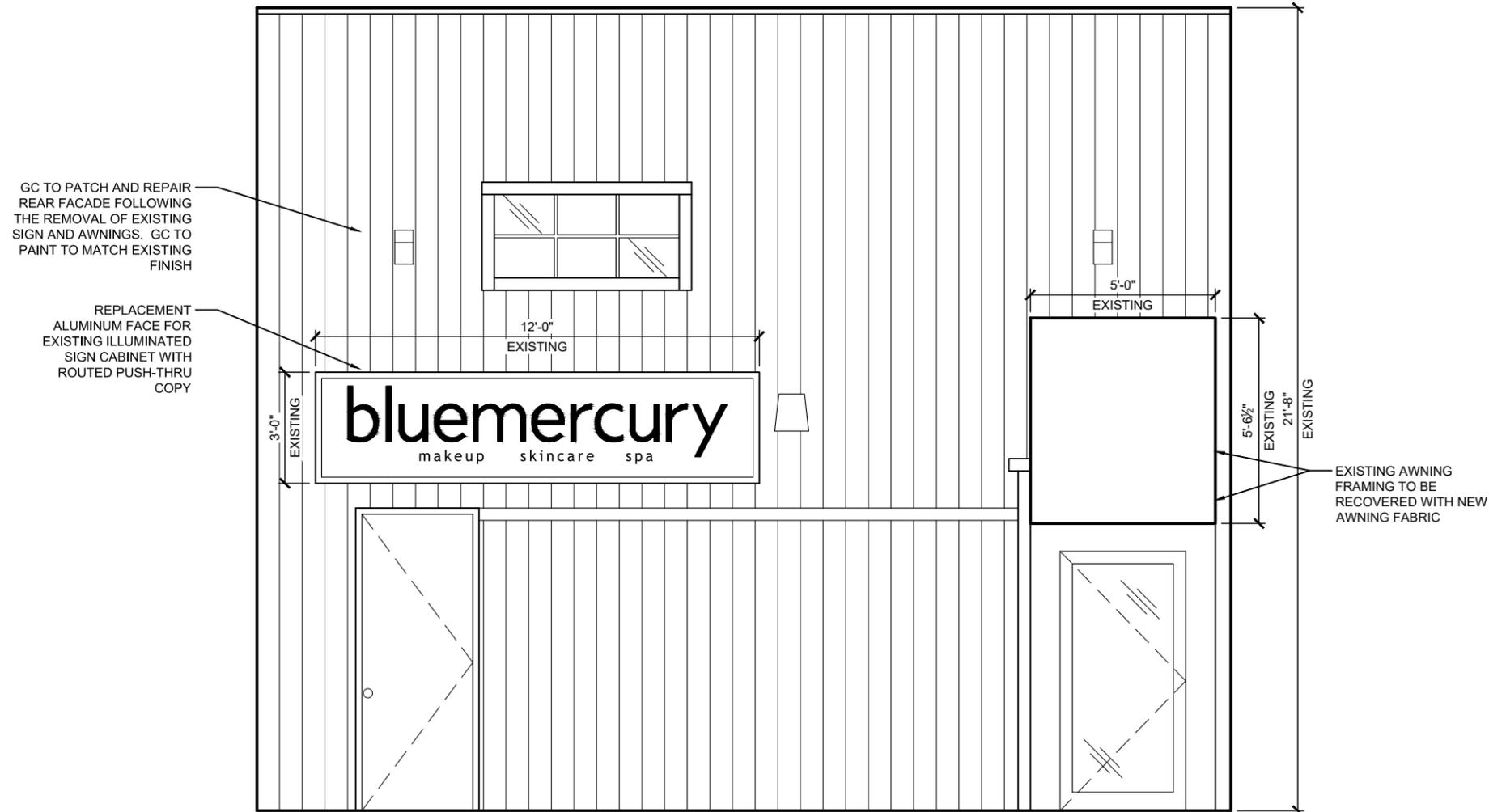
BLU MERCURY

LAUREL VILLAGE
3535 CALIFORNIA STREET
SAN FRANCISCO, CA 94118

Lami Grubb

Lami Grubb Management Services, Inc.
1425 Forbes Ave. Suite 400, Pittsburgh, PA 15219
Phone: 412.243.3430 • Fax: 412.224.4747

REAR SIGN SQUARE
FOOTAGE = 36 SF



PROPOSED REAR ELEVATION

SCALE: 1/4" = 1'-0"

NOTE: BUSINESS SIGNAGE AND
AWNINGS WILL BE SUBMITTED UNDER
A SEPARATE SIGN PERMIT.

Sheet No. Title PROPOSED REAR ELEVATION

A6

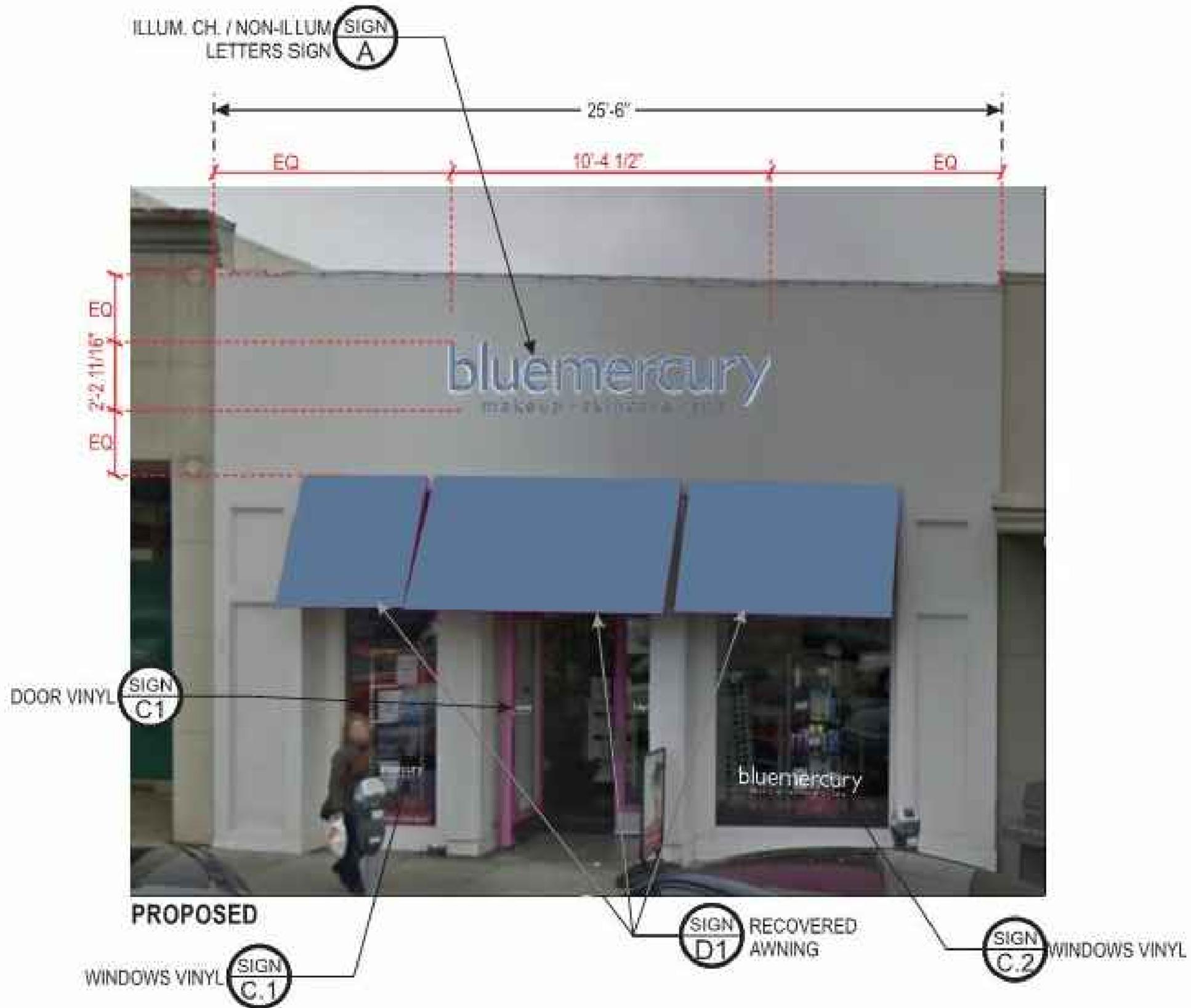
Project # 18095
Date 11/30/2018

These drawings are instruments of the Architect's service and are the property of Lami Grubb Management Services, Inc. They shall not be reproduced or used in any way, whatsoever, without the written permission of Lami Grubb Management Services, Inc. © 2018

BLUEMERCURY
LAUREL VILLAGE
3535 CALIFORNIA STREET
SAN FRANCISCO, CA 94118

Lami Grubb

Lami Grubb Management Services, Inc.
1425 Forbes Ave. Suite 400, Pittsburgh, PA 15219
Phone: 412.243.3430 • Fax: 412.224.4747



REPLACEMENT
ALUMINUM FACE FOR
EXISTING
ILLUMINATED SIGN
CABINET WITH
ROUTED PUSH-THRU
COPY



PROPOSED

REPLACEMENT FACE
FOR EXISTING CABINET



RECOVERED
AWNING



Sheet No. Title EXTERIOR RENDERING

Project # 18095

Date 11/30/2018

These drawings are instruments of the Architect's service and are the property of Lami Grubb Management Services, Inc. They shall not be reproduced or used in any way, whatsoever, without the written permission of Lami Grubb Management Services, Inc. © 2018

BLUEMERCURY
LAUREL VILLAGE
3535 CALIFORNIA STREET
SAN FRANCISCO, CA 94118

Lami Grubb

Lami Grubb Management Services, Inc.
1425 Forbes Ave. Suite 400, Pittsburgh, PA 15219
Phone: 412.243.3430 • Fax: 412.224.4747

A8



Sheet No. Title INTERIOR RENDERING

Project # 18095

Date 11/30/2018

These drawings are instruments of the Architect's service and are the property of Lami Grubb Management Services, Inc. They shall not be reproduced or used in any way, whatsoever, without the written permission of Lami Grubb Management Services, Inc. © 2018

BLU MERCURY
LAUREL VILLAGE
3535 CALIFORNIA STREET
SAN FRANCISCO, CA 94118

Lami Grubb

Lami Grubb Management Services, Inc.
1425 Forbes Ave. Suite 400, Pittsburgh, PA 15219
Phone: 412.243.3430 • Fax: 412.224.4747



Sheet No. Title INTERIOR RENDERING
Project # 18095
Date 11/30/2018

A10

These drawings are instruments of the Architect's service and are the property of Lami Grubb Management Services, Inc. They shall not be reproduced or used in any way, whatsoever, without the written permission of Lami Grubb Management Services, Inc. © 2018

BLUEMERCURY
LAUREL VILLAGE
3535 CALIFORNIA STREET
SAN FRANCISCO, CA 94118

Lami Grubb

Lami Grubb Management Services, Inc.
1425 Forbes Ave. Suite 400, Pittsburgh, PA 15219
Phone: 412.243.3430 • Fax: 412.224.4747



SAN FRANCISCO PLANNING DEPARTMENT



CEQA Categorical Exemption Determination

PROPERTY INFORMATION/PROJECT DESCRIPTION

Project Address		Block/Lot(s)
3535 CALIFORNIA ST		1035004
Case No.		Permit No.
2018-009587PRJ		
<input type="checkbox"/> Addition/ Alteration	<input type="checkbox"/> Demolition (requires HRE for Category B Building)	<input type="checkbox"/> New Construction
<p>Project description for Planning Department approval. Conditional Use Authorization application to permit a formula retail use for Bluemercury.</p>		

STEP 1: EXEMPTION CLASS

Note: If neither class applies, an <i>Environmental Evaluation Application</i> is required.	
<input checked="" type="checkbox"/>	Class 1 - Existing Facilities. Interior and exterior alterations; additions under 10,000 sq. ft.
<input type="checkbox"/>	Class 3 - New Construction. Up to three new single-family residences or six dwelling units in one building; commercial/office structures; utility extensions; change of use under 10,000 sq. ft. if principally permitted or with a CU.
<input type="checkbox"/>	<p>Class 32 - In-Fill Development. New Construction of seven or more units or additions greater than 10,000 sq. ft. and meets the conditions described below:</p> <p>(a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.</p> <p>(b) The proposed development occurs within city limits on a project site of no more than 5 acres substantially surrounded by urban uses.</p> <p>(c) The project site has no value as habitat for endangered rare or threatened species.</p> <p>(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.</p> <p>(e) The site can be adequately served by all required utilities and public services.</p> <p>FOR ENVIRONMENTAL PLANNING USE ONLY</p>
<input type="checkbox"/>	Class _____ Establish Formula Retail use with a Conditional Use Authorization application.

STEP 2: CEQA IMPACTS
TO BE COMPLETED BY PROJECT PLANNER

<p>If any box is checked below, an <i>Environmental Evaluation Application</i> is required.</p>	
<input type="checkbox"/>	<p>Air Quality: Would the project add new sensitive receptors (specifically, schools, day care facilities, hospitals, residential dwellings, and senior-care facilities within an Air Pollution Exposure Zone? Does the project have the potential to emit substantial pollutant concentrations (e.g., backup diesel generators, heavy industry, diesel trucks, etc.)? (refer to EP_ArcMap > CEQA Catex Determination Layers > Air Pollution Exposure Zone)</p>
<input type="checkbox"/>	<p>Hazardous Materials: If the project site is located on the Maher map or is suspected of containing hazardous materials (based on a previous use such as gas station, auto repair, dry cleaners, or heavy manufacturing, or a site with underground storage tanks): Would the project involve 50 cubic yards or more of soil disturbance - or a change of use from industrial to residential? If yes, this box must be checked and the project applicant must submit an Environmental Application with a Phase I Environmental Site Assessment. <i>Exceptions: do not check box if the applicant presents documentation of enrollment in the San Francisco Department of Public Health (DPH) Maher program, a DPH waiver from the Maher program, or other documentation from Environmental Planning staff that hazardous material effects would be less than significant (refer to EP_ArcMap > Maher layer).</i></p>
<input type="checkbox"/>	<p>Transportation: Does the project create six (6) or more net new parking spaces or residential units? Does the project have the potential to adversely affect transit, pedestrian and/or bicycle safety (hazards) or the adequacy of nearby transit, pedestrian and/or bicycle facilities?</p>
<input type="checkbox"/>	<p>Archeological Resources: Would the project result in soil disturbance/modification greater than two (2) feet below grade in an archeological sensitive area or eight (8) feet in a non -archeological sensitive area? (refer to EP_ArcMap > CEQA Catex Determination Layers > Archeological Sensitive Area)</p>
<input type="checkbox"/>	<p>Subdivision/Lot Line Adjustment: Does the project site involve a subdivision or lot line adjustment on a lot with a slope average of 20% or more? (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography)</p>
<input type="checkbox"/>	<p>Slope = or > 20%: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography) If box is checked, a geotechnical report is required.</p>
<input type="checkbox"/>	<p>Seismic: Landslide Zone: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report is required.</p>
<input type="checkbox"/>	<p>Seismic: Liquefaction Zone: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report will likely be required.</p>
<p>If no boxes are checked above, GO TO STEP 3. If one or more boxes are checked above, an <i>Environmental Evaluation Application</i> is required, unless reviewed by an Environmental Planner.</p>	
<p>Comments and Planner Signature (optional): Laura Ajello</p>	

**STEP 3: PROPERTY STATUS - HISTORIC RESOURCE
TO BE COMPLETED BY PROJECT PLANNER**

PROPERTY IS ONE OF THE FOLLOWING: (refer to Parcel Information Map)	
<input type="checkbox"/>	Category A: Known Historical Resource. GO TO STEP 5.
<input checked="" type="checkbox"/>	Category B: Potential Historical Resource (over 45 years of age). GO TO STEP 4.
<input type="checkbox"/>	Category C: Not a Historical Resource or Not Age Eligible (under 45 years of age). GO TO STEP 6.

**STEP 4: PROPOSED WORK CHECKLIST
TO BE COMPLETED BY PROJECT PLANNER**

Check all that apply to the project.	
<input type="checkbox"/>	1. Change of use and new construction. Tenant improvements not included.
<input checked="" type="checkbox"/>	2. Regular maintenance or repair to correct or repair deterioration, decay, or damage to building.
<input type="checkbox"/>	3. Window replacement that meets the Department's <i>Window Replacement Standards</i> . Does not include storefront window alterations.
<input type="checkbox"/>	4. Garage work. A new opening that meets the <i>Guidelines for Adding Garages and Curb Cuts</i> , and/or replacement of a garage door in an existing opening that meets the Residential Design Guidelines.
<input type="checkbox"/>	5. Deck, terrace construction, or fences not visible from any immediately adjacent public right-of-way.
<input type="checkbox"/>	6. Mechanical equipment installation that is not visible from any immediately adjacent public right-of-way.
<input type="checkbox"/>	7. Dormer installation that meets the requirements for exemption from public notification under <i>Zoning Administrator Bulletin No. 3: Dormer Windows</i> .
<input type="checkbox"/>	8. Addition(s) that are not visible from any immediately adjacent public right-of-way for 150 feet in each direction; does not extend vertically beyond the floor level of the top story of the structure or is only a single story in height; does not have a footprint that is more than 50% larger than that of the original building; and does not cause the removal of architectural significant roofing features.
Note: Project Planner must check box below before proceeding.	
<input type="checkbox"/>	Project is not listed. GO TO STEP 5.
<input type="checkbox"/>	Project does not conform to the scopes of work. GO TO STEP 5.
<input type="checkbox"/>	Project involves four or more work descriptions. GO TO STEP 5.
<input checked="" type="checkbox"/>	Project involves less than four work descriptions. GO TO STEP 6.

**STEP 5: CEQA IMPACTS - ADVANCED HISTORICAL REVIEW
TO BE COMPLETED BY PROJECT PLANNER**

Check all that apply to the project.	
<input type="checkbox"/>	1. Project involves a known historical resource (CEQA Category A) as determined by Step 3 and conforms entirely to proposed work checklist in Step 4.
<input type="checkbox"/>	2. Interior alterations to publicly accessible spaces.
<input type="checkbox"/>	3. Window replacement of original/historic windows that are not "in-kind" but are consistent with existing historic character.
<input type="checkbox"/>	4. Façade/storefront alterations that do not remove, alter, or obscure character-defining features.
<input type="checkbox"/>	5. Raising the building in a manner that does not remove, alter, or obscure character-defining features.
<input type="checkbox"/>	6. Restoration based upon documented evidence of a building's historic condition, such as historic photographs, plans, physical evidence, or similar buildings.

<input type="checkbox"/>	7. Addition(s) , including mechanical equipment that are minimally visible from a public right-of-way and meet the <i>Secretary of the Interior's Standards for Rehabilitation</i> .
<input type="checkbox"/>	8. Other work consistent with the <i>Secretary of the Interior Standards for the Treatment of Historic Properties</i> (specify or add comments):
<input type="checkbox"/>	9. Other work that would not materially impair a historic district (specify or add comments): (Requires approval by Senior Preservation Planner/Preservation Coordinator)
<input type="checkbox"/>	10. Reclassification of property status. (Requires approval by Senior Preservation Planner/Preservation <input type="checkbox"/> Reclassify to Category A a. Per HRER dated <input type="checkbox"/> Reclassify to Category C (attach HRER) b. Other (specify):
Note: If ANY box in STEP 5 above is checked, a Preservation Planner MUST check one box below.	
<input type="checkbox"/>	Further environmental review required. Based on the information provided, the project requires an <i>Environmental Evaluation Application</i> to be submitted. GO TO STEP 6.
<input type="checkbox"/>	Project can proceed with categorical exemption review. The project has been reviewed by the Preservation Planner and can proceed with categorical exemption review. GO TO STEP 6.
Comments (optional):	
Preservation Planner Signature:	

**STEP 6: CATEGORICAL EXEMPTION DETERMINATION
TO BE COMPLETED BY PROJECT PLANNER**

<input type="checkbox"/>	Further environmental review required. Proposed project does not meet scopes of work in either (check all that apply): <input type="checkbox"/> Step 2 - CEQA Impacts <input type="checkbox"/> Step 5 - Advanced Historical Review STOP! Must file an <i>Environmental Evaluation Application</i>.	
<input checked="" type="checkbox"/>	No further environmental review is required. The project is categorically exempt under CEQA. There are no unusual circumstances that would result in a reasonable possibility of a significant effect.	
	Project Approval Action: Commission Hearing	Signature: Laura Ajello
	If Discretionary Review before the Planning Commission is requested, the Discretionary Review hearing is the Approval Action for the project.	12/18/2018
	Once signed or stamped and dated, this document constitutes a categorical exemption pursuant to CEQA Guidelines and Chapter 31 of the Administrative Code. In accordance with Chapter 31 of the San Francisco Administrative Code, an appeal of an exemption determination can only be filed within 30 days of the project receiving the first approval action. Please note that other approval actions may be required for the project. Please contact the assigned planner for these approvals.	

STEP 7: MODIFICATION OF A CEQA EXEMPT PROJECT

TO BE COMPLETED BY PROJECT PLANNER

In accordance with Chapter 31 of the San Francisco Administrative Code, when a California Environmental Quality Act (CEQA) exempt project changes after the Approval Action and requires a subsequent approval, the Environmental Review Officer (or his or her designee) must determine whether the proposed change constitutes a substantial modification of that project. This checklist shall be used to determine whether the proposed changes to the approved project would constitute a "substantial modification" and, therefore, be subject to additional environmental review pursuant to CEQA.

PROPERTY INFORMATION/PROJECT DESCRIPTION

Project Address (If different than front page)		Block/Lot(s) (If different than front page)
3535 CALIFORNIA ST		1035/004
Case No.	Previous Building Permit No.	New Building Permit No.
2018-009587PRJ		
Plans Dated	Previous Approval Action	New Approval Action
	Commission Hearing	
Modified Project Description:		

DETERMINATION IF PROJECT CONSTITUTES SUBSTANTIAL MODIFICATION

Compared to the approved project, would the modified project:	
<input type="checkbox"/>	Result in expansion of the building envelope, as defined in the Planning Code;
<input type="checkbox"/>	Result in the change of use that would require public notice under Planning Code Sections 311 or 312;
<input type="checkbox"/>	Result in demolition as defined under Planning Code Section 317 or 19005(f)?
<input type="checkbox"/>	Is any information being presented that was not known and could not have been known at the time of the original determination, that shows the originally approved project may no longer qualify for the exemption?
If at least one of the above boxes is checked, further environmental review is required.	

DETERMINATION OF NO SUBSTANTIAL MODIFICATION

<input type="checkbox"/>	The proposed modification would not result in any of the above changes.
If this box is checked, the proposed modifications are categorically exempt under CEQA, in accordance with prior project approval and no additional environmental review is required. This determination shall be posted on the Planning Department website and office and mailed to the applicant, City approving entities, and anyone requesting written notice.	
Planner Name:	Date:



SAN FRANCISCO PLANNING DEPARTMENT

Land Use Information

PROJECT ADDRESS: 3535 CALIFORNIA ST
RECORD NO.: 2018-009587CUA

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

Reception:
415.558.6378

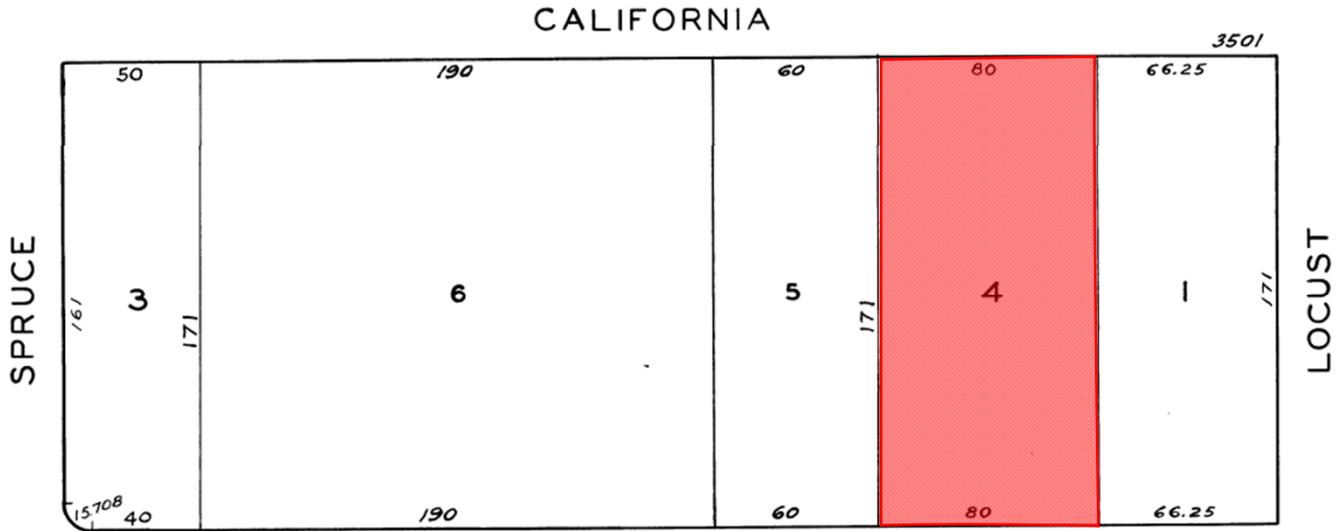
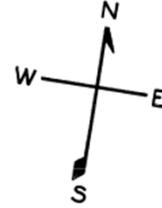
Fax:
415.558.6409

Planning
Information:
415.558.6377

	EXISTING	PROPOSED	NET NEW
GROSS SQUARE FOOTAGE (GSF)			
Lot Area	13,677	No Change	
Residential	0	No Change	
Commercial/Retail	2,358	No Change	
Office	0	No Change	
Industrial/PDR <i>Production, Distribution, & Repair</i>	0	No Change	
Parking	0	No Change	
Usable Open Space	0	No Change	
Public Open Space	0	No Change	
TOTAL GSF	2,358	No Change	
	EXISTING	NET NEW	TOTALS
PROJECT FEATURES (Units or Amounts)			
Dwelling Units - Market Rate	0	No Change	
Dwelling Units - Affordable	0	No Change	
Hotel Rooms	0	No Change	
Parking Spaces	220*	No Change	
Loading Spaces	5*	No Change	
Car Share Spaces	0	No Change	
Bicycle Spaces	14*	No Change	
Number of Buildings	1	No Change	
Number of Stories	2	No Change	

* shared by all tenants in the Laurel Village Shopping Center

Parcel Map

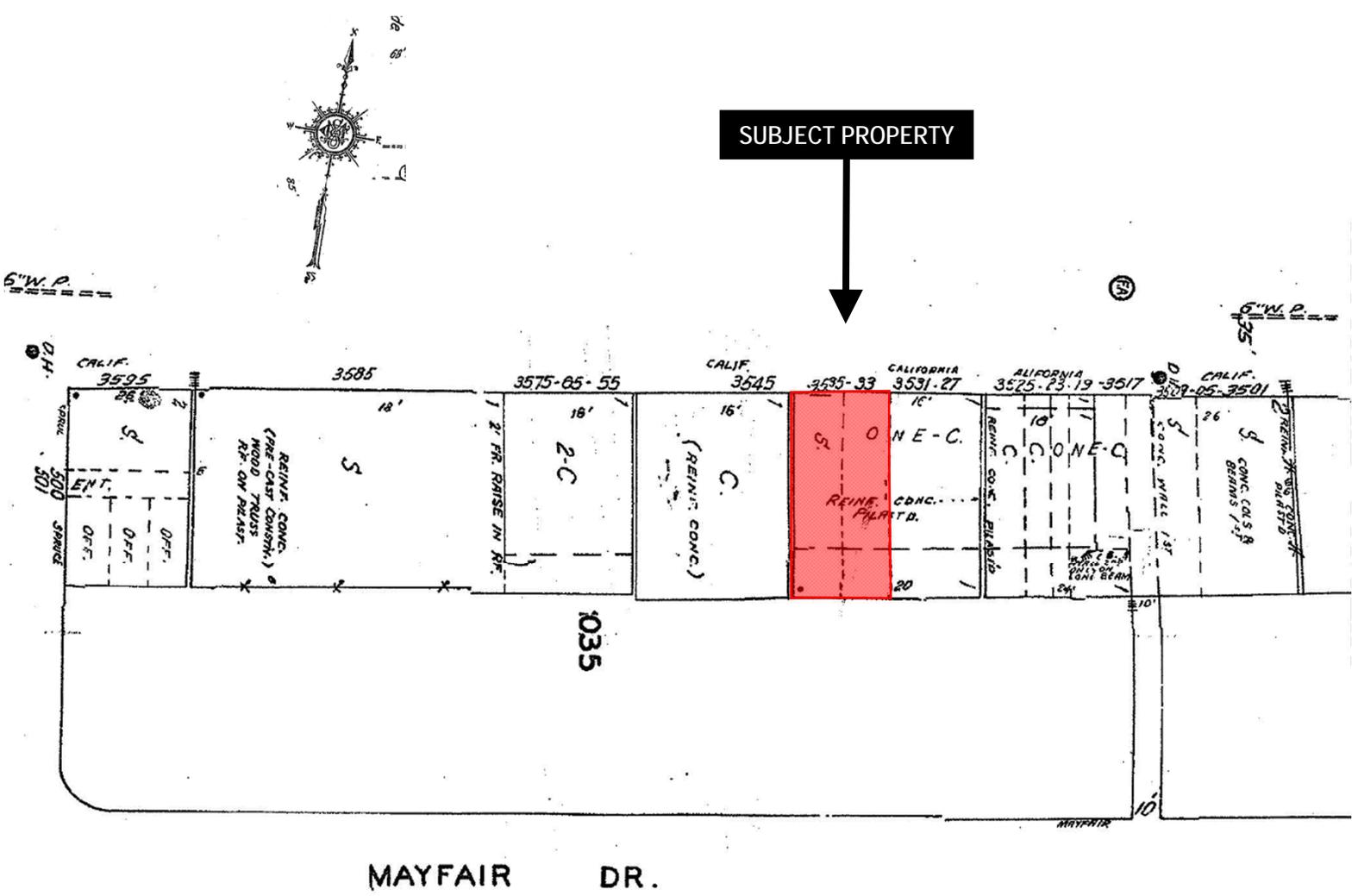


↑
SUBJECT PROPERTY



Conditional Use Hearing
Case Number 2018-009587CUA
3535 California Street

Sanborn Map*

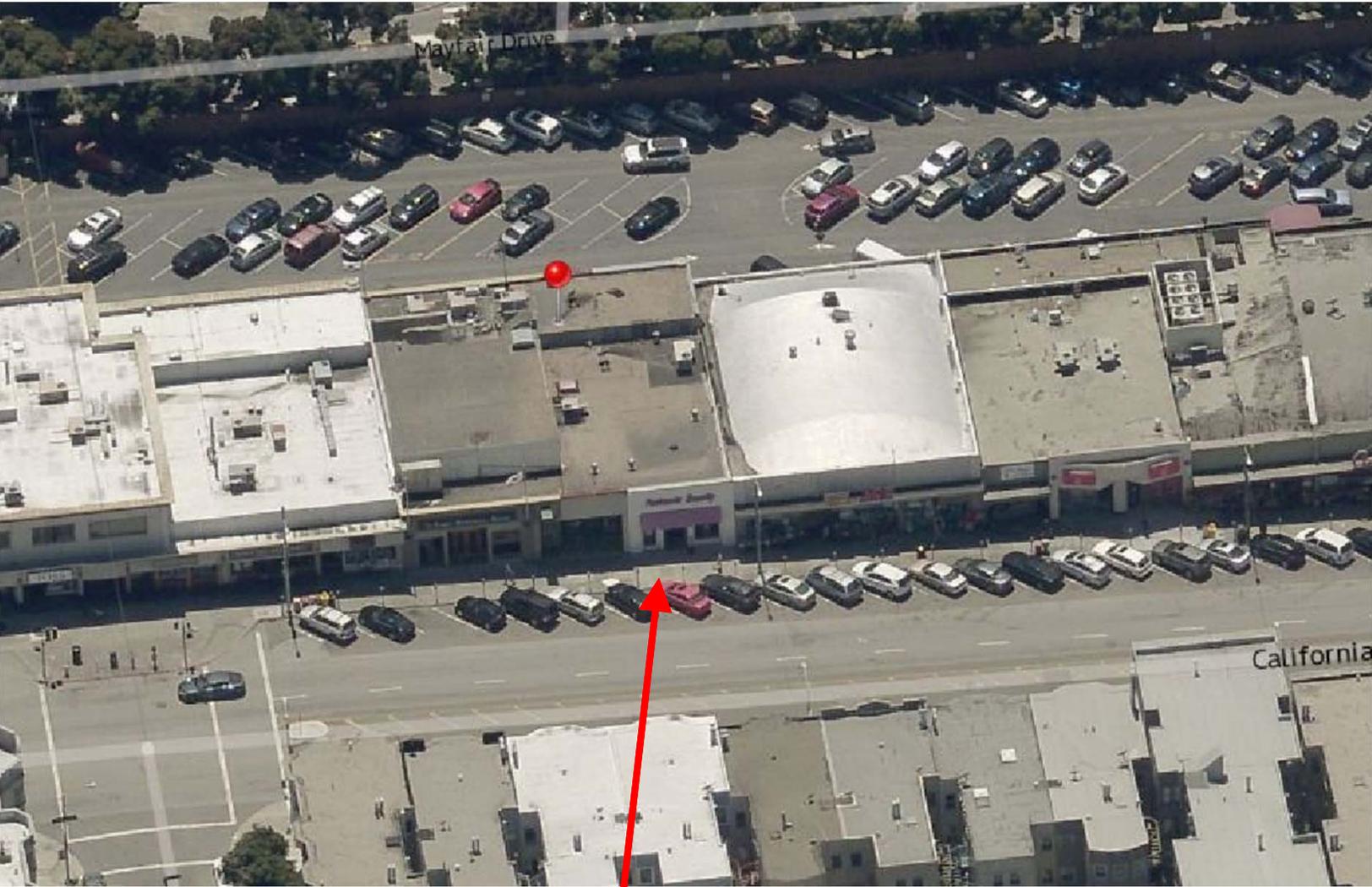


*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Conditional Use Hearing
Case Number 2018-009587CUA
3535 California Street

Aerial Photo

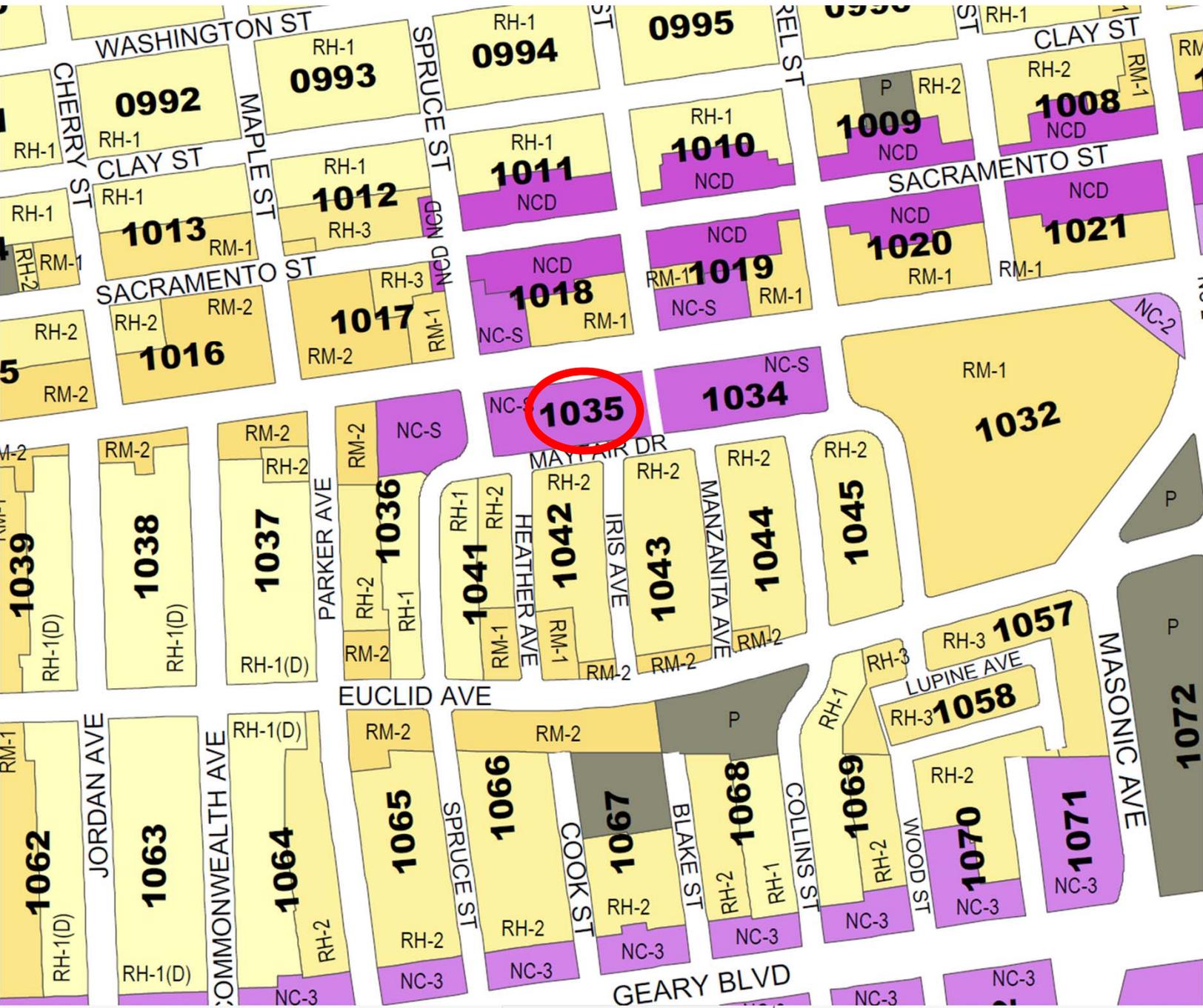


SUBJECT PROPERTY



Conditional Use Hearing
Case Number 2018-009587CUA
3535 California Street

Zoning Map



Conditional Use Hearing
Case Number 2018-009587CUA
3535 California Street

Site Photo 1



California Street Frontage

Conditional Use Hearing
Case Number 2018-009587CUA
3535 California Street

Site Photo 2



Rear Elevation

Conditional Use Hearing
Case Number 2018-009587CUA
3535 California Street



CONDITIONAL USE AUTHORIZATION

SUPPLEMENTAL APPLICATION

Property Information

Project Address: 3535 California Street

Block/Lot(s): 1035/004

Action(s) Requested

Action(s) Requested (Including Planning Code Section(s) which authorizes action)

Conditional Use Authorization pursuant to Planning Code Sections 303, 303.1, and 713 to permit a new formula retail use (Bluemercury) within an existing storefront, currently occupied by Peninsula Beauty, another beauty supply chain.

Conditional Use Findings

Pursuant to Planning Code Section 303(c), before approving a conditional use authorization, the Planning Commission needs to find that the facts presented are such to establish the findings stated below. In the space below and on separate paper, if necessary, please present facts sufficient to establish each finding.

1. That the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community. If the proposed use exceeds the non-residential use size limitations for the zoning district, additional findings must be provided per Planning Code Section 303(c)(1)(A-C).

See Attached.

2. That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:
 - a. The nature of the proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;
 - b. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;
 - c. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;
 - d. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs.

See Attached.

3. That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the General Plan.

See Attached.

4. The use or feature satisfies any criteria specific to the use of features listed in Planning Code Section 303(g), et seq.

See Attached.

APPLICANT'S AFFIDAVIT

Under penalty of perjury the following declarations are made:

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



Signature

Name (Printed)

Relationship to Project
(i.e. Owner, Architect, etc.)

Phone

Email

APPLICANT'S SITE VISIT CONSENT FORM

I hereby authorize City and County of San Francisco Planning staff to conduct a site visit of this property, making all portions of the interior and exterior accessible.



Signature

Name (Printed)

Date

For Department Use Only
Application received by Planning Department:

By: _____

Date: _____

EXHIBIT A

Conditional Use Findings

**ATTACHMENT TO CONDITIONAL USE AUTHORIZATION
3535 CALIFORNIA STREET - BLUEMERCURY**

A. PROJECT DESCRIPTION:

Bluemercury, Inc. (“Project Sponsor”) proposes to establish a new Bluemercury store within the existing storefront at 3535 California Street (the “Property”). The Project Sponsor would occupy the 2,358-square-foot space currently occupied by Peninsula Beauty, another beauty store chain that had operated 12 locations in the greater Bay Area, but is going out of business due to the retirement of the owner after 40 years. The Property has operated as Peninsula Beauty since 2012, and had operated as another beauty store for at least six years before that. Bluemercury proposes to maintain the longstanding use and continue to employ long-time retail sales associates and salon stylists that have been with the store for years.

Bluemercury was founded in 1999 by Marla and Barry Beck. The founders’ concept for the store was an alternative to the traditional model of cosmetics store where brands are displayed on different counters, competing for a customer’s attention and sales, with no comparative advice being given. The founder’s vision is to employ staff members who are knowledgeable about products from a technical standpoint so that they can advise customers amongst brands to select products and price points that fit a customer’s particular needs. Samples are offered to customers who request them to ensure that a customer will be pleased with their purchases. The brands carried by Bluemercury vary in price point and the store is a neighborhood resource for convenient shopping for cosmetics for women and men. The store also offers the services of licensed aestheticians for facials and other skin care treatments. The product line sold here will be tailored to local clientele as its customer base develops.

**B. COMPLIANCE WITH CONDITIONAL USE CRITERIA (SECTION 303)
FINDINGS:**

Under Planning Code Section 303(c), the City Planning Commission shall approve the application and authorize a conditional use if the facts presented are such to establish the following:

- 1. That the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.**

The Project will replace a retail beauty storefront (Peninsula Beauty) that is going out of business due to the retirement of the operator after 40 years, thereby retaining the use type. The Laurel Heights location consists of a mix of neighborhood-serving commercial uses surrounded by residential buildings. Replacing Peninsula Beauty with Bluemercury at the Property would allow the space to continue providing skincare and salon services to the neighborhood, maintaining and continuing the existing use type.

2. **That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:**

- (a) **The nature of the proposed site, including its size and shape, and the proposed size, shape and arrangement of the structure.**

The Project will replace a beauty retailer with another neighborhood beauty retailer. There will be no changes to height or bulk of the building, and no substantial changes to the storefront exterior. The only changes will be the signage and awning color on the storefront façade.

- (b) **The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading.**

The Property is well served by public transit. The 1 and 2 bus lines run along California Street from east to west approximately every ten minutes, and the 1BX, 3, 33, 38R and 43 lines also run within walking distance of the Project site. Additionally, there are seven bus stops within a three-block radius from the Property. The Property is situated within the Laurel Heights neighborhood, surrounded primarily by residential neighborhoods, and customers are expected to primarily be comprised of neighborhood residents and shoppers walking through the commercial corridor on foot.

- (c) **The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor.**

The Project primarily involves minor interior tenant improvement work. It will not produce, nor include, any uses that could emit noxious or offensive emissions such as noise, glare, dust, and odor.

- (d) **Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs.**

The Project will not modify the exterior of the building except for minor facade changes to the awning and signage. It will not include any changes to the sidewalk landscaping or lighting in the area, and no parking is proposed as part of the Project.

3. **That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the Master Plan:**

Commerce and Industry Element

OBJECTIVE 1 MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1 Encourage development which provides substantial net benefits and minimizes undesirable consequences.

Policy 1.3 Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The Project is consistent with these policies. It replaces an existing neighborhood beauty store with a new neighborhood beauty store, maintaining an existing use and continuing to serve an existing community need.

OBJECTIVE 2 MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1 Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The Project promotes this policy by retaining an existing commercial storefront. The Bluemercury store will provide new employment opportunities for San Francisco residents and will retain almost all of the existing retail sales associates and salon stylists. Further, a Bluemercury at this location will maintain the current customer base and draw increased foot traffic to the neighborhood, thereby growing the base of potential customers who will patronize other businesses in the vicinity.

OBJECTIVE 6 MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1 Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

Because the Bluemercury store would replace another commercial business of the same type, the Project would continue to serve Laurel Heights neighborhood customers' beauty needs. Additionally, the Bluemercury store would contribute to the variety of businesses in the surrounding area,

including Ace Hardware, First Republic Bank, Noah's New York Bagels, Papyrus, and Stan's Kitchen.

Transportation Element:

OBJECTIVE 11 ESTABLISH PUBLIC TRANSIT AS THE PRIMARY MODE OF TRANSPORTATION IN SAN FRANCISCO AND AS A MEANS THROUGH WHICH TO GUIDE FUTURE DEVELOPMENT AND IMPROVE REGIONAL MOBILITY AND AIR QUALITY.

Policy 11.3: Encourage development that efficiently coordinates land use with transit service, requiring that developers address transit concerns as well as mitigate traffic problems.

The Project is located within the Laurel Heights Neighborhood District, which is well served by public transit. The 1 and 2 bus lines run along California Street from east to west approximately every ten minutes, and the 1BX, 3, 33, 38R and 43 lines also run within walking distance of the Project site. Additionally, there are seven bus stops within a three-block radius from the Property. Shoppers that come to the neighborhood generally park in the street spaces or in the California Street Parking lot, or arrive via bike or bus. The new Bluemercury anticipates primarily serving neighborhood residents and visitors who have come to the area to shop.

C. COMPLIANCE WITH SECTION 303.1 – FORMULA RETAIL USE

Section 303.1 requires that, with respect to an application for Conditional Use authorization for a formula retail use, the Planning Commission shall consider the following:

- (1) The existing concentrations of formula retail uses within the District and within the vicinity of the project;**

There are a number of other formula retail uses within the district and within the vicinity of the Project, including Chico's, Gap Kids, Peet's Coffee, Books, Inc., Papyrus, and First Republic Bank. And with 12 locations, Peninsula Beauty was also a formula retail store. Accordingly, a new Bluemercury location here will not significantly change the character of the neighborhood. A formula retail survey will assess in more detail the concentration of formula retail uses within the District and vicinity.

- (2) The availability of other similar retail uses within the District and within the vicinity of the project;**

Bluemercury is replacing another neighborhood beauty store that is going out of business because the long-time owner is retiring. Currently, the closest beauty store to the Project is located several blocks away, on Geary Boulevard. Additionally, the store sells makeup, skin care, bath and

body products, hair products, perfumes, and includes brands that are not sold at most stores. Bluemercury would also offer a menu of salon services, including salon styling and waxing. Bluemercury is unique in that the store's clients receive technical product knowledge and expert advice from employees. The store is not envisioned as a grab-and-go shop. Instead, the business model reflects careful customer attention, with a focus on finding the right product for the particular customer.

(3) The compatibility of the proposed formula retail use with the existing architectural and aesthetic character of the District;

The Project proposes to utilize an existing beauty retail space. No substantial changes to the exterior of the building are proposed.

(4) The existing retail vacancy rates within the District and within the vicinity of the project; and

Bluemercury proposes to occupy an existing storefront that is going out of business due to the retirement of the long-time owner. A walking survey of the neighborhood will provide better information on the existing retail vacancy rates within the vicinity.

(5) The existing mix of Citywide-serving retail uses and neighborhood-serving retail uses within the District and within the vicinity of the project.

The Project is located within the Laurel Heights Neighborhood on California Street, an active residential and commercial area comprised of a mix of neighborhood-serving retail and Citywide-serving retail locations. Commercial uses in the corridor include a grocery store, hardware store, coffee shops, bars, restaurants, gyms, convenience markets, laundries, and a drugstore. The area does not have another beauty store located nearby, and the new store would maintain the mix of uses in an area that currently includes CalMart, Peet's Coffee, Chico's, Wells Fargo Bank, Ace Hardware, Starbucks, and several restaurants. The proposed Bluemercury would serve both neighborhood locals and citywide shoppers, and would serve the community's cosmetic and beauty needs. Additionally, the new Bluemercury would attract increased foot traffic to the area, generating potential new customers for surrounding small businesses.

D. PRIORITY MASTER PLAN POLICIES FINDINGS

Planning Code Section 101.1 establishes the following eight priority planning policies and requires review of permits for consistency with said policies. The Project and this Section 303 Application are consistent with each of these policies as follows:

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

The Project proposes to maintain a neighborhood-serving beauty store. Bluemercury proposes to continue operating a neighborhood beauty and skincare store where Peninsula Beauty has been

operating since 2012, and where another beauty store operated for at least six years before that. The new store will provide approximately seven employment opportunities, including four retail sales associates and three contract stylists and, as a destination shopping location, will draw increased foot traffic to the entire Laurel Heights commercial corridor.

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

The Project will not affect existing housing or neighborhood character. No substantial exterior changes are proposed. The only facade changes will consist of a new awning and signage.

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

The Project would have no effect on affordable housing.

4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking.

The Project will largely serve local residents whose use of Muni transit, and streets and parking, will not be significantly impacted. The majority of customers are expected to access the location on foot or by bus. Therefore Bluemercury will not burden neighborhood parking.

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

The Project does not propose any office use. The Project would contribute to a diverse economic base by maintaining a thriving street-facing business.

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

The Project will conform to the structural and seismic requirements of the San Francisco Building Code, meeting this requirement.

7. That landmarks and historic buildings be preserved.

The Project will not alter any landmark building, contributory building, or architecturally significant building on the Property or in the vicinity.

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

The Project does not involve any expansion of the existing building and will therefore have no effect on parks or open space, or their access to sunlight and views.

REUBEN, JUNIUS & ROSE, LLP

Chloe Angelis
cangelis@reubenlaw.com

January 15, 2019

Delivered Via Email (Laura.Ajello@sfgov.org)

Rich Hillis, Commission President
San Francisco Planning Commission
1650 Mission Street, 4th Floor
San Francisco, California 94103

**Re: Bluemercury, 3535 California
Planning Case Number: 2018-009587
Hearing Date: January 31, 2019
Our File: 10943.01**

Dear President Hillis and Commissioners:

This office represents Bluemercury, Inc., which proposes to establish a new Bluemercury store within the existing storefront at 3535 California Street (the “**Project**”). The Project Sponsor would occupy the 2,358-square-foot space currently occupied by Peninsula Beauty, another beauty store chain that has operated 12 locations in the greater Bay Area, but is going out of business due to the retirement of the owner after 40 years. The Property has operated as Peninsula Beauty since 2012, and was another beauty store for at least six years before that. Bluemercury plans to maintain the longstanding use and to continue to employ long-time retail sales associates and salon stylists that have been with the store for years. Peninsula Beauty was also a formula retail use, but because Bluemercury has more total locations, conditional use approval is required.

A. Project Description and Background

Bluemercury was founded in 1999 by Marla and Barry Beck. The founders’ concept for the store was an alternative to the traditional model of cosmetics stores, where brands are displayed on different counters, competing for a customer’s attention and sales, with no comparative advice being given. The vision is to employ staff members who are knowledgeable about all products from a technical standpoint so that they can help customers select products across all brands and price points that fit the customer’s particular needs. Samples are offered to customers to ensure that a customer will be pleased with their purchases. The brands carried by Bluemercury vary in price point, and the store is a neighborhood resource for convenient shopping for cosmetics for women and men. The store will also offer the services of licensed aestheticians for facials and other skin care treatments. The product line will be tailored to local clientele as the store’s customer

San Francisco Office
One Bush Street, Suite 600, San Francisco, CA 94104
tel: 415-567-9000 | fax: 415-399-9480

Oakland Office
456 8th Street, 2nd Floor, Oakland, CA 94607
tel: 510-257-5589

www.reubenlaw.com

base develops. At a time when many brick and mortar retail businesses are suffering, Bluemercury's personalized service provides a business model that will draw foot traffic and support other stores in Laurel Village.

The new Bluemercury would be the company's fourth location in San Francisco. Existing stores are located at 2060 Chestnut Street, 4 Embarcadero Center, and inside Macy's Union Square. It is expected to be open Monday through Friday 10:00 a.m. to 7:00 p.m. and Saturday and Sunday 10:00 a.m. to 6:00 p.m. Bluemercury anticipates employing four retail sales associates, two salon stylists, and one esthetician. Salon services would include hair styling, facials, and waxing—all performed by licensed aestheticians. Massage services will not be offered.

Approval of conditional use authorization will provide the following substantial benefits:

- **Maintains an Active Use in an Existing Storefront.** Approval of the Project will permit the continuance of a beauty supply use that has successfully operated at the space for many years. There are a number of other formula retail uses within the district and within the vicinity of the Project, including: Chico's; Gap Kids; Peet's Coffee; Books, Inc.; Papyrus; and First Republic Bank. Moreover, with 12 locations, Peninsula Beauty was also a formula retail store. Accordingly, a new Bluemercury location here will not significantly change the character of the neighborhood.
- **Draws Foot Traffic to the Neighborhood, Supporting other Neighborhood Serving Businesses.** The Property is in an area well served by public transit and accessible by foot. There are seven bus stops within a three-block radius from the Property. The Property is situated within the Laurel Heights neighborhood, surrounded primarily by residential neighborhoods, and customers are expected to primarily be comprised of neighborhood residents and shoppers walking through the commercial corridor on foot, encouraging them to also shop at other Laurel Heights stores.
- **Creates Local Opportunities for Employment.** Bluemercury will maintain employment opportunities for employees who might otherwise be displaced by the closing of Peninsula Beauty, and will provide new employment opportunities for San Francisco residents.

B. Neighborhood Outreach and Support

Bluemercury hosted a pre-application neighborhood meeting on June 14, 2018, and continues to engage with the Laurel Village and Laurel Heights communities. The Team has reached out to numerous local organizations, including the Laurel Heights Improvement Association, the San Francisco Council of District Merchants Associations, the Sacramento Street Merchant Association, the Jordan Park Improvement Association, the Presidio Heights Association of Neighbors, and Supervisor Catherine Stefani's Office. Bluemercury has also received a support petition from 20 nearby merchants, including: A Runner's Mind; Botta's Auto Body; the Designer Consigner; Stroller Spa; Peninou French Laundry; Vixi Cucina Italiana; Laurel Dental; Noah's

President Rich Hillis
San Francisco Planning Commission
January 15, 2019
Page 3

Bagels; Wine Impression; Stan's Kitchen and Standard 5&10 Ace Hardware; the Ribbonerie; de Gournay; Magic Flute Ristorante; Hi Color; Betty Lin Boutique; Blanc Boutique; Hutten Jewelers; Estila Salon; Acuity Vision; and Locust Cleaners (**Exhibit A**). Discussions with neighborhood associations, merchants and local residents are ongoing to ensure that the Project represents the community's vision for neighborhood businesses.

C. Conclusion

The Project allows a successful neighborhood serving use to continue and maintains the jobs of a number of existing employees. It will encourage foot traffic to other Laurel Heights businesses, and is supported by many local merchants. Please let me know if you have any questions. I look forward to presenting this Project to you on January 31, 2019.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Chloe Angelis

Enclosure

cc: Myrna Melgar, Commission Vice-President
Dennis Richards, Commissioner
Rodney Fong, Commissioner
Joel Koppel, Commissioner
Kathrin Moore, Commissioner
Milicent Johnson, Commissioner
Laura Ajello, Planner

President Rich Hillis
San Francisco Planning Commission
January 15, 2019
Page 4

EXHIBIT A

Exh. A – Merchant Petition

Laurel Heights Merchants Support Bluemercury



Yes, I support bringing a new Bluemercury store to 3535 California Street!

As a manager/business owner in the Laurel Heights neighborhood, I strongly support Bluemercury's efforts to bring a new store to the proposed location. Bluemercury offers a wide variety of innovative products, and a beauty store at this location would continue to meet the needs of shoppers formerly going to Peninsula Beauty.

<u>BUSINESS</u>	<u>CONTACT NAME</u>	<u>ADDRESS</u>	<u>EMAIL</u>
ARUNNER'S MIND	CARLOS GUERRA	3575 SACRAMENTO ST.	CARLOS@ARUNNERSMIND.COM
BOTAS AUTO BODY	CART GROSSBY	3536 SACRAMENTO ST.	CART@DONTANTH007SF.COM
The Designer Consigner	Brenda Alessandria	3548 Sacramento St.	designer@eol.com
Staelle Spa	Jamie Manikinnan	3566 Joe St	Jamie@staellespa.com
PENINOU	CARTY GRINA	3707 SAC. ST.	CARTY@PENINOU.COM
vixi	Jennifer Martino	3611 California	cavissalax@gmail.com
Laurel Dental	Roselyn Cabriny	500 Spruce St. SF CA 94118	rozj0130@gmail.com
Nouha Nougels	Theresa MARR	3880 Gold St	
Wine Impression	Raymond	3461 Calif. St. 94118	



Laurel Heights Merchants Support Bluemercury

Yes, I support bringing a new Bluemercury store to 3535 California Street!

As a manager/business owner in the Laurel Heights neighborhood, I strongly support Bluemercury's efforts to bring a new store to the proposed location. Bluemercury offers a wide variety of innovative products, and a beauty store at this location would continue to meet the needs of shoppers formerly going to Peninsula Beauty.

<u>BUSINESS</u>	<u>CONTACT NAME</u>	<u>ADDRESS</u>	<u>EMAIL</u>
STAN'S KITCHEN / 5410	MJ FONTANA	3555 CALIFORNIA ST.	—
THE RIBBONERIE	PAULETTE KNIGHT	3695 SACRAMENTO ST.	—
de Courmay	Daniel Schneider wife	3681A Sacramento	
Magic Flute	Patricia	3673 Sacramento St	
Ficolor	Patricia	3669 - Sacramento St.	
Bethylin	Bethylin	3675 Sacramento	
Blanc Boutique	Fay Coval	3517 Sacramento St	—
Shoben Jeweler	Robbly	3603 Sacramento St	
Estela	Bruna	3028 Sacramento St	
Awify Vision	Ywita	3610 Sacramento St	
Grind	Grind	3585 Sacramento St	

↑
Locust Cleaners