

REUBEN, JUNIUS & ROSE, LLP

Melinda A. Sarjapur
msarjapur@reubenlaw.com

April 4, 2018

President Rich Hillis
San Francisco Planning Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103

**Re: 655 4th Street & 598 Brannan Street
Central SoMa Zoning Package
Planning Department Case No. 2011.1356MTZU
Hearing Date: April 12, 2018
Our File Nos.: 6250.19 and 6250.25**

Dear President Hillis and Commissioners,

Our office represents Tishman Speyer, the developer of the proposed mixed-use office development at 598 Brannan Street and residential development at 655 4th Street in the proposed Central SoMa Plan Area.

Enclosed are the Sponsor's recommendations for modification to the Central SoMa zoning package, which will come before the Commission for review on April 12, 2018.

While the sponsor is strongly supportive of Plan adoption, the requested modifications reflect items that should be addressed to ensure Plan consistency and effectuate the design intent of key stakeholders throughout the process.

Thank you for your consideration. We look forward to discussing these issues with the Commission on April 12th.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Melinda A. Sarjapur

Enclosures

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President Rich Hillis
San Francisco Planning Commission
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cc: Vice President Myrna Melgar
Commissioner Rodney Fong
Commissioner Milicent A. Johnson
Commissioner Joel Koppel
Commissioner Kathrin Moore
Commissioner Dennis Richards
John Rahaim – Planning Director
Scott Sanchez – Zoning Administrator
Jonas Ionin – Commission Secretary

Exhibit A

655 4th Street Project Letter

REUBEN, JUNIUS & ROSE, LLP

Melinda A. Sarjapur
msarjapur@reubenlaw.com

March 23, 2018

Delivered Via E-Mail and Messenger

Steve Wertheim
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103
Steve.wertheim@sfgov.org

Re: Central SoMa Zoning Controls – 655 4th Street
Our File No.: 6250.25

Dear Steve:

Our office represents Tishman Speyer, the developer of the proposed mixed-use development at 655 4th Street (the “**Project**”) in the proposed Central SoMa Plan (“**Plan**”) area.

We have completed our review of the proposed Plan, zoning and fee requirements as reflected in the package released on February 15, 2018 (the “**Zoning Package**”).

Over the past few weeks following release of the Zoning Package, we have alerted the Planning Department to a number of key issues for the Project that do not line up with the basic assumptions made over the past few years while we worked with senior planning staff to arrive at the very advanced project design we have today.

Attached is a list of requested modifications to the Zoning Package that need to be addressed for the Project to move forward as designed.

We have indicated by asterix (*) in the Issue column below when requests are common to those provided in our separate letter transmitted today for the proposed mixed-use development at 598 Brannan Street.

A. Development Impact Fees and Exactions (Priority Items)

Issue	Discussion	Requested Modification
Transportation Demand Management ("TDM")*	<p>Modifications to Section 169.3 eliminate TDM Grandfathering in the Plan area.</p> <p>This change disregards detailed discussions and consideration of the Planning Department which lead to its recommendation to include grandfathering as part of the 2017 TDM legislation, and will significantly impact financial feasibility of area development and/or bring the parking count too low to successfully lease the units. In that event, a development proposal with decreased residential area would need to be considered.</p> <p>The potential impacts of this unanticipated modification on the Project are addressed in the informational sheet transmitted by Reuben Junius and Rose, LLP to Steve Wertheim and Audrey Harris on 3/12/18 (attached as <u>Exhibit A</u>).</p>	Retain the TDM grandfathering for projects in Central SoMa.
Mello-Roos District Fees - Tier C Residential Development	The proposed Central SoMa Mello-Roos District fees for Tier C residential development would render such development financially infeasible, as documented in the letter transmitted by Tishman Speyer to Steve Wertheim on February 15, 2018 (attached as <u>Exhibit B</u>).	Eliminate application of the proposed Mello-Roos assessment on Tier C residential projects.
Residential Open Space Requirement and In Lieu Fee	The proposed usable open space requirements for residential development in the CMUO District create excessive area requirements that are not practically achievable for the Project. Further, the Zoning Package amends Planning Code Section 427 to raise the in lieu fee associated with area of deficiency to \$890/sf, which would result in an enormous exaction. For additional detail on this issue, please refer to the email communications transmitted from Andrew Junius at Reuben, Junius & Rose, LLP and Dan Belldegrün at Tishman Speyer to Steve Wertheim on 2/21/18, 3/7/18, and 3/21/18.	Reduce the total usable open space requirement for Tier C residential projects in the Plan area to 36 sf per unit, in line with requirements in the Downtown districts. Continue to allow such development to pay an in lieu fee per Planning Code Section 427 for area of deficiency, and to seek an exception from usable open space requirements under new Planning Code Section 329(e) for this purpose.

B. Central SoMa Zoning Controls

Issue	Discussion	Requested Modification
New Planning Code Section 132.4 – Tower Separation.	<p>This Section provides that CMUO development may seek an exception from tower separation requirements if certain minimum criteria are met (i.e. minimum horizontal building separation; maximum tower floor plate; etc.).</p> <p>The Project as designed and described in the Key Development Sites Guidelines will not achieve one or more of the specific criteria under 132.4.</p>	Amend the language of Section 132.4(d)(3)(B) to clarify that the minimum standards for tower setback do not apply to the Key Development Sites, which are subject to general exception from this standard per Section 329(e).
New Planning Code Section 132.4(d)(3)(D) – Visual Distinction	<p>This Section requires “any development containing both a Tower Portion and a Mid-Rise Portion” to be designed to “emphasize a visual distinction between the Tower and Mid-Rise Portions as separate structures.”</p> <p>This standard is vague and subjective.</p>	Amend this to provide a quantitative standard, or remove the standard from the Code and incorporate as a general guidance contained in Central SoMa design guidelines.
New Planning Code Section 135 – Usable Open Space	<p>This Section states that towers in the CMUO District must provide on-site usable open space of at least 36 sf per unit of the open space requirement in Table 135(b), and provides that any additional open space required per table 135B may be satisfied through payment of the in lieu fee under Section 427.</p>	<p>Reduce open space requirements to a total of 36 square feet per unit.</p> <p>Clarify that the language under this Section in no way limits the ability of such projects to satisfy a portion of their usable open space requirements through provision of POPOS at the same area requirement.</p> <p>Retain authorization for residential development to pay the in lieu fee for area of deficiency.</p> <p>Amend Planning Code Section 329(e) to add Section 135 to the list of Code requirements for which Key Development Sites may seek exception in connection with LPA approval.</p>

Planning Code Section 136 – Permitted Obstructions	Section 136(d)(1) allows for exception for decorative architectural features over streets and alleys in the C-3 District.	Amend Planning Code Section 136 to allow development within the CMUO District to seek the decorative feature exceptions applicable to development in the C-3 District.
New Planning Code Section 138(d)(2)*	<p>This Section contains a range of design specifications for POPOS, including a requirement that outdoor POPOS be “maximally landscaped with plantings on horizontal and vertical surfaces, subject to the appropriate design for circulation routes and any recreational or public amenities provided.”</p> <p>This standard is vague and subjective.</p>	Amend this to provide a quantitative standard for landscaping, or remove the standard from the Code and incorporate as a general guidance contained in Central SoMa design guidelines.
New Planning Code Section 138(d)(2)(B)	<p>This section states that development on sites of 30,000 square feet or more and located south of Bryant Street shall provide all required POPOS outdoors, and may not pay an in lieu fee.</p> <p>The Project will satisfy a portion of its open space requirement through provision of indoor POPOS along Townsend Street, consistent with prior design discussions with senior Planning staff.</p>	Amend Section 138(d)(2)(B) to carve out the Project. Alternately, existing Planning Code Section 135(h)(2) should be revised to exempt residential tower development in the CMUO from the Section 138(d)(2)(B) design requirements.
New Planning Code Section 138(d)(2)*	This Section states that the Planning Commission shall consider the adequacy of project POPOS location, size, amenities and design as part of a project’s Large Project Authorization, and may approve payment of indoor POPOS and/or in lieu fee only where the provision of outdoor space is subject to certain standards.	Eliminate Commission discretion over POPOS location or fee payment alternative. Discretionary review of POPOS location should not apply where projects meet quantitative design standards for such spaces, as set forth in Section 138.
Planning Code Section 155(r)	The Zoning Package amends the list of street along which installation of new curb cuts are not permitted to include “(JJ) Townsend Street from	Amend Section 155(r) to cite an alternative Code section allowing the project to install a new curb cut for

	<p>2nd Street to 6th Street, except as set forth in 249.78(e)(3).”</p> <p>However, the citation to new Section 249.78(e)(3) is incorrect. That section concerns TDR requirements and does not provide an avenue for approval of curb cuts along this frontage.</p>	<p>garage entry along its Townsend Street frontage.</p> <p>Alternately, Section 155(r) could be amended by listing the Townsend Street frontage among the list of frontages for which Commission authorization is required to install new curb cuts, and concurrently amending Planning Code Section 329(e) to allow Key Development Sites to seek exception from curb cut restrictions per Section 155(r).</p>
New Planning Code Section 249.78(d)(7)*	<p>The Zoning Package contains new wind standards for Central SoMa. This Section allows for the Planning Commission to grant LPA exceptions from comfort criterion and hazards, subject to certain conditions. However, new Planning Code Section 329(e) does not currently allow for Key Development Sites to seek LPA exception from these standards.</p>	<p>Amend Section 329(e) to specify that Key Development Sites may seek exception from wind conditions pursuant to Section 249.78(d)(7) through the LPA process.</p>
New Planning Code Section 329(e)*	<p>The Zoning Package amends Planning Code Section 329 to revise the LPA requirements for Key Development Sites, and appears to limit the number of Code exceptions that may be sought by such development.</p> <p>The limited exceptions available do not address a range of design modifications and exceptions that are commonly required for large-scale development and <u>necessary to facilitate construction of the Project.</u></p>	<p>Modify Section 329 to either allow Key Development Sites to seek LPA exceptions per subsection (d) and as may be otherwise available through the PUD process, or amend Section 329(e) to add the following Planning Code Sections to the list from which Key Development Sites may seek exception:</p> <ul style="list-style-type: none"> • Sections 134 and 249.78(d)(4) [Rear yard/lot coverage] • Section 138(d)(2) [POPOS design standards] • Section 140 [Dwelling Unit Exposure] • Section 263 [Special height exceptions per Section 263.32] • Section 270.1 [Horizontal mass reductions] • Section 270.2 [Mid-block alley controls]

		<ul style="list-style-type: none">• Sections 145.1, 145.4 & 249.78(c)(1) [Street Frontage /Active Use Requirements]• 152.1 [off-street loading]• 155(r) [curb cut location]• 249.78(d)(7) [Wind standards]
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C. General Comments

Issue	Discussion	Requested Modification
Key Development Sites Guideline	The KDSG for the Project contains the following typographical errors: <ul style="list-style-type: none">• Under the "Potential Public Benefits" header, the number "2)" is repeated.• Under the "Massing" header, bullet point no. 3, the word "be" should be removed.	Correction of typographical error.
Key Development Sites Guideline	The KDSG Massing language under bullet #1 for this site should be revised as follows.	"A reduced tower separation between the two buildings, to a minimum of 50 46 feet on the lower half of the tower and a minimum of 70 feet on upper third of the building;"

Thank you for your consideration of these issues.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Melinda A. Sarjapur

Enclosures

cc: John Rahaim – Planning Director
Dan Belldgrun – Tishman Speyer

EXHIBIT A

PROJECT DESCRIPTION: 907 rental dwelling units; 26,500 square feet of retail; 450 vehicle parking spaces (0.5 ratio).
The TDM Target Value is 30; Grandfathered at 50% (15) per Sec. 169.

ISSUE 1: Parking Reduction in Event of Target Value Deficiency Disproportionately Impacts Large Projects.

Even a 5-point deficiency in a 30-pt Target Value would require the sponsor to dramatically reduce its proposed on-site parking. For example:

- A residential project with 907 units and 135 spaces (a 0.14 ratio) would still be required to achieve 25-pt target.
- This values increases by 1 point for each 10 parking spaces, so that any parking over 185 spaces (a 0.20 ratio) would be subject to a 30-point Target Value. Under the existing system, the Project would be required to eliminate nearly half of its proposed parking to achieve a 1-point reduction in Target Value.
- **Hypothetical** - Assume two projects in the same neighborhood: A Mid-Scale Project: 380 unit with 190 stalls (.0.5 ratio), and a Large-Scale Project: 900 units with 450 stalls (0.5 ratio).
 - If neither can achieve more than 25 points, they would both need to reduce their parking to 140 stalls in order to meet TDM Program requirements.
 - Although the parking count is the same, the Mid-Scale project could still achieve a parking ratio of 0.37:1, while the large-scale project would be limited to a ratio of 0.16:1.

ISSUE 2: Form of Certain Measures are Infeasible for Large Residential Development.

Potentially Available TDM Measures	Option	Points
ACTIVE-1 (Improve Walking)	1	1
ACTIVE-2 (Bicycle Parking)	D	4
ACTIVE-4 (Bike Share Membership)	B	2
ACTIVE-5A (Bike Repair Station)		1
ACTIVE-5B (Bike Maintenance Service)		1
ACTIVE-6 (Fleet of Bicycles)		1
CSHARE-1 (Car Share Parking and Membership)	E	5
DELIVERY-1 (Delivery Supportive Amenities)		1
FAMILY-1 (Family TDM Amenities)	B	2
FAMILY-2 (On-Site Childcare)		2
FAMILY-3 (Family TDM)		2
HOV-1 (Contributions or Incentives)	D	8
INFO-1 (Multimodal Wayfinding Signage)		1
INFO-2 (Real Time Displays)		1
INFO-3 (Tailored Marketing)	D	4
LU-2 (On Site Affordable Housing)	D	4
PKG-1 (Unbundle Parking)	B	2
PKG-4 (Parking Supply)**	E	5
TOTAL:		47*

**Assumes 450-parking stall count (0.5 ratio)

Several Practically Infeasible Due to Project Size:¹

- **ACTIVE-2** (Bike Parking)
 - 2 PTS: 907 Class 1 spaces; 91 Class 2 Spaces
 - 3 PTS: 1361 Class 1 spaces; 136 Class 2 spaces
 - 4 PTS: 1361 Class 1 spaces; 181 Class 2 spaces
- **ACTIVE-4** (Bike Share Membership)
 - 2 PTS: Annual cost of approx. **\$135,143**

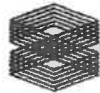
¹ These calculations are for residential component only. Additional requirements apply for retail. Figures assume a \$70/yr cost for carshare membership; \$149/yr for bike share membership; \$75/month for MUNI M pass.

- **FAMILY-2** (On-Site Childcare)
 - 2 PTS: Re-working Project to provide *on-site child care facility*
- **FAMILY-3** (Family TDM)
 - 2 PTS: Requires *30% 3-bedroom* unit ratio (272 units)
- **HOV-1** (Contributions of Incentives)
 - 2 PTS: Annual cost approx. *\$204,075*
 - 4 PTS: Annual cost approx. *\$408,950*
 - 6 PTS: Annual cost approx. *\$612,225*
 - 8 PTS: Annual cost approx. *\$816,300*
- **LU-2** (On-Site Affordable Housing)
 - 4 PTS: Would Require Project Re-Design
- **Several Additional Measures Are Challenging for Large-Project Compliance:**
 - **CSHARE-1** (Car Share):
 - 3 PTS: Annual cost approx. \$63,490 & 8 car share spaces
 - 4 PTS: Annual cost approx. \$63,490 & 11 car share spaces
 - 5 PTS: Annual cost approx. *\$63,490 & 23 car share spaces*
 - **FAMILY-1** (TDM Amenities):
 - 1 PT: Provide *45 secure storage facilities* for car seats, etc., each with interior space of at least 35" high, 25" wide; and 30" deep.
 - 2 PTS: Provide *91 collapsible shopping utility carts & 45 cargo bicycles*. Ongoing maintenance & coordination of reservation system for use.
 - **INFO-3** (Tailored Marketing Services)
 - 3 PTS: Approx. initial cost *\$15,872* for one-time financial incentive. Ongoing costs with resident turnover.
 - 4 PTS: Cost of "ongoing financial incentives"; trip tracking application; and access to expert consultant for employers unknown.

SOLUTIONS:

- **Retain Grandfathering**
 - Inserted into initial legislation in response to these concerns.
 - Significant discussion with Department key to legislative history
- **Amend TDM Standards:**
 - Adjust individual TDM Measure requirements to scale in proportion to project size. For example, Option D of Measure ACTIVE-2 requires project sponsors to provide 1.5 Class 1 Bicycle spaces per each dwelling unit. This would result in an enormous 1,360-space requirement. By contrast, the bicycle parking standards under Table 155.2 are scaled to require 1:1 bike parking for all development up to 100 units, and 1 additional bike parking space per each 4 units above that amount. This scaled format results in more achievable standards for large scale development.
 - Create alternate compliance methods for large-scale residential development. For example: expanding the LU-2 criteria to recognize the value of providing off-site affordable housing within the same zoning district.
 - Alter the system so that large-scale residential projects that require a reduction in parking due to an inability to achieve all potential TDM measures can do so in proportion to point deficiency. For example, if the Project is able to achieve 25/30 required points (83% compliance) the total amount of parking permitted should be decreased to 83% of what would otherwise be permitted in the district – 374 stalls (a 0.42:1 ratio).

EXHIBIT B



TISHMAN SPEYER

February 15, 2018

San Francisco Planning Department
1650 Mission St. Suite #400
San Francisco, CA 94103

RE: Central SOMA Proposed Development Impact Fee Package

Dear Mr. Wertheim,

Tishman Speyer is the sponsor of multiple projects in the City's proposed Central SoMa Plan Area ("Plan Area"), which would result in the construction of around 1,170 housing units. We write to express concern that the package of development impact fees currently proposed for the Plan Area could render "Tier C" Rental housing development financially infeasible, and to propose a solution for remedying this issue.

On January 17, 2018, the San Francisco Planning Department ("Department") hosted an Impact Fee & CFD Review Meeting, to discuss the Department's financial analysis of Plan Area impact fees. Tishman Speyer attended this meeting, and appreciates the transparency that the Department has offered in its process to determine the appropriate Plan Area fee package. Tishman Speyer is also supportive of the goal stated in this meeting and expressed on page 143 of the Draft Central SoMa Plan, to calibrate Plan Area impact fees "such that development projects are financially feasible while maximizing the City's ability to ameliorate [Plan Area] impacts."

However, analysis presented by the Department to date indicates that the current Plan Area fee package would render certain residential rental development financially infeasible. This result is problematic, especially in light of the current housing crisis and citywide sentiment expressed at recent public hearings in favor of maximizing housing production within the proposed Plan controls.

At the January 17th meeting, members of the development community expressed significant concerns that the Department's financial analysis, which uses 2015 market assumptions, does not accurately reflect current development conditions. Since 2015, the market has experienced a significant increase in construction costs accompanied by a relatively flat rental rate growth. This has made new development increasingly challenging for sponsors to finance and construct. To illustrate this, Tishman Speyer sent the Department data on February 7, 2018, indicating that since 2015 local construction costs have inflated by 20.0%, while multifamily residential rental rates have only increased by 2.7% over the same time period. The development community cautioned that because the Department's analysis is based on peak-cycle conditions, it could result in imposition of fees that are not achievable under current or future market conditions.

Department's analysis is based on peak-cycle conditions, it could result in imposition of fees that are not achievable under current or future market conditions.

Further, a summary of the Department's financial analysis provided at this meeting (attached as **EXHIBIT A**) suggests that even when using the aggressive 2015 market assumptions, a prototypical large-scale ("Tier C") residential rental project in Central SoMa would be financially infeasible.

Tishman Speyer proposes to construct approximately 1,170 units in the Plan Area, including approximately 900 market-rate units at 655 4th Street; 206 units of off-site affordable housing in partnership with the Tenderloin Neighborhood Development Corporation at 5th and Howard; and 64 units of off-site affordable housing at our office development located at 5th and Brannan (collectively meeting the 30% affordable housing requirement). Unfortunately, Tishman Speyer's residential rental proforma for the 655 4th Street project (applying the current Central SoMa fee package and expected construction costs) mirrors the Department's analysis. Thus, unless changes are made to the proposed Plan Area fee package, a change of use may need to be considered. This could result in a dramatic and undesirable decrease in local rental housing development.

In light of this information, Tishman Speyer requests that the Department consider revising its fee package to ensure financial feasibility of Tier C rental housing projects. In addition to reconsidering its use of 2015 market values, Tishman Speyer suggests Department eliminate the application of the proposed Mello-Roos assessment on Tier C residential rental projects. Given the low-yield nature of multifamily development, the on-going Mello-Roos assessments are the most impactful to the long-term projected returns and feasibility of these developments.

Imposition of the currently-proposed Mello Roos on Tier C rental housing would likely cause developers to either (1) convert to condominium (where the tax is passed through to home-buyers); (2) change the use of projects from housing to commercial; or (3) be forced to significantly increase the rent to make up for the increased operating costs. However, eliminating this assessment for Tier C rental housing would be highly effective in encouraging construction of multi-family rental projects, in a time when housing is so desperately needed, and the dominant political sentiment is for more housing in lieu of commercial.

Thank you for your consideration. Tishman Speyer remains committed to working with the Department toward the goal of developing a Plan Area fee package that maximizes benefits to the community while maintaining the financial feasibility of housing development and is committed to building housing for residents of San Francisco at a broad range of income levels.

Sincerely,



Carl D. Shannon
Senior Managing Director



Dan Belldgrun
Senior Director

FIGURE 6. Central SoMa Financial Analysis: Updates to Residual Land Value (RLV) Analysis

KEY

= 50-75% value capture (goal: 66-75%)

= 75-100% value capture

= not financially feasible

OFFICE	Tier A&B	Tier C ³²
PROTOTYPE	A	A
Baseline zoning	85' MUO	85' SLI
Upzoned prototype	160' MUO	160' MUO
Effective height increase	75'	160'
Construction type bump? (Y/N)	Y	Y
PREVIOUS RESULTS (DEC 2016)		
Land Value capture	59%	70%
Return on cost	6.2%	6.2%
REVISED PROPOSAL (JAN 2018)		
Land Value capture	75%	74%
Return on cost	6.2%	6.2%

RESIDENTIAL	Tier A	Tier B	Tier C	
PROTOTYPE	B	B	C1	C2
Baseline zoning	55' MUO	85' SLI	85' SLI	85' MUO
Upzoned prototype	85' MUO	85' MUO	160' MUO	400' MUO
Effective height increase	35'	85'	160'	315'
Construction type bump? (Y/N)	N	N	Y	Y
Lot size (sq ft)	10000	10000	15000	15000
PREVIOUS RESULTS (DEC 2016)				
Condo, On-site BMR - RLV Capture	56%	64%	72%	--
RLV/door	\$113,967	\$83,271	\$54,141	
Condo, Affordable Housing Fee - RLV Capture	57%	67%	59%	75%
RLV/door	\$109,439	\$79,601	\$71,170	\$74,221
Rental, On-site BMR - RLV Capture	65%	71%	80%	--
Return on Cost	5.5%	5.5%	5.6%	--
Rental, Affordable Housing Fee - RLV Capture	73%	71%	75%	--
Return on Cost	5.5%	5.5%	5.5%	--
REVISED PROPOSAL (JAN 2018) – PROJECTS WITHOUT PDR				
Condo, On-site BMR - RLV Capture	73%	54%	65%	88%
RLV/door	\$107,432	\$91,999	\$65,934	\$51,447
Condo, Affordable Housing Fee - RLV Capture	88%	63%	55%	51%
RLV/door	\$100,134	\$82,811	\$85,601	\$104,630
Rental, On-site BMR - RLV Capture	51%	51%	71%	not feasible
Return on Cost	5.5%	5.5%	5.6%	--
Rental, Affordable Housing Fee - RLV Capture	94%	75%	79%	not feasible
Return on Cost	5.5%	5.5%	5.5%	--
REVISED PROPOSAL (JAN 2018) - PROJECTS WITH PDR				
Condo, On-site BMR - RLV Capture	85%	55%	66%	88%
RLV/door	\$101,818	\$91,075	\$65,111	\$51,122
Condo, Affordable Housing Fee - RLV Capture	not feasible	64%	55%	51%
RLV/door	--	\$81,887	\$84,778	\$104,304
Rental, On-site BMR - RLV Capture	68%	56%	73%	not feasible
Return on Cost	5.5%	5.5%	5.5%	--
Rental, Affordable Housing Fee - RLV Capture	not feasible	78%	81%	not feasible
Return on Cost	--	5.5%	5.5%	--

³² The Financial Analysis from December 2016 had four public benefit tiers; the prior Tier C (90-165 feet) and Tier D (165+ feet) are now collapsed into a single tier.

Exhibit B

598 Brannan Street Project Letter

REUBEN, JUNIUS & ROSE, LLP

Melinda A. Sarjapur
msarjapur@reubenlaw.com

March 23, 2018

Delivered Via E-Mail and Messenger

Steve Wertheim
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103
Steve.wertheim@sfgov.org

**Re: Central SoMa Zoning Controls – 598 Brannan Street
Our File No.: 6250.19**

Dear Steve:

Our office represents Tishman Speyer, the developer of the proposed mixed-use development at 598 Brannan Street (the “**Project**”) in the proposed Central SoMa Plan (“**Plan**”) area.

We have completed our review of the proposed Plan, zoning and fee requirements as reflected in the package released on February 15, 2018 (the “**Zoning Package**”).

Over the past few weeks following release of the Zoning Package, we have alerted the Planning Department to a number of key issues for the Project that do not line up with the basic assumptions made over the past few years while we worked with senior planning staff to arrive at the very advanced project design we have today.

Attached is a list of requested modifications to the Zoning Package that need to be addressed for the Project to move forward as designed.

We have indicated by asterix (*) in the Issue column of the tables below when requests are common to the separate letter transmitted today for the proposed mixed-use development at 655 4th Street.

A. Development Impact Fees

Issue	Discussion	Requested Modification
Transportation Sustainability Fee (“ TSF ”)	Modifications to Section 411A.3 eliminate TSF grandfathering in the Plan area. This, coupled with pending legislation to raise the TSF fee for office development by \$10 per gross square foot would significantly impact financial feasibility of the Project.	Retain TSF grandfathering in Central SoMa.
Transportation Demand Management (“ TDM ”)*	<p>Modifications to Section 169.3 eliminate TDM Grandfathering in the Plan area.</p> <p>This change disregards detailed discussions and consideration of the Planning Department which lead to its recommendation to include grandfathering as part of the 2017 TDM legislation, and will significantly impact financial feasibility of area development.</p> <p>The potential impacts of this unanticipated modification on Tier C residential development, in particular, are addressed in the informational sheet transmitted by Reuben Junius and Rose, LLP to Steve Wertheim and Audrey Harris on 3/12/18.</p>	Retain the TDM grandfathering for projects in Central SoMa.

B. Central SoMa Zoning Controls

Issue	Discussion	Requested Modification
New Planning Code Section 263.32	<p>This section allows certain Central SoMa projects to receive a 25-ft height increase above the otherwise applicable limit.</p> <p>However, Planning Code Section 263 states generally that such special height exception must be approved by the Planning Commission according to the procedures for Conditional Use Authorization.</p> <p>This language may require projects seeking the special height exception to file a separate Conditional Use</p>	<p>Modify the language of existing Planning Code Section 263 to provide that the Commission may grant special height exceptions through either the procedures for Conditional Use Authorization or Large Project Authorization.</p> <p>Modify new Planning Code Section 329(e) to allow key development sites to seek the special height increase per Section 263.32 as an exception through the LPA approval.</p>

	application, rather than requested the desired exception through the otherwise-applicable LPA process.	
New Planning Code Section 263.32	<p>Subsection (c)(1) states the additional 25 foot height exception may only be granted where “the development capacity of the primary project... [is not] increased due to the provision of the additional height as compared to the development capacity achievable without the special height exception.” The “development capacity” of the primary project is defined as the gfa of development proposed on the site, minus floor area associated with affordable housing or land dedicated to the City for publicly-owned parks or recreation centers.</p> <p>This definition does not provide a clear baseline of “development capacity” within each project.</p>	Modify Section 263.32(c)(1) to reflect that baseline “development capacity” of each site is equivalent to the maximum development potential indicated in the Key Development Sites Guidelines.
New Planning Code Section 263.32	<p>Subsection (c)(3) states that project utilizing a height exemption pursuant to this section “may add 25 feet above the otherwise applicable Height limit for purposes of calculating its Apparent Mass Reduction pursuant to Section 270(h).</p> <p>This language is unclear.</p>	Revise this section to reflect that mid-rise development utilizing a height exemption which results in building development above 160 feet will remain subject to mid-rise massing controls applicable and will not be subject tower massing or separation standards pursuant to Planning Code 270(h) or 132.4.
Draft Central SoMa Plan, Section 8.5.2.2.	<p>The Draft Plan contains an implementation measure stating that the Planning Department shall “continue limiting the length of any new building to 300 feet.”</p> <p>It is unclear which Planning Code Standard is referenced by this measure.</p> <p>Building 3 in the Project has a maximum length of 332 feet.</p>	<p>To the extent that this measure is intended to reference requirements of Planning Code Section 270.2 (mid-block alleys), new Planning Code Section 329(e) should be modified to allow Key Development Sites to seek exception from this standard.</p> <p>If a 300-foot building limit is not a codified requirement, this implementation measure should be removed from the Draft Plan or revised</p>

		to reflect the applicable standard.
New Planning Code Section 138(d)(2)*	<p>This Section contains a range of design specifications for POPOS, including a requirement that outdoor POPOS be “maximally landscaped with plantings on horizontal and vertical surfaces, subject to the appropriate design for circulation routes and any recreational or public amenities provided.”</p> <p>This standard is vague and subjective.</p>	Remove the standard from the Code and incorporate as a general guidance contained in Central SoMa design guidelines.
New Planning Code Section 138(d)(2)*	This Section states that the Planning Commission shall consider the adequacy of project POPOS location, size, amenities and design as part of a project’s Large Project Authorization, and may approve indoor POPOS and/or payment of in lieu fee only where the provision of outdoor space is subject to certain standards.	Eliminate Commission discretion over POPOS location. Discretionary review of POPOS location should not apply where projects meet quantitative design standards for such spaces, as set forth in Section 138.
New Planning Code Section 135.3 & 138(d)(2)	<p>The zoning package creates new POPOS requirements for non-residential use exceeding 50,000 gsf in Central SoMa.</p> <p>However, the Zoning Package retains usable open space requirements for non-residential uses in the Eastern Neighborhoods per existing Section 135.3.</p> <p>It is unclear how the requirements of these two Sections interact.</p>	Revise Section 135.3 to exempt Central SoMa development otherwise subject to POPOS requirements under the Section 138, or specify that the open space requirements of Section 135.3 may be applied against the otherwise applicable POPOS requirements of Section 138.
New Planning Code Section 249.78(d)(7)*	The Zoning Package contains new wind standards for Central SoMa. This Section allows for the Planning Commission to grant LPA exceptions from comfort criterion and hazards, subject to certain conditions. However, new Planning Code Section 329(e) does not	Amend Section 329(e) to specify that Key Development Sites may seek exception from wind conditions pursuant to Section 249.78(d)(7) through the LPA process.

	currently allow for Key Development Sites to seek LPA exception from these standards.	
New Planning Code Section 329(e)*	<p>The Zoning Package amends Planning Code Section 329 to revise the LPA requirements for Key Development Sites, and limits the number of Code exceptions that may be sought by such development.</p> <p>The limited exceptions available do not address a range of design modifications and exceptions that are commonly required for large-scale development and <u>necessary to facilitate construction of the Project.</u></p>	<p>Modify Section 329 to either allow Key Development Sites to seek LPA exceptions per subsection (d) and as may be otherwise available through the PUD process, or amend Section 329(e) to add the following Planning Code Sections to the list from which Key Development Sites may seek exception:</p> <ul style="list-style-type: none"> i Sections 134 and 249.78(d)(4) [Rear yard/lot coverage] i Section 138(d)(2) [POPOS design standards] i Section 140 [Dwelling Unit Exposure] i Section 263 [Special height exceptions per Section 263.32] i Section 270.1 [Horizontal mass reductions] i Section 270.2 [Mid-block alley controls] i Sections 145.1, 145.4 & 249.78(c)(1) [Street Frontage /Active Use Requirements] i 152.1 [off-street loading] i 155(r) [curb cut location] i 249.78(d)(7) [Wind standards]
New Planning Code Section 279.78(e)(3)	<p>The Zoning Package requires Tier C development containing 50,000 gsf of non-residential area or more to purchase TDR for the area of development between a FAR of 3.0:1 and 4.25:1.</p> <p>However, this Section does not define lot area upon which the FAR will be determined.</p>	<p>Modify this Section to reflect that the following areas shall not be counted toward the total lot area for purposes of determining FAR:</p> <ul style="list-style-type: none"> i lot area devoted to land dedicated to the City for public parks or recreation centers; i lot area devoted to development of affordable housing buildings; i lot area devoted to outdoor POPOS.
Draft Central SoMA Plan, Section 8.6.5.3	The Draft Plan contains an implementation measure stating that development must “vary the roofs of	Eliminate this requirement from the Plan implementation matrix, or provide specific direction within the design

	buildings for projects with long facades.” However, this standard has not been codified or otherwise incorporated in the Central SoMa Design Guidelines.	guidelines clarifying that the variation can be achieved as a result of varied roof heights among multiple buildings within the same development.
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C. General Comments

Issue	Discussion	Requested Modification
Key Development Sites Guideline	There is a typo under the “Design Guidelines” header of the Project’s Key Development Sites Guideline entry. Under Subsection 2, the words “access” and “pedestrian” should be re-ordered.	Correction of typographical error.
New Section 128.1	There is an error under subsection (c) “Applicability”. The order of the terms Development Lot and Transfer Lot in the first sentence of this subsection should be reversed.	Correction of typographical error.

Thank you for your consideration of these issues.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Melinda A. Sarjapur

cc: John Rahaim-Planning Director
Dan Belldegrun-Tishman Speyer

REUBEN, JUNIUS & ROSE, LLP

Daniel Frattin
dfrattin@reubenlaw.com

April 4, 2018

Delivered Via Email and Hand Delivery

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

**Re: Central SoMa Zoning Amendments
Flower Mart Project**

Dear Mr. President Hillis and Commissioners:

We are writing on behalf of Kilroy Realty Corporation (“KRC”), which proposes to build a new long-term home for the Flower Market as part of a mixed-use anchor development in the Central SoMa Plan Area. Throughout the lengthy process of drafting the Central SoMa Plan (the “Plan”), KRC has worked in close consultation with Planning staff to design a project that promotes the Plan’s objectives. While we strongly support passage of the Plan, we believe that there are specific aspects of the legislation that require further consideration to ensure that meritorious projects are able to move forward successfully.

Before we discuss the specifics of the legislation, we note that the Central SoMa Plan encourages building typologies and mixes of uses that are relatively novel: requiring or encouraging a mix of PDR, office, retail, and residential in a relatively dense environment, all while striving for a dense, walkable, and transit-oriented neighborhood. To achieve these goals, the Department has proposed detailed design and use regulations, many of them highly prescriptive. However, a measure of flexibility in the application of code standards will be necessary to achieve designs that are both high-quality, functional for tenants, and marketable. While some flexibility is built into the legislation, **the Commission should be given greater discretion to modify standards as it considers the unique needs of large sites with complicated mixes of users, like the Wholesale Flower Market.** Our specific comments are discussed below.

1. Key Development Sites Exceptions

The Plan Amendments identify eight Key Sites with the stated intent of “providing greater flexibility in the development of these sites.” (Proposed § 329(e).) Section 329(e)(3)(B) lists a number of exceptions that are explicitly available to Key Sites in exchange for certain qualified amenities:

Upon consideration of qualified amenities in excess of what is required by the Code, the Planning Commission may grant one or more exceptions to the following: the streetwall, setback, or tower separation controls established in Section 132.4; protected street frontages in Section 155(r); the setback requirements of Section 261.1; bulk controls established in Section 270(h); the lot merger restrictions established in Section 249.78(d)(5); the PDR requirements established in Section 249.78(c)(5); or the commercial orientation of large sites established in Section 249.78(c)(6).

It is unclear whether these exceptions are the only exceptions for which the Key Sites are eligible, or whether Key Sites projects may also seek the exceptions generally available to a project obtaining a Large Project Authorization (“LPA”) under the existing Section 329(d), which include Planned Unit Development (“PUD”) exceptions under Section 304. A Notice of Planning Department Requirements issued for the Project indicates that Key Sites are only eligible for a narrow subset of exceptions.

Without the LPA and PUD exceptions, the only way for the Key Sites to obtain flexibility is through a variance, which can be hard to justify for new construction, or by amending the Planning Code on a project-by-project basis. The Key Sites need the same flexibility as small sites to ask for minor exceptions from other development standards—including the PUD-type exceptions that all other LPA projects in the Eastern Neighborhoods are eligible for.

In most districts, PUD exceptions and modifications are available only on sites not less than ½ acre. The rationale is that large developments can often meet the broad objectives of the Code better by applying flexible design standards than via strict compliance with prescriptive code standards. In the Eastern Neighborhoods, PUD-type exceptions are available on smaller sites through the LPA process. This gives the Planning Commission discretion to make reasonable changes to detailed and highly prescriptive code requirements, which, when combined with unique site constraints, would often result in inferior design or reduced density. It makes no sense to take this flexibility away from any sites in Central SoMa, particularly not the largest ones. This is especially the case since many buildings in Central SoMa—including the Flower Mart – will need to accommodate the unique needs of PDR users, alongside office, retail, and/or residential uses.

Following are examples of several exceptions that would not be available to the Key Sites if the PUD exceptions are eliminated:

- Section 155 establishes a number of standards for the configuration of parking and loading access and driveways. It requires all off-street loading to be “completely enclosed” and accessed by way of a private driveway, “that is totally contained within the structure.” (Proposed § 155(d).) This would prohibit the Flower Mart Project from providing partially enclosed semi-truck loading docks on a private drive, which has been used by the Flower Mart and adjoining properties for years.
- Exceptions from wind standards are likely to be needed for most Key Development Sites. Although the Central SoMa SUD provides for wind exceptions (Proposed § 249.78(c)(7)), the proposed Code amendments do not list wind exceptions in Section 329(e)(3)(B). Thus, it is unclear whether the wind exception is permitted throughout the SUD, for Key Sites only, or is intended to be a PUD-type exception that is not available to the Key Sites.

Accordingly, we propose that Section 329 be amended to specifically allow for wind exceptions, and subsection (d)(12) be revised to allow the Planning Commission to retain its discretion to grant PUD-type exceptions to Key Sites:

Where not specified elsewhere in this § subsection (d), modification of other Code requirements ~~which that~~ could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located, ~~except that such modifications shall not be permitted for Key Sites in the Central SoMa Special Use District.~~

2. Transportation Demand Management (“TDM”) Program

The amended Section 169.3(e)(4) eliminates TDM grandfathering for Central SoMa SUD properties. Currently, projects that submitted an Environmental Evaluation Application deemed complete by September 4, 2016 are subject to 50% of the otherwise applicable TDM point target. The Central SoMa amendments eliminate this grandfathering.

KRC filed the Environmental Evaluation Application for the Flower Mart Project on July 16, 2015, and it was marked as accepted by the Planning Department on November 10, 2015, almost an entire year before the current TDM grandfathering cutoff. Since the TDM Program was established last year, KRC has been designing the Flower Mart Project under the assumption that it would only be required to meet 50% of the TDM point target. The Central SoMa Code revisions would double that requirement.

This is particularly problematic because the TDM requirement is not proportional: it puts larger projects at a competitive disadvantage to smaller projects because the TDM point target is not based on the number of parking spaces provided proportional to the uses those

spaces would serve. In other words, a 50,000 square foot project with 100 parking spaces would be subject to the same TDM requirement as a 500,000 square foot project with 100 parking spaces.

Either the existing TDM grandfathering provision should be retained for projects within the Central SoMa SUD, or a Key Sites exception should be added to the proposed Section 329(e)(3)(B) to allow projects on those sites to comply with the grandfathered TDM requirement.

3. Parking

The proposed amendments to Section 151.1 would limit parking for retail uses within the CMUO District to one car per each 1,500 square feet of GFA, parking for office use to one space per each 3,500 square feet of OFA, and parking for non-retail sales and service uses to one space per each 1,500 square feet of OFA. Under the current zoning proposal, no exception from the parking standards would be available for the Key Sites.

The Wholesale Flower Market is a unique use that requires substantial parking. Indeed, Kilroy is bound by an agreement with the Wholesale Flower Market tenants and management to provide substantially more truck (25 spaces) and vehicle (150 spaces) parking than the proposed Planning Code would allow. The success of the replacement Wholesale Flower Market will depend in large part on the provision of adequate parking to accommodate a high volume of wholesale customers moving large amounts of goods. Accordingly, we propose the addition of an exception that would allow Key Sites to receive an exception to provide additional parking for wholesale/distribution uses.

Additionally, we also propose an amendment to Section 151.1 such that the amount of accessory parking permitted for office uses in the CMUO District would be based on GFA rather than OFA. Implementation Measure 4.4.1.1 of the 2016 Draft Plan stated only that parking for office uses would be limited to one space for every 3,500 square feet—it did not clarify whether a GFA or OFA measure would be used.

GFA is the more appropriate standard here. For large core-and-shell development projects, OFA is not an effective standard over the long term, as the number will change with different tenants over the life of the project. Furthermore, developers expected a GFA standard to apply. For the Flower Mart in particular, the project has been on file since 2015 using GFA to calculate the number of permissible parking spaces, and has relied on that calculation in its transportation study. Accordingly, we request that the Department amend Section 151.1 to allow up to one space per each 3,500 square feet of GFA for office uses in the CMUO District.

4. Loading

If the Code amendments do not allow for Key Sites to obtain the exceptions provided for by the existing Section 329(d)—which includes an exception for off-street loading—then the Plan should provide for an exception from the loading requirements for Key Sites. Loading requirements for large projects can be overly burdensome, and often require more spaces than actually necessitated by the proposed uses.

In the case of the Flower Mart Project, the proposed mix of uses could require up to 26 loading spaces. The Project proposes 31 loading spaces—with 4 at-grade semi-truck spaces for the Wholesale Flower Market, 25 below-grade box truck spaces for the Wholesale Flower Market, and 2 below-grade semi-truck retail spaces. While the total number spaces exceeds the number of spaces required, they are not proportionally allocated to the uses that trigger them. However, during non-peak wholesale hours, most spaces will be available for office and retail use as needed.

The proposed Section 329(e)(3)(B) does not provide a Key Sites exception for loading. If the Department clarifies that the existing LPA exceptions under Section 329(d) are available for Central SoMa Key Sites, then the Flower Mart Project would be eligible for an exception from loading under that provision. If an exception is not available under the existing LPA provisions, and if an exception for loading is not added to the Key Sites exceptions set forth by proposed Section 329(e)(3)(B), then the Flower Mart is likely to be one of a number of Key Sites projects that will require a variance from the loading requirements set forth in existing Code Section 152.1.

5. Privately Owned Public Open Space (“POPOS”)

Pursuant to the proposed amendments to Section 138, nonresidential projects in the CMUO District are required to provide POPOS at a rate of one square foot of POPOS for each square foot of gross floor area of non-residential use. Implementation measure 5.5.1.1 of the 2016 Draft Plan would have required POPOS to be provided at a 1:50 rate only for office and hotel uses—retail uses were not subject to the POPOS requirement under the 2016 Draft Plan. In addition, the proposed zoning changes require POPOS space to be at street grade (up to 15% of the lot area) and open to the sky—excluding at grade open space under cantilevered portions of a building on the site.

The Flower Mart proposes to include 44,272 square feet of on-site at-grade POPOS. Approximately 11,448 square feet of which would be situated under the double height cantilevered portions of the Market Hall building, which would be protected from inclement weather.

In order to facilitate the provision of ground-level open-air POPOS, we request that the following exception be incorporated into the proposed Section 329(e)(3)(B):

(B) Exceptions. . . . the PDR requirements established in Section 249.78(c)(5); ~~or the commercial orientation of large sites established in Section 249.78(c)(6); or the standards for POPOS established in Section 138(d)(2), only such that Key Sites, as defined in this Section 329(e), may provide up to 35% of on-site, at-grade POPOS under a cantilevered portion of a building or under other similar building elements so long as adequate light, air, and public access are provided.~~

Additionally, as amended, Section 426 states that:

. . . In the CMUO District, the usable open space requirement of Section 135.3 and the POPOS requirement of Section 138 may be satisfied through payment of a fee of \$890 for each square foot of required usable open space not provided . . .

We request that this language be amended such that an in lieu fee would not be required where a project obtains an exception only from the qualitative standards of the POPOS requirements, but where the project provides the amount of POPOS mandated by the Code. We suggest the following amendment:

*. . . In the CMUO District, the usable open space requirement of Section 135.3 and the POPOS requirement of Section 138 may be satisfied through payment of a fee of \$890 for each square foot of required usable open space not provided. **Payment of a fee shall not be required for any square footage of usable open space or POPOS that is provided in the amount required, but for which a variance or exception is granted for certain qualitative design standards otherwise applicable to such open space or POPOS . . .***

6. Transparent Fenestration of PDR

The Proposed § 249.78(c)(1) applies the transparency and fenestration requirements of existing Code Section 145.1 to PDR uses. Existing Section 145.1(c)(6) states:

Frontages with active uses that are not residential or PDR must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building.

The Code amends Section 249.78(c)(1)(D) as follows:

Notwithstanding the PDR exemption found in Section 145.1(c)(6), PDR uses shall meet the transparency and fenestration requirements contained in that Section.

The language proposed by Section 249.78(c)(1)(D) should be removed. The types of uses that occupy PDR space often involve machinery, noise, and abnormal operating hours, and are not the type of uses enhanced by ground floor transparency—nor are they the kinds of uses for which ground floor windows would enhance the pedestrian environment. For

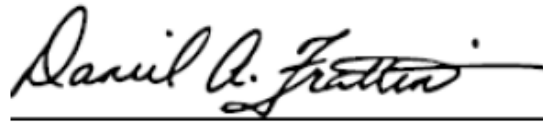
President Rich Hillis
San Francisco Planning Commission
April 4, 2018
Page 7

example, the proposed Flower Mart at 5th Street and Brannan Street would end for business each day by late morning or early afternoon. For the bulk of the normal business day when the Flower Mart is closed, ground floor transparency would provide only a view into an empty warehouse. Thus, the provision of transparent windows at that space would neither enhance the Wholesale Flower Market nor the adjacent pedestrian environment.

Thank you for your consideration and attention to these concerns.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP

A handwritten signature in dark ink, reading "Daniel A. Frattin", is positioned above a solid horizontal line.

Daniel A. Frattin

cc: Myrna Melgar, Commission Vice-President
Dennis Richards, Commissioner
Rodney Fong, Commissioner
Joel Koppel, Commissioner
Kathrin Moore, Commissioner
Milicent Johnson, Commissioner
Mike Grisso, Project Sponsor (MGrisso@kilroyrealty.com)
Alexandra Stoelzle, Project Sponsor (AStoelzle@kilroyrealty.com)

REUBEN, JUNIUS & ROSE, LLP

Andrew Junius
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April 4, 2018

By Email (richhillissf@gmail.com)

Commissioner Rich Hillis
San Francisco Planning Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103

**Re: Central SoMa Plan Amendments - One Vassar Project
Block 3763, Lots 001, 078, 079, 080, 080A, 099, 100, 101, 105, 113,
and a portion of 112
Planning Department Case No. 2012.1384ENV/OFA
Our File No.: 10009.01**

Dear President Hillis:

This office represents One Vassar, LLC (“One Vassar”), the Project Sponsor of a mixed use project at 2nd and Harrison Streets (the “Property”), which is one of the Key Development Sites within the Central SoMa Plan (“Plan”). One Vassar envisions a broad spectrum of uses, including office, hotel, and housing on 12 lots, and will dramatically improve the pedestrian experience along the 600 block of Harrison Street (the “Project”). The One Vassar project team has been working diligently with the Planning Department staff in parallel with the development of the Plan. The Project clearly fits within the Plan’s high level vision, including primary use designations and urban design guidelines.

However, in reviewing the proposed zoning ordinances and changes to the Planning Code since the package was released about a month ago, we have identified a number of specific issues that would make it difficult or impossible to carry out the Project entirely as envisioned. These are discussed below.¹ There are four items that are of particular concern to the Project that we would like to highlight for the Commissions attention. They relate to the direct implementation of the Project and present significant obstacles to it being approved.

¹ The issues related to the Zoning Map Amendments are outlined in **Exhibit A**; the issues related to the Zoning Text Amendments are outlined in **Exhibit B**.

1. **Lot Merger Prohibition (Section 249.78(d)(5))**. This Section prohibits lot mergers on most parcels in Plan Area. The Project is proposing a 350-foot residential building on the western portion of the site, which will involve the merging of eight lots. An exception was put into the Central Soma Special Use District to accommodate the Project.

However, two lots fronting Harrison Street – lots 099 and 100 – are not included in this list, so they would be prohibited from being merged. We propose the following addition (in ***bold italic underline***):

“249.78.(d)(5)(C)(i): the street frontages of lots abutting the north side of Perry Street ***and the street frontages along Harrison Street in lots 099 and 100*** are exempt from this control.”

Without this additional language, the Project would be prohibited from being constructed. We request that lots 99 and 100 be added to the exemption from lot merger prohibition, which aligns with the Project under review by the Department.

2. **Zoning Map Amendments – Height Limits**. In Zoning Map HT01, Lots 112 and 113 have a split zoning of 200-CS/ 350-CS. Importantly, the last 30 feet of both lots is limited to 200 feet in height. The Zoning Map amendments state:

- Lot 112: “200 feet from a depth of 145 feet from Harrison Street to a depth of 175 feet from Harrison Street; 350 to a depth of 145 feet from Harrison Street”
- Lot 113: “350 feet to a depth of 145 feet from Harrison Street”

Limiting the last 30 feet of these parcels to 200 feet is inconsistent with the proposed building at 400 2nd Street that is on file with the Department.² Further, the split zoning is inconsistent with new Code Section 263.33, which omits these parcels from a special height exception, thereby permitting a project at 350 feet on these lots. Since that Section does not provide any requirements to obtain 350 feet in height, Lots 112 and 113 should be rezoned to 350-CS to be consistent with the Project under currently review.

The entirety of Lots 112 and 113 up to a depth of 175 feet from Harrison Street should be rezoned to 350 feet in height (strike 200-CS).

3. **Tower Separation (Section 132.4(d)(1)(A))**. This Code section requires a 115-foot separation between Towers. The Commission may grant an exception to this requirement under Section 329(e), but only if all four criteria in 132.4(d)(3)(B) are met. As drafted, the Commission is unable to grant an exception unless the Project complies with each. These criteria do not take into account the Project on file with the Department, and the Project cannot meet all of the proposed criteria. We request that the language in Section

² Case No. 2013.1384ENV/OFA, filed December 31, 2015.

132.4(d)(3)(B) is clarified to state that the four criteria for tower separation exceptions do not apply to the Key Development Sites, but are subject to a general exception for tower separation per Section 329(e).

4. **Large Project Authorization Exceptions for Key Development Sites (Section 329).** It is unclear whether Key Development Sites can also seek exceptions under 329(d)(1) – (11). Based on the language drafted, they are limited to those exceptions in (e)(3)(B). The eight exceptions listed in this Section are narrower than what is permitted for other projects in the Eastern Neighborhoods and Central SoMa Plan Areas, as well as for smaller projects. It also greatly limits the Commission’s ability to review and modify a project.

We request that Section 329(d) be modified to allow Key Development Sites to seek exceptions (1) – (11). The language in Section 329(e) should also be clarified to state that Key Development Sites can seek exceptions under 329(d)(1) – (11) in addition to those in (e)(3)(B).

In addition, the Project needs additional flexibility with other Code requirements in order to make it feasible. Section 329(e)(3)(B) should be expanded to include possible exceptions from the following Code Sections, subject to Commission approval:

- Section 138: Publicly Available Open Space
- Section 145.1: Ground floor height, Transparency & Fenestration
- Section 249.78: Lot Coverage for Residential Buildings (d)(4), Micro Retail requirements (c)(4), Lot Merger Restrictions (d)(5), Wind (d)(7)
- Section 260(b)(1)(E), (L): Exceptions to Height Limit

Each of the requested exceptions are detailed in **Exhibit B**. Allowing Key Development Sites, including the Project, more flexibility acknowledges the unique nature of each site while also giving the Commission adequate discretion in their approvals.

Lastly, we request that the proposed amendments to 329(d)(12) be deleted. This proposed amendment removes the Key Development Sites from seeking Code exceptions that would otherwise be permitted under the Planned Unit Development process. Key Development Sites should have the same ability to seek exceptions from Code requirements that smaller projects throughout the Eastern Neighborhoods and Central SoMa Plan areas have.

We hope you will agree that the changes are necessary to implement the intent of the Plan. We look forward to continuing our work with the Planning Department staff on this exciting project.

Commissioner Hillis
San Francisco Planning Commission
April 4, 2018
Page 4

Thank you for your consideration of this matter.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Andrew J. Junius

Enclosures

cc: Myrna Melgar, Commission Vice-President
Rodney Fong, Commissioner
Milicent A. Johnson, Commissioner
Joel Koppel, Commissioner
Kathrin Moore, Commissioner
Dennis Richards, Commissioner
John Rahaim Planning Director
Jonas Ionin, Commission Secretary
Sharon Lai, One Vassar LLC
Denise Hannan, One Vassar LLC

REUBEN, JUNIUS & ROSE, LLP

EXHIBIT A: Zoning Package Analysis – Zoning Map Amendments

The tables below identify errors and issues in the proposed Zoning Map amendment ordinance (Case No. 2011.1356Z) that are in conflict with the proposed project at One Vassar.

Requested amendments are shown in ***bold and italicized*** in the table below.

ZONING																																															
Zoning Map ZN01	The Zoning Package would make the following alterations to the Zoning :																																														
	<table><tr><th>Parcel</th><th>Current</th><th>CSOMA Zoning</th></tr><tr><td>001</td><td>SSO</td><td>CMUO</td></tr><tr><td>113</td><td>MUO</td><td>CMUO</td></tr><tr><td>112</td><td>N/A</td><td>N/A</td></tr><tr><td></td><td></td><td></td></tr><tr><td>105</td><td>SSO</td><td>CMUO</td></tr><tr><td></td><td></td><td></td></tr><tr><td>078</td><td>MUO</td><td>CMUO</td></tr><tr><td>079</td><td>MUO</td><td>CMUO</td></tr><tr><td>080</td><td>MUO</td><td>CMUO</td></tr><tr><td>080A</td><td>MUO</td><td>CMUO</td></tr><tr><td>081</td><td>MUO</td><td>CMUO</td></tr><tr><td>099</td><td>M-1</td><td>CMUO</td></tr><tr><td>100</td><td>M-1</td><td>CMUO</td></tr><tr><td>101</td><td>M-1</td><td>CMUO</td></tr></table>	Parcel	Current	CSOMA Zoning	001	SSO	CMUO	113	MUO	CMUO	112	N/A	N/A				105	SSO	CMUO				078	MUO	CMUO	079	MUO	CMUO	080	MUO	CMUO	080A	MUO	CMUO	081	MUO	CMUO	099	M-1	CMUO	100	M-1	CMUO	101	M-1	CMUO	
Parcel	Current	CSOMA Zoning																																													
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	<i><u>Requested Revision:</u> Lot 112 needs to be included and rezoned from P to CMUO. Ensure consistent lot description.</i>																																														

HEIGHT																																															
Height Map HT01	<p>The Zoning Package would make the following alterations to height and bulk districts:</p> <table border="1"> <thead> <tr> <th>Parcel</th><th>Current</th><th>CSOMA Zoning</th></tr> </thead> <tbody> <tr> <td>001</td><td>40-X</td><td>350-CS</td></tr> <tr> <td>113</td><td>85-X</td><td>200-CS/350-CS “350 feet to a depth of 145 feet from Harrison Street”</td></tr> <tr> <td>112</td><td>45-X</td><td>200-CS/350-CS “200 feet from a depth of 145 feet from Harrison Street to a depth of 175 feet from Harrison Street; 350 to a depth of 145 feet from Harrison Street”</td></tr> <tr> <td></td><td></td><td></td></tr> <tr> <td>105</td><td>40-X</td><td>130-CS/200-CS</td></tr> <tr> <td></td><td></td><td></td></tr> <tr> <td>078</td><td>45-X</td><td>130-CS/350-CS</td></tr> <tr> <td>079</td><td>45-X</td><td>130-CS/350-CS</td></tr> <tr> <td>080</td><td>65-X</td><td>130-CS/350-CS</td></tr> <tr> <td>080A</td><td>65-X</td><td>130-CS/350-CS</td></tr> <tr> <td>081</td><td>65-X</td><td>130-CS/350-CS</td></tr> <tr> <td>099</td><td>40-X</td><td>130-CS/350-CS</td></tr> <tr> <td>100</td><td>40-X</td><td>130-CS/350-CS</td></tr> <tr> <td>101</td><td>40-X</td><td>130-CS/350-CS</td></tr> </tbody> </table> <p><u>Requested Revisions:</u></p> <ol style="list-style-type: none"> <u>Typo</u> on pg. 11, lines 5 & 6: lots 011-115, 115A, 115B, 115C. This inadvertently includes lots 112 & 113 and would rezone them to 85-X. Should be changed to 011-015, 015A, 015B, 015C. <i>For Lots 112 and 113, the entirety of each should be rezoned to 350' in height (strike 200-CS). The split zoning is consistent with new Code Section 263.33, which omits these parcels for a special height exception. Since that Section does not provide any requirements to obtain 350 in height, Lots 112 and 113 should be rezoned to 350-CS.</i> 		Parcel	Current	CSOMA Zoning	001	40-X	350-CS	113	85-X	200-CS/350-CS “350 feet to a depth of 145 feet from Harrison Street”	112	45-X	200-CS/350-CS “200 feet from a depth of 145 feet from Harrison Street to a depth of 175 feet from Harrison Street; 350 to a depth of 145 feet from Harrison Street”				105	40-X	130-CS/200-CS				078	45-X	130-CS/350-CS	079	45-X	130-CS/350-CS	080	65-X	130-CS/350-CS	080A	65-X	130-CS/350-CS	081	65-X	130-CS/350-CS	099	40-X	130-CS/350-CS	100	40-X	130-CS/350-CS	101	40-X	130-CS/350-CS
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	<p>3. <i>The language also omits the southwest corner of Lot 113, which extends beyond a depth of 145 feet from Harrison Street, thereby retaining the existing 85-foot height at this portion of the lot.</i></p> <p>4. <i>For lot 112, clarify that the 175 foot boundary meets the Property/lot description.</i></p>
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SPECIAL USE DISTRICT																																															
Zoning Map SU01	<p>The Zoning Package would include the following parcels in the new Central SoMa SUD:</p> <table border="1"> <thead> <tr> <th>Parcel</th><th>Current</th><th>CSOMA Zoning</th></tr> </thead> <tbody> <tr><td>001</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>113</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>112</td><td>N/A</td><td>CS SUD</td></tr> <tr><td></td><td>N/A</td><td>CS SUD</td></tr> <tr><td>105</td><td>N/A</td><td>CS SUD</td></tr> <tr><td></td><td>N/A</td><td>CS SUD</td></tr> <tr><td>078</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>079</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>080</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>080A</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>081</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>099</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>100</td><td>N/A</td><td>CS SUD</td></tr> <tr><td>101</td><td>N/A</td><td>CS SUD</td></tr> </tbody> </table> <p><u>Requested Revision:</u> <i>The entirety of lot 112 is included; the correct property/lot description should be consistent with the zoning and height map descriptions.</i></p>		Parcel	Current	CSOMA Zoning	001	N/A	CS SUD	113	N/A	CS SUD	112	N/A	CS SUD		N/A	CS SUD	105	N/A	CS SUD		N/A	CS SUD	078	N/A	CS SUD	079	N/A	CS SUD	080	N/A	CS SUD	080A	N/A	CS SUD	081	N/A	CS SUD	099	N/A	CS SUD	100	N/A	CS SUD	101	N/A	CS SUD
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KEY DEVELOPMENT SITES GUIDELINES	
Figure 1: Key Development Sites Map	<u>Requested Revisions:</u> <i>Site 3: Add portion of lot 112</i>
Site 3: “2 nd and Harrison” Key Development Site Guidelines	<u>Requested Revisions:</u>

	<ol style="list-style-type: none"> 1. Affordable Housing Site: correct citation from “Part C of Implementation Document” to “Part IV of the Public Benefits Strategy” [Requirements for New Development]. 2. POPOS: language states that the Plan “could allow an exception to the requirement that the POPOS be open to the sky, and instead provide an enclosed POPOS”, however, under Section 329 there are no exceptions listed for POPOS.
IMPLEMENTATION DOCUMENTS	
“U” case materials	<p><i>Question: Where will the various Implementation documents be located? Will they be incorporated/included in the General Plan or serve as stand-alone documents?</i></p> <ul style="list-style-type: none"> - <i>Citations to the Implementation Documents refer to incorrect titles and still use the 2016 Draft Plan references</i>

EXHIBIT B:
Zoning Package Analysis – Zoning Text Amendments

The table below identify errors and issues in the proposed Zoning Text amendment ordinance (Case No. 2011.1356T) that are in conflict with the proposed project at One Vassar.

Requested amendments are shown in ***bold and italicized*** in the table below.

Issue	Draft Planning Code Section:	Requirement	Zoning Package Analysis
Transfer of Development Rights	PC § 128.1 Pg. 20/Ln. 9	Applicability	<i><u>Requested Revision:</u></i> “ <i>Development Lot</i> ” and “ <i>Transfer Lot</i> ” are <i>reversed; sentence should read ... “from a Transfer Lot to a Development Lot...”</i>
Setbacks, Streetwall Articulation, Tower Separation	PC § 132.4	(d)(1)(A): Streetwall – buildings shall be built up to street/alley facing property line up to 65’ in height. (d)(1)(A): Streetwall – buildings shall be built up to street/alley facing property line up to 65’ in height (d)(3)(B): All 4 criteria must be met for the PC to grant a Section 329 exception to tower separation	Streetwall: <i><u>Clarification Needed:</u></i> <i>Unclear if 65’ is minimum base height; Table in 270(h) requires an 85’ base for these buildings.</i> Tower Separation: Project does not comply. Section 329 Exception can be granted for this but <u>only</u> if project meets specific criteria. There are two criteria that cannot be met: (i) The Tower Portion of the project has, at a minimum, a horizontal separation of at least 85 feet from the Tower Portion of any other Tower; <i>The Project does not meet this criterion. 645 Harrison Street is separated from 657 Harrison Street by 72 feet, below the required 85 foot minimum. 657 Harrison Street</i>

			<p>is a residential building with many Code requirements that must be incorporated; it has been designed to step back from 645 Harrison Street to the maximum extent feasible.</p> <p>(ii) The maximum floor area of any floor of the Tower Portion of the project is no more than 10,000 gross square feet; <i>The Project does not meet this criterion. All three buildings exceed floor plate requirement at the tower level: 400 2nd Street has approximately 15,000 square feet per floor; 645 Harrison Street has approximately 12,000 square feet per floor; and 657 Harrison has approximately 12,000 square feet per floor.</i></p> <p><u>Requested Revision:</u> Amend language under Section 132.4(d)(3)(B) to clarify that the 4 criteria for tower separation do not apply to the Key Development Sites, which are subject to general exception per Section 329(e).</p>
Rear Yard	PC §134 & §249.78(d)(4) Pg. 64, Ln. 6-12.	<p>The Zoning Package adds new Planning Code Section 249.78(d)(4), which eliminates rear yard setbacks for residential uses in the CMUO, and instead requires a maximum 80% lot coverage at all residential levels, except on levels where all units face a public right of way. The unbuilt portion</p>	<p>Under Planning Code Section 329, projects are typically able to request exception from rear yard requirements. However, the Zoning Package has revised Section 329 to limit exceptions available for Key Development Sites. Accordingly, the Project would need to seek a Variance if this element cannot be met.</p> <p><u>Requested Revision:</u> Amend the language of Section 329(e)(3)(B) to include the lot coverage standard of Section 249.78(d)(4) in the list of Sections from which Code exception may be granted.</p>

		of the building must be open to the sky except for permitted obstructions per PC 136.	
Usable Open Space	§ 135 Pgs. 27-28	POPOS can be used to fulfill open space requirements of 135B. Residential towers must have at least 36 s/f per unit on site. The remainder of open space requirements can be satisfied through a fee.	<p><u>Requested Revisions:</u> <i>Amend Section 135(d)(5)(B)(ii) to reflect that it in no way restricts the ability of such projects to satisfy some portion of their total usable open space obligation through provision of POPOS.</i></p> <p><i>Amend Section 329(e)(3)(B) to include an exception from the open space requirements for residential uses.</i></p>
Usable Open Space for Nonresidential Uses & POPOS Requirements	§ 135.3 & § 138	135.3: Open space requirements exist for non-residential uses in the Eastern Neighborhoods Districts. This will apply to the office, institutional, and retail uses. Open space does not apply to PDR uses. Refer to Chart 135.3 for requirements. 135.3 requirements can be met through provision of POPOS.	<p>It's unclear from the revised Code language whether the 135.3 open space requirements in the CMUO could be met through satisfaction of 138 POPOS standards, or if they represent an additional open space requirement.</p> <p>It is also unclear if institutional uses (child care use) will have to provide open space under 135.3 since they do not have to provide POPOS under 138.</p> <p><u>Requested Revisions:</u> <i>Revise Table 135.3 to exempt projects that exceed 50,000 gross square feet of non-residential use in the CMUO District, which are instead subject to the open space requirements of Section 138, or specify that the open space requirements of 135.3 can be</i></p>

		138(a)(2): POPOS does not apply to institutional or PDR uses.	<i>applied against the otherwise applicable POPOS requirements of Section 138.</i> <i>Amend 135.3 to remove the open space requirement for institutional and PDR uses to be consistent with the POPOS language in 138.</i>
POPOS	§138(d)(2): CMUO District POPOS Requirements Pg. 34	(d)(2)(A): Requires POPOS In CMUO District to have no more than 20% indoor space and 80% outdoor space.	<p>(d)(2)(A) Requires an 80-20 ratio of outdoor to indoor POPOS. It also limits the approvals by the PC of indoor POPOS – “once an indoor space is approved, another such feature cannot be approved until the total s/f or outdoor open space exceeds 80 percent of all open spaces approved under this section.” However, (B) states that projects can provide POPOS “indoors or outdoors.” There is a conflict between these two provisions.</p> <p>Project will provide approximately 3,200 s/f of POPOS indoors. Need to make sure this does not get caught in the 80/20 ratio.</p> <p><u>Requested Revision:</u> Amend Section (2)(A) to state “Key Development Sites may provide open spaces either indoors or outdoors.”</p>
		(d)(E)(ii): all buildings that directly abut the open space shall meet active use requirements of Section 145.1	<p>Perry Street extension does not meet active use requirements. Only 20’ of frontage is allowed as parking and loading ingress (145(c)(2)). Also unclear if the area along Perry Street under the I-80 overpass will serve as POPOS; if so then 400 2nd and 645 Harrison Street will have to meet active use requirements.</p> <p><u>Requested Revision:</u> Amend the language of Section 329(e)(3)(B) to include open space requirements on Key Development Sites.</p>

		(d)(F)(i): indoor open space shall have a minimum floor-to-ceiling height of 20 feet	400 2 nd Street winter garden does not meet this requirement, as some areas have ceilings lower than 20’. <u>Requested Revision:</u> <i>Revise Table 135.3 to exempt projects that exceed 50,000 gross square feet.</i>
		(d)(2)(E)(iii): Outdoor POPOS must be “maximally landscaped with plantings on horizontal and vertical surfaces, subject to the appropriate design for circulation routes and any recreational or public amenities provided.”	<u>Requested Revision:</u> <i>Amend the “maximally landscaped” language to provide quantitative standards or remove it from Code and place it in associated Design Guidelines, as it is subjective.</i>
POPOs	§138(d)(2): CMUO District POPOS Requirements Pg. 34	N/A	<u>Requested Revisions:</u> <u>Typo</u> on pg. 34, lines 7, 10: <i>refers to approval processes in subsection (f); however, (f) refers to “open space provider” requirements; change to (e) which outlines the approval process.</i> <u>Typo</u> on pg. 36, line 11: <i>refers to “subsection (e) above”, yet this is subject (e). Should reference be (d)(2)?</i>
Dwelling Unit Exposure	§140	The Zoning Package does not amend this Section.	Under Planning Code Section 329, projects are typically able to request exception from dwelling unit exposure requirements. However, the zoning package has revised Section 329 to limit exceptions available for Key Development Sites. Accordingly, the Project would need to seek a Variance if this element cannot be met.

			Project requires exception as part of LPA application.	<u>Requested Revision:</u> Amend the language of Section 329(e)(3)(B) to include the dwelling unit exposure under Section 140 in the list of Sections from which Code exception may be granted.
Required Ground Floor Commercial Uses	§145.4 & 249.78		145.4 Ground Floor Active Uses applies to: (b)(31): Second Street, on the west side, between Down Place and Townsend Street in the CMUO and C-3 Districts.	Requires ground floor active uses fronting 2 nd Street at 400 2 nd Street. This is the indoor POPOS/winter garden. POPOS is not included in Table 145.4: applicable active uses. However, Section 249.78(c)(1)(C) states that “POPOS are an active use on the ground floor.” Sections contradict each other. <u>Requested Revision:</u> Add to Section 145.4(b)(31): “POPOS can qualify as an active use pursuant to Section 249.78.”
Ground Floor Ceiling Height	PC §145.1		The Zoning Package applies a new requirement for all ground floor, non-residential use in the CMUO District to provide 17-ft floor-to-floor ceiling height.	Under Planning Code Section 329, projects are typically able to request exception from ground floor height limits. However, the zoning package has revised this Section to limit the exceptions available for Key Development Sites. Accordingly, the Project would require a Variance if this element cannot be met. <u>Requested Revision:</u> Amend the language of Section 329(e)(3)(B) to include Section 145.1 in the list of Sections from which Code exception may be granted.
Transportation Demand Management Program	§169		Zoning Package would revise Section 169 to eliminate grandfathering for Project.	<u>Requested Revision:</u> Retain TDM grandfathering for CSOMA projects.

Formula Retail/ Central Soma SUD	§249.78(c)(4) & 303.1	The Zoning Package specifies that formula retail uses may not 1) occupy required “micro-retail” units within the Project; and 2) that no formula retail restaurant/ limited restaurant or bar uses will be allowed in the CMUO.	This will prevent any amenities in the Project that are eating and drinking uses from being Formula Retail. Could impact small kiosk coffee retailers to a larger ‘market place’ use at 645 Harrison Street. <u>Requested Revision: Remove the prohibition on formula retail uses for eating and drinking uses and instead require a Conditional Use Authorization for both micro-retail and eating and drinking uses.</u>
Micro Retail Uses/ Central Soma SUD	§249.78(c)(4)	(B)(i): Micro-retail Uses are required for every 20,000 s/f of site area (B)(ii): Micro-retail uses shall be on ground floor, independently and directly accessed from public right of way or publicly-accessible open space.	Language uses “site area” but this is not defined in the Code. Further, no accessibility accommodations are provided for historic resources. <u>Requested Revision: Clarify the trigger for micro-units to be parcel area, project, etc.</u> <u>Amend the language of Section 329(e)(3)(B) to include direct access requirements of micro-units from which a Code exception may be granted.</u>
Active Use – Fenestration Requirements for PDR Uses/ Central Soma SUD	§249.78(c)(1) (D)	PDR uses that are on the ground floor must meet minimum transparency requirements of 145.1(c)(6)	Any PDR uses that are on the lower floors at 645 Harrison must meet the transparency requirements. 645 Harrison is a historic building with limited fenestration at the lower floors. Further, PDR uses may not require transparency

			<p>If exception is required, Planning Code Section 329(e) would need to be modified for the Project to obtain it through the LPA process. Otherwise, a Variance would be required.</p> <p><u>Requested Revision: Amend the language of Section 329(e)(3)(B) to include Section 145.1 in the list of Sections from which Code exception may be granted.</u></p>
PDR/ Central Soma SUD	PC §249.78(c) (5)	<p>The Zoning Package requires that office development exceeding 50,000 square feet provide the greater of the following:</p> <p>(i) the square footage of PDR space required by 202.8,</p> <p>OR</p> <p>(ii) on-site dedication of space for PDR Uses equivalent to 40% of the lot area, in which case land dedicated to a 100% affordable housing building, publicly-accessible open space, mid-block alleys open to the sky, and ground floor child care area is exempt from calculation of lot area.</p>	<p>Section is triggered by any “project” that contains 50,000 s/f. Is “project” the entire site or just the office component of the project? On site dedication of PDR space is equal to 40% of “lot area”. Need clarification.</p> <p><u>Requested Revision: Clarify whether this requirement is triggered by a ‘project’ or by the office portion only, and whether the dedication space is the lot area or project area.</u></p>

Lot Merger Restrictions/ Central Soma SUD	§249.78(d)(5)	Prohibits lot mergers on most parcels in Plan Area. (5)(C)(i): street frontages of lots abutting the north side of Perry Street are exempt from this control.	This exemption covers lots 078, 079, 080, 080A, 081, and 101 – all which front Perry Street. Therefore, they can be merged. However, the two lots fronting Harrison Street – lots 99 and 100 – are not included in this list, so would be prohibited from being merged. <u>Requested Revision:</u> Add lots 99 and 100 to the exemption list. Add language “and the street frontages along Harrison in lots 099 and 100” after Perry Street.
Wind/ Central Soma SUD	§249.78(d)(7)	Outlines new wind comfort requirements.	This Section allows for the Commission to grant LPA exceptions from comfort criterion and hazards, subject to certain standards. However, this exception is not properly cross-referenced for Key Development Sites under Section 329. If not corrected, this could be interpreted to mean that wind standard exceptions via LPA are not permitted on Key Development sites. <u>Requested Revision:</u> Revise Planning Code Section 329 (e)(3)(B) to include the potential for Project exception from wind standards pursuant to Planning Code Section 249.78(d)(7).
Lot Coverage Requirements for Residential Buildings/ Central Soma SUD	§249.78(d)(4)	No rear yard requirements for residential uses. Lot coverage is limited to 80 percent at all residential levels, except on levels in which all residential units face onto a public right of way, 100	The lot size of the residential parcel is 21,230 s/f; typical levels are 53%. On Podium Levels, two units on levels two through seven will not comply with requirements. These units face onto a setback from the side property line. Need to confirm that units facing POPOS are considered facing public way. <i>Waiting for additional feedback from HKS about requirements and compliance.</i>

		percent of lot coverage may occur. The unbuilt portion of the lot shall be open to the sky.	<u>Requested Revision:</u> Revise Planning Code Section 329 (e)(3)(B) to include the potential for Project exception from lot coverage requirements pursuant to Planning Code Section 249.78(d)(4).
Height Limits: Exemptions	§260(b)(1) Pg. 69, Ln. 6	<p>(E): In any C-3 District and the CMUO District, enclosed space related to the recreational use of the roof, not to exceed 16 feet in height.</p> <p>(L): In the Central SoMa Special Use District, additional building volume used to enclose or screen from view the features listed in subsections (b)(1)(A) and (b)(1)(B) above.</p> <p>The rooftop form created by the added volume shall contain no space for human occupancy. The features described in subsection (b)(1)(B) shall not be limited to 16 feet for buildings taller than 200 feet, but shall be limited by the</p>	<p>The hotel and residential buildings both propose rooftop amenities for the tenants. Both are approximately 20 feet in height. Due to the location adjacent to the I-80 and the height of each building, a screen is required in order for the space to be usable.</p> <p>(E) limits this screening area to 16 feet but does allow for “human occupancy” in this roof area.</p> <p>(L) allows additional 10% of height – thus 20 feet – but it cannot “contain any space for human occupancy.”</p> <p><u>Requested Revision:</u> <u>Revise Planning Code Section 329 (e)(3)(B) to include the potential for Project exception from 260(E) or (L) to allow height screening greater than 16 feet but not more than 10 percent in height that can contain space for human occupancy.</u></p> <p><u>Revise Planning Code Section 260(b)(E) to add: “For Key Development Sites in the CMUO Districts, enclosed space related to the recreational use of the roof, not to exceed 20 feet in height.”</u></p>

		permissible height of any additional rooftop volume allowed by this subsection (L).	
Special Height Exception: Vassar & Harrison Street	§263.33	<p>Section establishes a base height of 130 feet on Lots 078, 079, 080, 080A, 081, 099, 100, 101, and 105.</p> <p>Section creates additional height for the proposed hotel at 645 Harrison Street and the residential building at 657 Harrison Street.</p> <p>No language is included for the proposed office building at 400 2nd Street.</p>	<p>This Section lists requirements that must be met in order for a base height of 130' to be increased to 200' and 350' respectively.</p> <p>Lots 001, 112, and 113 are omitted from this Code Section. This assumes that the height of that portion of the Project – 350' is not triggered by additional requirements. However, the zoning map HT01 has a split height for lots 112 and 113. This is inconsistent with 263.33 and should be corrected.</p> <p><u>Requested Revision: Modify the height proposed in HT01 (zoning map) for lots 112 and 113 from 200-CS/350-CS to 350-CS. No split height for these parcels.</u></p>
Large Project Authorizations for Key Development Sites	§329	(e) Exceptions for Key Sites in Central SoMa.	<p>It is unclear whether Key Development Sites can also seek exceptions under 329(d)(1) – (11). Based on the language drafted, they are limited to those exceptions in (e)(3)(B). The 8 exceptions listed in this section are narrower than what is permitted for other projects in the EN Plan Area as well as for smaller projects.</p> <p><u>Requested Revision: Modify 329(d) to allow Key Development Sites to seek exceptions (1) – (11).</u></p>

			<p><i>Clarify the language in 329(e) so that Key Development Sites can seek exceptions under 329(d)(1) – (11) in addition to those in (B).</i></p> <p><i>Add the additional exceptions for Key Development Sites as detailed in this table, including Sections 145.1 and items in Section 249.78.</i></p>
TIDF/TSF	§411 & 411A	Grandfathering	<p>Zoning Package eliminates grandfathering for area projects. Under the current Package, the Project would be subject to current TSF rates.</p> <p><u>Requested Revision:</u> Retain TIDF/TSF grandfathering for CSOMA projects.</p>
Formula Retail: Bars, Restaurants, Limited Restaurant Uses	848: CMUO District Table Pg. 180+	Bars, Restaurants, and Limited Restaurants are not permitted if they qualify as a Formula Retail Use	<p>This will prevent any amenities in the Project that are eating and drinking uses from being Formula Retail. Could impact small kiosk coffee retailers to a larger ‘market place’ use at 645 Harrison Street.</p> <p><u>Requested Revision:</u> Remove the prohibition on formula retail uses for eating and drinking uses and instead require a Conditional Use Authorization for both micro-retail and eating and drinking uses.</p>
Lot Coverage – Residential Projects	848: CMUO District Table Pg. 180+	For Residential Uses, there are no rear yard requirements but lot coverage is limited to 80 percent at all levels (per 249.78(c)(4))	<p>Unclear what the required lot coverage requirements are based on the Zoning Table.</p> <p><u>Requested Revision:</u> Add reference to the lot coverage and rear yard requirements in the Zoning Table, either as a separate row item or cross-reference to Section 249.78.</p>

Multiple Architects	Draft Plan 8.6.5.4	The Draft Plan requires that all projects on sites larger than 2 acres have multiple architects. This site is 4.5 acres.	This standard remains in the Plan, but has not been codified under the Zoning Package. <u>Requested Revision:</u> Eliminate this requirement from the Plan Implementation Matrix.
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REUBEN, JUNIUS & ROSE, LLP

Mark Loper
mloper@reubenlaw.com

April 4, 2018

Delivered via Email (steve.wertheim@sfgov.org)

Steve Werthiem
San Francisco Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

**Re: Central SOMA Plan Legislation – Section 175.1 and Pending Eastern
Neighborhoods-compliant Projects
Planning Department File No. 2011.1356MTZU
Board of Supervisors File No. 180184
Our File No.: 8718.01**

Dear Steve:

I am writing to request one additional minor change to the proposed legislation implementing the Central SOMA Plan (the “Plan Legislation”) and unintended consequences with other pending legislation for “Code Conforming” Eastern Neighborhoods projects.

At a meeting with a project sponsor within the Central SOMA Plan area that is proposing a project compliant with the Eastern Neighborhoods Plan (i.e. a “Code Conforming Project”) you raised the prospect that the 2018 code corrections ordinance (File No. 2017-014297PCA) might become effective after the Plan Legislation is adopted by the Board. We’d like to suggest a very minor amendment to proposed Section 175.1 addressing this situation. It would include legislation introduced but not yet adopted, such as the 2018 code corrections ordinance, within the set of rules that project would be subject to. Suggested addition is underlined below:

*(c) **Applicability.** A Code Conforming Project within the Central SoMa Special Use District may elect to be exempt from the Central SoMa Controls and instead be subject to those controls in place or legislation introduced but not yet adopted immediately prior to the effective date of the Central SoMa Controls, if at least one Development Application for such project was filed before February 15, 2018 and the project receives its first Project Approval by December 31, 2019.*

Thank you for your time. Sincerely,

REUBEN, JUNIUS & ROSE, LLP



Mark Loper

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March 23, 2018

Delivered Via Email (steve.wertheim@sfgov.org)

Steve Werthiem
San Francisco Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

**Re: Central SOMA Plan Legislation – Ground Floor Controls
Planning Department File No. 2011.1356MTZU
Board of Supervisors File No. 180184
Our File No.: 8718.01**

Dear Steve:

I am writing to request two minor changes to the proposed legislation implementing the Central SOMA Plan (the “Plan Legislation”) that, as currently drafted, may have unintended consequences for ground floor programming on certain projects in the Plan area.

The Plan Legislation proposes all non-residential uses in the CMUO district to have a minimum floor-to-floor height of 17 feet, as measured from grade, under Section 145.1(c)(4). The purpose of this minimum ground floor height requirement is to provide an active, spacious, and inviting ground floor experience for non-residential uses, emphasizing activity at the pedestrian level. Enhancing the pedestrian experience through raised ground floor ceilings is an important urban design policy. However, on sites that have non-residential use throughout the ground floor, a 17-foot high ceiling loses its utility when it is not visible from a major public right-of-way, and also potentially complicates interior programming without a corresponding policy benefit. We suggest requiring a 17-foot high non-residential ground floor height within the first 60 feet from all streets or public rights-of-way wider than 40 feet. This would strike a balance between enhancing the pedestrian experience and ease of ground floor programming that is not visible from the street.

Section 145.4 of the Planning Code requires certain ground-floor commercial uses on some streets in San Francisco. The Plan Legislation proposes to apply Section 145.1 to a number of new streets, including the west side of Second Street, between Dow Place and Townsend Street in the proposed CMUO zoning district. Section 145.4 does not explicitly permit hotel uses on the ground floor of streets subject to Section 145.4. We request the legislation specifically state that hotels are

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permitted on the ground floor of street frontages in the proposed CMUO zoning district. This can be accomplished by amending proposed Section 249.78(c)(1) to clarify that a hotel as defined in the Planning Code is an active use on the ground floor.

Thank you.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP

A handwritten signature in dark ink, appearing to read "M Loper", is written over the printed name Mark Loper.

Mark Loper