



EXECUTIVE SUMMARY

DOWNTOWN PROJECT/CONDITIONAL USE AUTHORIZATIONS

HEARING DATE: SEPTEMBER 10, 2020

Record No.: 2013.0511PRJ
Project Address: 1125 Market Street
Zoning: C-3-G – Downtown-General Zoning District
120-X Height and Bulk District
Block/Lot: 3702/047
Project Sponsor: Patricia Yeh
58 Tehama St
San Francisco, CA 94105
Property Owner: Pacific 1125 Market Corporation
201 California St, Ste 500
San Francisco, CA 94111
Staff Contact: Christy Alexander – (628) 652-7334
christy.alexander@sfgov.org

Recommendation: Approval with Conditions

Project Description

The Project includes new construction of a 12-story, 119-ft tall (141-ft tall inclusive of rooftop screening/mechanical equipment), mixed-use project that includes an approximately 99,626 square foot, 180 room tourist hotel (d.b.a. Eaton SF), approximately 9,529 square feet of office use (coworking space), and approximately 2,556 square feet of restaurant/retail uses on the ground floor. The Project proposes no vehicle parking and would provide 9 Class 1 bicycle parking spaces, and 19 Class 2 bicycle parking spaces.

Required Commission Action

In order for the Project to proceed, the Commission must grant a Conditional Use Authorization pursuant to Planning Code Sections 210.2 and 303 to allow a hotel use.

The Commission must also grant a Downtown Project Authorization, pursuant to Planning Code Sections 210.2 and 309, to allow a project greater than 50,000 square feet of floor area within the C-3-G Zoning District with exceptions to the following Planning Code Sections: 1) reduction of ground-level wind currents in C-3 Districts (Section 148); and 2) reduction of sunlight on the public sidewalks (Section 146).

Issues and Other Considerations

- **Downtown Project Authorization:**

- The Project does not strictly conform to several aspects of the Planning Code. As part of the Section 309 review process, the Commission may grant exceptions from certain requirements of the Planning Code for projects that meet specified criteria. The project requests exceptions regarding:
 - Reduction of ground-level wind currents in C-3 Districts, pursuant to the requirements of Section 148; and
 - Reduction of sunlight on the public sidewalks. Exception from reduction of sunlight on the public sidewalks requirements, pursuant to requirements of Section 146.

- **Conditional Use Authorization:**

- **Hotel Use.** In order to approve a Conditional Use Authorization for a hotel the Planning Commission must consider, among other things, the market demand for a hotel of the type proposed. Prior to the ongoing pandemic, hotel uses in San Francisco have consistently seen occupancy rates in the low-mid 80s percent range. Year to year, the occupancy rate has remained approximately 20 points above the national average and the City has been among the strongest lodging markets in the country. In light of the effects to tourism and the lodging industry created by the crisis, the Department requested an update to the initially submitted market demand study (see “EXHIBIT F”). This addendum projected that demand will have a substantial recovery in 2022-2023, returning to the 2019 occupancy rate by the end of 2026. Given the time associated with obtaining permits and completing construction, the proposed hotel would likely open at some point within this recovery period.

- **Public Comment:**

- **Support/Opposition:** The Department has received seven letters in support, including support from the San Francisco Chamber of Commerce, A.C.T., the Hotel Council of San Francisco, the Mid-Market Business Association, San Francisco Travel Association and existing neighborhood businesses and residents. Generally, the support focused on the activation of a long-vacant site and increased opportunities for a marginalized neighborhood. The Department has received one letter in opposition from Local 2 expressing concerns that they have not been involved in outreach. The Sponsor will be meeting with this group on 9/3/2020.
- The Sponsor held outreach meetings with the following groups:
 - Central Market CBD board meeting on 10/06/2016
 - Mid-Market CBD board meeting on 4/21/2020

- **Design Review Comments:** The project has changed in the following significant ways since the original submittal to the Department:
 - The initial DNX application in 2013 was proposing a residential mixed-use building which later evolved to propose a boutique hotel use, hence the CUA application following in 2017 which eliminated need for required rear yard and common usable open space;
 - Removal of the proposed parking in the basement level; the Sponsor has proposed to make both street frontages active as the parcel is so close to transit, while accommodating for drop of on Stevenson Street.
 - Further activation of ground floor spaces with incorporation of a radio station, various privately-owned amenity spaces throughout the hotel for hotel guests and community programming such as a theater and music recording studios, as well as coworking spaces, and a unique interior POPOS featuring old growth redwood trees were also incorporated into the revised project.

Environmental Review

On July 29, 2020 Draft Mitigated Negative Declaration (MND) for the Project was prepared and published for public review; and

The Draft MND was available for public comment until August 26, 2020; and

On September 10, 2020 the Planning Department/Planning Commission reviewed and considered the Final Mitigated Negative Declaration (FMND) and found that the contents of said report and the procedures through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the “CEQA Guidelines”) and Chapter 31 of the San Francisco Administrative Code (“Chapter 31”); and

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

The Planning Department Commission Secretary is the custodian of records, located in the File for Case No. 2013.0511E, at 49 South Van Ness Avenue, Suite 1400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting program (MMRP), which material was made available to the public and this Commission for this Commission’s review, consideration and action and is attached here as “Exhibit C.”

Basis for Recommendation

The Department finds that the Project is, on balance, consistent with the Downtown Area Plan and the Objectives and Policies of the General Plan. The Department also finds the project to be necessary, desirable, and compatible with the surrounding neighborhood, and not to be detrimental to persons or adjacent

properties in the vicinity. The Project provides a new boutique hotel near the surrounding theatre district and U.N. Plaza, with a social justice, purpose-driven branding and community involvement component to help address existing racial and social justice issues. The hotel, restaurant, retail, coworking spaces, and radio station will help activate the existing vacant lot and surrounding area and provide unique POPOS with old growth redwood trees and innovative public art elements in the form of sculpture, paintings, and technology, to welcome and provide safe spaces for all residents and tourists to enjoy.

Attachments:

Draft Motion – Conditional Use Authorization with Conditions of Approval
Draft Motion – Large Project Authorization with Conditions of Approval
Exhibit B – Plans and Renderings
Exhibit C – MMRP
Exhibit D – Land Use Data
Exhibit E – Maps and Context Photos
Exhibit F – Hotel Market Study
Exhibit G – Project Sponsor Brief



PLANNING COMMISSION DRAFT MOTION

HEARING DATE: SEPTEMBER 10, 2020

Record No.: 2013.0511X
Project Address: 1125 Market Street
Zoning: C-3-G – Downtown-General Zoning District
120-X Height and Bulk District
Block/Lot: 3702/047
Project Sponsor: Patricia Yeh
58 Tehama St
San Francisco, CA 94105
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ADOPTING FINDINGS TO APPROVE A DOWNTOWN PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 210.2 AND 309, TO ALLOW A PROJECT GREATER THAN 50,000 SQUARE FEET OF FLOOR AREA WITHIN THE C-3-G ZONING DISTRICT WITH EXCEPTIONS TO THE FOLLOWING PLANNING CODE SECTIONS: 1) REDUCTION OF GROUND-LEVEL WIND CURRENTS IN C-3 DISTRICTS (SECTION 148); AND 2) REDUCTION OF SUNLIGHT ON THE PUBLIC SIDEWALKS (SECTION 146) . THE PROJECT THAT WOULD CONSTRUCT A NEW 12-STORY, 119-FT TALL (141-FT TALL INCLUSIVE OF ROOFTOP SCREENING/MECHANICAL EQUIPMENT), MIXED-USE PROJECT (APPROXIMATELY 111,711 GROSS SQUARE FEET) THAT INCLUDES AN APPROXIMATELY 99,626 SQ. FT. 180 ROOM TOURIST HOTEL (D.B.A. EATON SF), APPROXIMATELY 9,529 SQ. FT. OF OFFICE USE (COWORKING SPACE), AND APPROXIMATELY 2,556 SQ. FT. OF RESTAURANT/RETAIL USES ON THE GROUND FLOOR. THE PROJECT PROPOSES NO VEHICLE PARKING AND WOULD PROVIDE 9 CLASS 1 BICYCLE PARKING SPACES, AND 19 CLASS 2 BICYCLE PARKING SPACES, LOCATED AT 1125 MARKET STREET, LOT 047 IN ASSESSOR’S BLOCK 3702, WITHIN THE C-3-G – DOWNTOWN-GENERAL ZONING DISTRICT AND A 120-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On December 18, 2013, Lawrence Badiner of Badiner Urban Planning, Inc. (which has since changed to Patricia Yeh of PEAK Project Management Limited) (hereinafter "Project Sponsor") filed Application No. 2013.0511X (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Downtown Project Authorization to construct a new 12-story, 119-ft tall (141-ft tall inclusive of rooftop screening/mechanical equipment), mixed-use hotel and office building (hereinafter "Project") at 1125 Market Street, Block 3702 Lot 047 (hereinafter "Project Site").

On July 29, 2020 Draft Mitigated Negative Declaration (MND) for the Project was prepared and published for public review; and

The Draft MND was available for public comment until August 26, 2020; and

On September 10, 2020 the Planning Department/Planning Commission reviewed and considered the Final Mitigated Negative Declaration (FMND) and found that the contents of said report and the procedures through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

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

On September 10, 2020, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Downtown Project Authorization Application No. 2013.0511X.

The Planning Department Commission Secretary is the custodian of records; the File for Record No. 2013.0511X is located at 49 South Van Ness Avenue, Suite 1400, San Francisco, California.

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

MOVED, that the Commission hereby approves the Downtown Project Authorization as requested in Application No. 2013.0511X, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

- 1. The above recitals are accurate and constitute findings of this Commission.**
- 2. Project Description.** The Project includes new construction of a 12-story, 119-ft tall (141-ft tall inclusive of rooftop screening/mechanical equipment), mixed-use project that includes an approximately 99,626 square foot, 180 room tourist hotel (d.b.a. Eaton SF), approximately 9,529 square feet of office use (coworking space), and approximately 2,556 square feet of restaurant/retail uses on the ground floor. The Project proposes no vehicle parking and would provide 9 Class 1 bicycle parking spaces, and 19 Class 2 bicycle parking spaces.
- 3. Site Description and Present Use.** The site is a vacant, 12,414 square foot through-lot with 70-foot frontages on both Market and Stevenson Streets.
- 4. Surrounding Properties and Neighborhood.** The Project Site is located within the C-3-G Zoning District in the Downtown Area Plan. The immediate vicinity is mixed in character with residential, commercial, hotel, entertainment, and office uses, as well as many civic uses. The immediate context includes three-to-nine-story developments along Market Street, U.N. Plaza located directly across Market Street, and a few 18-story and taller office towers within a couple blocks radius. The Federal Building is located directly south of the project, on Stevenson Street. The project site is located within the boundaries of the SoMa Pilipinas Cultural District and is across the street from the Civic Center Historic District and two parcels west of the Theater and Loft District and adjacent to individually significant Strand Theater. Other zoning districts in the vicinity of the project site include: P (Public), RC-4 (Residential Commercial), and MU (Mixed-Use) Zoning Districts.
- 5. Public Outreach and Comments.** The Department has received seven letters in support, including support from the San Francisco Chamber of Commerce, A.C.T., the Hotel Council of San Francisco, the Mid-Market Business Association, San Francisco Travel Association and existing neighborhood businesses and residents. Generally, the support focused on the activation of a long-vacant site and increased opportunities for a marginalized neighborhood. The Department has received one letter in opposition from Local 2 expressing concerns that they have not been involved in outreach. The Sponsor will be meeting with this group on 9/3/2020 and has held two other outreach meetings with neighborhood groups.
- 6. Planning Code Compliance.** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. Use.** Planning Code Section 210.2 establishes permitted uses within the C-3-G Zoning District and office as well as retail uses are principally permitted. This Section also states that a Conditional Use Authorization is required for Hotel use, as defined by Planning Code Section 102.

The Project proposes to establish Hotel use (a Retail-Sales and Service use) as the primary use, thus a Conditional Use Authorization is required for the 111,711 gross square feet (gsf), 180-room Hotel

proposed at the Site (case no. 2013.0511CUA). The coworking office space and ground floor retail and restaurant spaces are principally permitted.

- B. Maximum Floor Area Ratio.** Planning Code Section 124 establishes a Maximum Floor Area Ratio (FAR) of 9.0 to 1 for properties within the C-3-G Zoning District.

The Project Site has a lot area of approximately 12,414 sf. Therefore, up to 111,726 sf of Gross Floor Area ("GFA") is allowed under the basic FAR limit. The Project Site's GFA is 111,711 sf and therefore complies.

- C. Off-Street Loading.** Planning Code Section 152.1 establishes off-street loading requirements in C-3 Zoning Districts for Hotel Uses.

The GFA of the Project is approximately 99,626 sf of hotel use and 2,556 sf of retail use and therefore does not require off-street loading and none is proposed.

- D. Bicycle Parking.** Planning Code Section 155.2 requires bicycle parking for hotel, office and restaurant uses in the following amounts: 1 Class I space for every 30 rooms, and 1 Class II space for every 30 rooms, and 1 Class II space for every 5,000 square feet of Occupied Floor Area of conference, meeting, or function rooms (minimum of 2 spaces required), 1 Class I per 5,000 sf of office space and 2 Class II for first 5,000 sf then an additional 1 per 50,000 sf of office space, 1 Class I per 7,500 sf of restaurant/retail space and 1 Class II per 750 sf of restaurant/retail space.

The Project proposes 180 rooms, conference rooms, office space, and restaurant/retail uses. This requires 9 Class I bicycle parking spaces, and 18 Class II bicycle parking spaces. The Project proposes 9 Class I and 19 Class II bicycle parking spaces.

- E. Shower Facilities and Lockers (Section 155.4).** The Planning Code requires shower facilities and lockers for Office Uses in the following amounts: one shower and six clothes lockers are required where the Occupied Floor Area exceeds 10,000 square feet. Two showers and 12 clothes lockers are required where the Retail Sales and Service uses (Hotel and Restaurant/Retail) Occupied Floor Area exceeds 50,000 sf.

The Project includes more than 50,000 sf of hotel and restaurant/retail uses and occupied floor area of office exceeds 10,000 sf thus a total of 3 showers 18 lockers are required per Code. The Project would provide 3 showers and 18 lockers on the second basement floor, adjacent to the housekeeping office. Therefore, the Project complies with Section 155.4.

- F. Publicly Accessible Open Space (Section 138).** The Planning Code requires new Non-Residential buildings, or additions of Gross Floor Area equal to 20 percent or more to an existing Non-Residential building, in the C-3-G zoning district to provide public open space at a ratio of one square-foot per 50 gross square feet of all uses, except residential uses and institutional uses.

The Project would include 99,626 gross square feet of hotel use, 9,529 square feet of office use and 2,556 square feet of restaurant/retail. Therefore, 2,232 sf is required. The Project proposes 2,482 sf of

POPOS space on the interior of the ground floor which will include interior space adjacent to the front doors on Market Street and an interior open-air courtyard space containing old growth redwood trees, and therefore complies.

- G. **Street Frontage in Commercial Districts.** Section 145.1 exists to preserve, enhance, and promote attractive, clearly defined street frontages that are pedestrian-oriented, fine-grained, and which are appropriate and compatible with the buildings and uses in commercial districts. Active uses, as defined by the Code, are required within the first 25 feet of the building depth at ground floor, and the ground floor ceiling height must be at least 14 feet in height, as measured from grade.

The ground floor space along Market Street and Stevenson Street propose active uses, with direct access to the sidewalk within the first 25 feet of building depth and a ground floor ceiling height of approximately 14 feet and is thus compliant with this Code Section.

- H. **Transportation Demand Management (TDM) Plan.** Pursuant to Planning Code Section 169 and the TDM Program Standards, the Project shall finalize a TDM Plan prior Planning Department approval of the first Building Permit or Site Permit.

The Project submitted a completed Environmental Evaluation deemed complete on or after September 5, 2016, and before January 1, 2018. Therefore, the Project must only achieve 75% of the point target established in the TDM Program Standards, resulting in a required target of 10 points (75% of 13) for the retail uses and 9 points (75% of 12) for the office uses.

As currently proposed, the Project will achieve a total of 13 of its required 10 points for the retail uses through the following TDM measures:

- Parking Supply (Option K-providing no parking)
- Bicycle Parking (Option A)
- Showers and Lockers

As currently proposed, the Project will achieve a total of 12 of its required 9 points for the office uses through the following TDM measures:

- Parking Supply (Option K-providing no parking)
- Bicycle Parking (Option A)

- I. **Height.** The Project Site is located within a 120-X Height and Bulk District.

The Project Site currently measures approximately 119 feet in height (excluding exemptions from height per Planning Code Section 260). The Project includes rooftop screening and mechanical equipment that reach up to 141 feet in height and therefore complies.

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

Following completion of the preliminary shadow fan analysis prepared by the Planning Department, the Project did not result in any shadow to properties under the jurisdiction of the Recreation and Park Department. As such, the Project is consistent with the provisions of Section 295 of the Planning Code.

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

The Project will comply with this Code requirement by dedicating one percent of the Project's construction cost to works of art. The public art will be located throughout the POPOS and the initial concept and location are shown on the final plan set. Final concept and location will be subsequently approved by the Department and presented to the Commission at an informational presentation.

7. **Downtown Project Authorization Exceptions.** Planning Code Section 309 allows exceptions for Large Projects in the Downtown Districts:

- A. **Reduction of ground-level wind currents in C-3 Districts.** Exception for reduction of ground-level wind current requirements, pursuant to the requirements of Section 148.

The Planning Code requires new buildings in the C-3 Districts to be shaped or otherwise designed with wind-baffling measures, so that the development will not cause ground-level wind current to exceed, more than 10 percent of the time year round, between 7:00am and 6:00pm, the comfort level of 11 m.p.h. equivalent wind speed in areas of substantial pedestrian use and seven m.p.h. equivalent wind speed in public seating areas. When preexisting ambient wind speeds exceed the comfort level, or when a proposed building or addition may cause ambient wind speeds to exceed the comfort level, the building shall be designed to reduce the ambient wind speeds to meet the requirements.

Exceptions can be granted pursuant to Section 309 allowing the building to add to the amount of time the comfort level is exceeded if (1) the building cannot be shaped and other wind-baffling features cannot be adopted without creating an unattractive and ungainly building form, and without unduly restricting the development potential of the site; and (2) the addition is insubstantial, either due to the limited amount of exceedances, the limited location where the exceedances take place, or the short time when the exceedances occur. No exception shall be granted, and no building or addition shall be permitted that causes equivalent wind speeds to reach or exceed the hazard level of 26 miles per hour for a single hour of the year.

Background

The FMND analyzed potential wind impacts that could occur as a result of the Project and cumulative conditions. A qualified wind consultant (SWCA) analyzed ground-level wind currents in the vicinity of the Site through a series of wind studies. Wind studies were prepared for the Project using wind testing analysis and evaluation methods to determine conformity with Section 148 criteria. The wind studies measured wind speeds for the existing, existing plus project, and cumulative scenario. The cumulative scenario included massing models of other potential future development in the vicinity of the Project. Wind speed measurements were taken at a total 7 locations for the Project.

Hazard Criterion

The wind studies found that, under existing conditions, 3 of the 42 locations exceeded the 36-mph wind hazard criterion for a total of 5 hours per year. With the addition of design features, such as an overhead canopy and landscaping, some existing on-site and nearby windy areas are expected to improve the wind hazard conditions compared to existing conditions. As such, with the addition of the Project, the number of locations with hazardous wind conditions would drop from 3 to 0, with the total duration of wind hazards decreasing from 5 to 0 hours.

Pedestrian/Seating Comfort Criterion

The wind studies found that, under the existing scenario, wind speeds exceed the 11-mph comfort criterion at 26 out of 42 test locations, averaging 12.7 mph across all test locations. With the addition of the Project, a small net decrease (0.4 mph) in wind speeds is expected as compared to the existing scenario. While the Project would increase existing wind comfort exceedances at 1 test location, it would decrease wind comfort exceedances at other locations and wind speeds at a total of 27 locations would exceed the comfort criterion of 11 mph for pedestrians, resulting in a net increase of 1 test locations as compared to the existing scenario. With implementation of the Project, the average wind speeds would increase to 12.3 mph, exceeding the 11-mph comfort criterion approximately 10 percent of the time, representing a .25 percent decrease compared to existing conditions.

Conclusion

The Project would result in a net increase of test locations exceeding the wind hazard criterion. In addition, the total number of hours with hazardous wind conditions would decrease by 4 hours under the Project. The addition of the street trees (along with the combination of other wind control measures) is expected to improve the wind hazard conditions compared to the Existing Scenario.

The net addition of 1 pedestrian comfort criterion exceedances and the total 27 pedestrian comfort criterion exceedances requires an exception under the (Section 309) Downtown Project Authorization process. The exception to the ground-level wind current requirements (Section 148) is warranted since it is unlikely that the Project could be designed in a manner that would eliminate all existing comfort criterion exceedances. Moreover, the 1.0 mph net decrease in wind speed across the 1 net new comfort exceedance test locations is much better than the existing wind comfort and is insubstantial due to the relatively short time (16.5 percent) when the exceedances would occur.

- L. **Reduction of sunlight on the public sidewalks.** Exception from reduction of sunlight on the public sidewalks requirements, pursuant to requirements of Section 146.

The Planning Code establishes design requirements for buildings on certain streets in order to maintain direct sunlight on public sidewalks in certain downtown areas during critical use periods. Section 146(a) requires certain streets at maximum street wall heights to ensure appropriate sun access angles. Section 146(c) requires that other buildings should be shaped so as to reduce substantial shadow impacts on public sidewalks, if doing so would not create an unattractive design and without unduly restricting the development potential of the site in question. Section 146(b) allows an exception to the requirements of Subsection (a) in cases where the penetration of

the plane does not create shadow because of the shadow already cast by other buildings.

Section 146(a) requires that buildings on the southside of Market Street between 10th and 2nd Streets have a maximum streetwall height of 119' and set back at an angle of 50 degrees above that, to which the Project complies yet still shadows the entire public sidewalks. Regarding Section 146(c), the Project would create new shadows on sidewalks and pedestrian areas adjacent to the Site. The Project is proposed at a height that is zoned for the property and cannot be further shaped to reduce substantial shadow impacts on public sidewalks without creating an unattractive design, restricting development potential and failing to hold the Market Street building wall. The amount of shadow cast on sidewalks would vary based on time of day, day of year, and weather conditions. Additionally, in certain locations, existing (Federal Building) and future development would mask or subsume new shadows from the Project that would otherwise be cast on sidewalks in the Project vicinity. The Project's shadows would be limited in scope and would not increase the total amount of shading above levels that are commonly accepted in dense urban areas. Therefore, the Project's shadow on the sidewalks is comparable to what already exists in the vicinity and complies with Subsection (c).

Conclusion

The exception to this requirement in Section 146(a) is therefore warranted since the shadow is already being cast by other buildings, namely by the Federal Building, directly to the South.

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

URBAN DESIGN ELEMENT

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.3

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

Policy 1.7

Recognize the natural boundaries of districts and promote connections between districts.

OBJECTIVE 3

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

Policy 3.1

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

Policy 3.3

Promote efforts to achieve high quality of design for buildings to be constructed at prominent locations.

The Project would develop a mixed-use hotel and office use midrise development on an existing vacant lot located near two of the City's most frequented theatres (A.C.T.'s Strand Theatre and the Orpheum Theatre) and the City's gathering place for weekly farmers markets and other events (U.N. Plaza), furthering numerous policies that support a vision for the downtown area as a vibrant, mixed-use neighborhood.

This Project implements the vision of the Downtown Area Plan as it is specifically designed to contribute a distinctive, and complementary massing to the city's skyline as shaped by the surrounding buildings, as well as contribute to a vibrant street level experience with the hotel lobby, radio station, restaurant, retail space, and POPOS with old growth redwood trees.

TRANSPORTATION ELEMENT

OBJECTIVE 1

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

Policy 1.2

Ensure the safety and comfort of pedestrians throughout the city.

Policy 1.3

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

Policy 1.6

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

OBJECTIVE 2

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

Policy 2.1

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

The Project would develop a mixed-use hotel with co-working space on an existing vacant lot located near two of the City's most utilized streets (Market Street and 8th Street), and is well-served by existing and future transit, and is within walking distance of substantial goods and services. Future hotel guests and employees can walk, bike, or access BART, MUNI, or regional bus service from the Site. The Project is designed to contribute a distinctive, and complementary streetscape along with other buildings in the surrounding neighborhood to better contribute to a vibrant street level experience.

DOWNTOWN AREA PLAN

OBJECTIVE 13

CREATE AN URBAN FORM FOR DOWNTOWN THAT ENHANCES SAN FRANCISCO'S STATURE AS ONE OF THE WORLD'S MOST VISUALLY ATTRACTIVE CITIES.

Policy 13.1

Relate the height of buildings to important attributes of the city pattern and to the height and character of existing and proposed development.

The Project would develop a mixed-use hotel with co-working space on an existing vacant lot located near two of the City's most utilized streets (Market Street and 8th Street), furthering numerous policies that support a vision for the downtown area as a vibrant, mixed-use neighborhood.

This Project implements the vision of the Downtown Area Plan through the construction of hotel units with a myriad of on-site amenities, coworking space, and ground floor retail. The Project would add a significant amount of activity to a site that is currently undeveloped, well-served by existing transit, and is within walking distance of substantial goods and services. Future guests and employees can walk, bike, or access BART, MUNI, or regional bus service from the Site. The Project is designed to contribute a distinctive, and complementary massing to the city's skyline as shaped by the surrounding buildings in the SoMa Filipinas Cultural District, as well as contribute to a vibrant street level experience.

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project complies with said policies in that:
- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The project site will possess neighborhood-serving retail uses but they will be unique with the addition of a radio station, boutique hotel restaurant, and retail inspired and congruent with the hotel's social justice theme. The Project will enhance the nearby retail uses by providing new guests and employees, who may patron and/or own these businesses.

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

The project site does not possess any existing housing nor will it provide any competing housing stock. In addition, the Project would hotel, coworking spaces, and retail uses which would be unique to the City, with a social justice theme, which adds to the public realm and neighborhood character by highlighting local artists, local community groups and other community serving needs. The Project is expressive in design and relates well to the scale and form of the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

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

The Project does not currently possess any existing affordable housing nor will it provide any affordable housing due to the hotel use, however the social justice component of the hotel branding will provide opportunities to advance equity in the surrounding neighborhood and

support populations that are oftentimes the victim of marginalization.

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

The Project Site is served by nearby public transportation options. The Project is located along multiple Muni bus lines and streetcar F-line and is adjacent to the Civic Center BART Station. Future residents would be afforded proximity to a bus line. The Project also provides sufficient bicycle parking for hotel guests and retail/hotel employees as well as coworking space users.

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

Although the Project would include a small amount of coworking spaces, the Project incorporates new retail, restaurants, and radio station uses with a social justice branding which will aid in diversifying the neighborhood character. Additionally, the amount of office space is small relative to the overall development proposal.

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

The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

The Project Site is across the street from the Civic Center Historic District and two parcels west of the Theater and Loft District and adjacent to individually significant Strand Theater. The proposed structure will be compatible and complementary to the surrounding historic buildings.

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

Although the Project does cast shadow on the Market Street public sidewalks, the sidewalk is already shaded by existing buildings and the U.N. Plaza directly across the street to the North provides ample access to sunlight, no shadow is cast upon this plaza and the Project will not affect the use and enjoyment of U.N. Plaza.

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

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Downtown Project Authorization Application No. 2013.0511X** subject to the following conditions attached hereto as “EXHIBIT A” in general conformance with plans on file, dated August 11, 2020, and stamped “EXHIBIT B”, which is incorporated herein by reference as though fully set forth.

The Planning Commission has reviewed and considered the MND and the record as a whole and finds that there is no substantial evidence that the Project will have a significant effect on the environment with the adoption of the mitigation measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and hereby adopts the FMND.

The Planning Commission hereby adopts the MND and the MMRP attached hereto as “EXHIBIT C” and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the MND and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 329/309 Large/Downtown Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. Any appeal shall be made to the Board of Appeals, unless an associated entitlement is appealed to the Board of Supervisors, in which case the appeal of this Motion shall also be made to the Board of Supervisors (see Charter Section 4.135). For further information, please contact the Board of Appeals at (628) 652-1150, 49 South Van Ness Avenue, Suite 1475, San Francisco, CA 94103, or the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on September 10, 2020.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: September 10, 2020

EXHIBIT A

Authorization

This authorization is for downtown project to allow a project greater than 50,000 square feet of floor area within the C-3-G Zoning District with exceptions to the following Planning Code Sections: 1) reduction of ground-level wind currents in C-3 Districts (Section 148); and 2) reduction of sunlight on the public sidewalks (Section 146) (d.b.a. **Eaton SF**) located at 1125 Market Street, Block 3702, and Lot 047 pursuant to Planning Code Section(s) **210.2 and 303** within the **C-3-G – Downtown-General** Zoning District and a **120-X** Height and Bulk District; in general conformance with plans, dated **August 11, 2020**, and stamped “EXHIBIT B” included in the docket for Record No. **2013.0511X** and subject to conditions of approval reviewed and approved by the Commission on **September 10, 2020** under Motion No **XXXXXX**. Planning Department staff prepared a Mitigation Monitoring and Reporting program (MMRP), which material was made available to the public and this Commission for this Commission’s review, consideration and action and is attached here as “Exhibit C.” This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

Recordation of Conditions of Approval

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on **September 10, 2020** under Motion No **XXXXXX**.

Printing of Conditions of Approval on Plans

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

Severability

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

Changes and Modifications

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

CONDITIONS OF APPROVAL, COMPLIANCE, MONITORING, AND REPORTING

Performance

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

- 6. Additional Project Authorization.** The Project Sponsor must obtain a Condition Use authorization under Sections 210.2 and 303 to allow for a hotel use and satisfy all the conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

- 7. Mitigation Measures.** Mitigation measures described in the MMRP attached as “EXHIBIT C” are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor. Their implementation is a condition of project approval.

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

Design – Compliance at Plan Stage

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 11. Streetscape Plan.** Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with other City agencies, to refine the design and programming of the Streetscape Plan so that the plan generally meets the standards of the Better Streets Plan and all applicable City standards. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 12. Open Space Provision - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall continue to work with Planning Department staff to refine the design and programming of the public open space so that the open space generally meets the standards of the Downtown Open Space Guidelines in the Downtown Plan of the General Plan.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 13. Food Service in Open Spaces - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall make food service available during the hours that the open space is accessible to the public. In the event that the Project Sponsor is unable to lease a retail space to a food service, food service shall be provided by a kiosk, or a cart or similar portable device at the ground floor open space.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 14. Open Space Plaques - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall install the required public open space plaques at each building entrance including the standard City logo identifying it; the hours open to the public and contact information for building management. The plaques shall be plainly visible from the public sidewalks on Market Street and Stevenson Street and shall indicate that the open space is accessible to the public. Design of the plaques shall utilize the standard templates provided by the Planning Department, as available, and shall be approved by the Department staff prior to installation.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 15. Signage.** The Project Sponsor shall develop a signage program for the Project which shall be subject to review and approval by Planning Department staff before submitting any building permits for construction of the Project. All subsequent sign permits shall conform to the approved signage program. Once approved by the Department, the signage program/plan information shall be submitted and approved as part of the site permit for the Project. All exterior signage shall be designed to compliment, not compete with, the existing architectural character and architectural features of the building.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 16. Transformer Vault Location.** The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department in consultation with Public Works shall require the following location(s) for transformer vault(s) for this project: in the sidewalk along the Stevenson Street façade. The above requirement shall adhere to the Memorandum of Understanding regarding Electrical Transformer Locations for Private Development Projects between Public Works and the Planning Department dated January 2, 2019.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 628.271.2000, www.sfpbpublicworks.org

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

For information about compliance, contact San Francisco Municipal Railway (Muni), San Francisco Municipal Transit Agency (SFMTA), at 415.701.4500, www.sfmta.org

- 18. Landscaping.** Pursuant to Planning Code Section 132, the Project Sponsor shall submit a site plan to the Planning Department prior to Planning approval of the building permit application indicating the size and specie of plant materials and the nature any permeable surfaces shall be as approved by the Department of Public Works.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

Parking and Traffic

- 19. Transportation Demand Management (TDM) Program.** Pursuant to Planning Code Section 169, the Project shall finalize a TDM Plan prior to the issuance of the first Building Permit or Site Permit to construct the project and/or commence the approved uses. The Property Owner, and all successors, shall ensure ongoing compliance with the TDM Program for the life of the Project, which may include providing a TDM Coordinator, providing access to City staff for site inspections, submitting appropriate documentation, paying application fees associated with required monitoring and reporting, and other actions.

Prior to the issuance of the first Building Permit or Site Permit, the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property to document compliance with the TDM Program. This Notice shall provide the finalized TDM Plan for the Project, including the relevant details associated with each TDM measure included in the Plan, as well as associated monitoring, reporting, and compliance requirements.

For information about compliance, contact the TDM Performance Manager at tdm@sfgov.org or 628.652.7340, www.sfplanning.org

20. Bicycle Parking. Pursuant to Planning Code Sections 155.1 and 155.4, the Project shall provide no fewer than 9 Class 1 or 18 Class 2 bicycle parking spaces. SFMTA has final authority on the type, placement and number of Class 2 bicycle racks within the public ROW. Prior to issuance of first architectural addenda, the project sponsor shall contact the SFMTA Bike Parking Program at bikeparking@sfmta.com to coordinate the installation of on-street bicycle racks and ensure that the proposed bicycle racks meet the SFMTA's bicycle parking guidelines. Depending on local site conditions and anticipated demand, SFMTA may request the project sponsor pay an in-lieu fee for Class II bike racks required by the Planning Code.

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

Provisions

22. Transportation Sustainability Fee. The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

23. Downtown Park Fee - C-3 District. The Project is subject to the Downtown Park Fee, as applicable, pursuant to Planning Code Section 412.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

24. Jobs-Housing Linkage. The Project is subject to the Jobs Housing Linkage Fee, as applicable, pursuant to Planning Code Section 413.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

25. Child-Care Requirements for Office and Hotel Development. In lieu of providing an on-site child-care facility, the Project has elected to meet this requirement by providing an in-lieu fee, as applicable, pursuant to Planning Code Section 414.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334,

www.sfplanning.org

26. Art. The Project is subject to the Public Art Fee, as applicable, pursuant to Planning Code Section 429.

*For information about compliance, contact the Case Planner, Planning Department at 628.652.7334,
www.sfplanning.org*

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

*For information about compliance, contact the Case Planner, Planning Department at 628.652.7334,
www.sfplanning.org*

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

*For information about compliance, contact the Case Planner, Planning Department at 628.652.7334,
www.sfplanning.org*

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

*For information about compliance, contact the Case Planner, Planning Department at 628.652.7334,
www.sfplanning.org*

Monitoring - After Entitlement

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

*For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463,
www.sfplanning.org*

- 31. Monitoring.** The Project requires monitoring of the conditions of approval in this Motion. The Project Sponsor or the subsequent responsible parties for the Project shall pay fees as established under Planning Code Section 351(e) (1) and work with the Planning Department for information about compliance.

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org.

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org.

Operation

- 33. Eating and Drinking Uses.** As defined in Planning Code Section 202.2, Eating and Drinking Uses, as defined in [Section 102](#), shall be subject to the following conditions:

- A. The business operator shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Street and Sidewalk Maintenance Standards. In addition, the operator shall be responsible for daily monitoring of the sidewalk within a one-block radius of the subject business to maintain the sidewalk free of paper or other litter associated with the business during business hours, in accordance with Article 1, [Section 34](#) of the San Francisco Police Code.

For information about compliance, contact the Bureau of Street Use and Mapping, Department of Public Works at 628.271.2000, www.sfpdpublicworks.org.

- B. When located within an enclosed space, the premises shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of the building, and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance.

For information about compliance of fixed mechanical objects such as rooftop air conditioning, restaurant ventilation systems, and motors and compressors with acceptable noise levels, contact the Environmental Health Section, Department of Public Health at 415.252.3800, www.sfdph.org.

For information about compliance with construction noise requirements, contact the Department of Building Inspection at 628.652.3200, www.sfdbi.org.

For information about compliance with the requirements for amplified sound, including music and television, contact the Police Department at 415.553.0123, www.sf-police.org.

- C. While it is inevitable that some low level of odor may be detectable to nearby residents and passersby, appropriate odor control equipment shall be installed in conformance with the approved plans and maintained to prevent any significant noxious or offensive odors from escaping the premises.

For information about compliance with odor or other chemical air pollutants standards, contact the Bay Area Air Quality Management District, (BAAQMD), 1-800-334-ODOR (6367), www.baaqmd.gov and Code Enforcement, Planning Department at 628.652.7600, www.sfplanning.org

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

For information about compliance, contact the Bureau of Street Use and Mapping, Department of Public Works at 628.271.2000, www.sfpublishworks.org

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

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 628.271.2000, www.sfpublishworks.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

- 36. Notices Posted at Bars and Entertainment Venues.** Notices urging patrons to leave the establishment and neighborhood in a quiet, peaceful, and orderly fashion and to not litter or block driveways in the neighborhood, shall be well-lit and prominently displayed at all entrances to and exits from the establishment.

For information about compliance, contact the Entertainment Commission, at 415 554-6678, www.sfgov.org/entertainment

- 37. Other Entertainment.** The Other Entertainment shall be performed within the enclosed building only. The building shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall

not be audible beyond the premises or in other sections of the building and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance. Bass and vibrations shall also be contained within the enclosed structure. The Project Sponsor shall obtain all necessary approvals from the Entertainment Commission prior to operation. The authorized entertainment use shall also comply with all of the conditions imposed by the Entertainment Commission.

*For information about compliance, contact the Entertainment Commission, at 628.652.6030,
www.sfgov.org/entertainment*

- 38. Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

*For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463,
www.sfplanning.org*



PLANNING COMMISSION DRAFT MOTION

HEARING DATE: SEPTEMBER 10, 2020

Record No.: 2013.0511CUA
Project Address: 1125 Market Street
Zoning: C-3-G – Downtown-General Zoning District
120-X Height and Bulk District
Block/Lot: 3702/047
Project Sponsor: Patricia Yeh
58 Tehama St
San Francisco, CA 94105
Property Owner: Pacific 1125 Market Corporation
201 California St, Ste 500
San Francisco, CA 94111
Staff Contact: Christy Alexander – (628) 652-7334
christy.alexander@sfgov.org

ADOPTING FINDINGS TO APPROVE A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 210.2 AND 303, TO ALLOW A HOTEL USE AS PART OF A PROJECT THAT WOULD CONSTRUCT A NEW 12-STORY, 119-FT TALL (141-FT TALL INCLUSIVE OF ROOFTOP SCREENING/MECHANICAL EQUIPMENT), MIXED-USE PROJECT (APPROXIMATELY 111,711 GROSS SQUARE FEET) THAT INCLUDES AN APPROXIMATELY 99,626 SQ. FT. 180 ROOM TOURIST HOTEL (D.B.A. EATON SF), APPROXIMATELY 9,529 SQ. FT. OF OFFICE USE (COWORKING SPACE), AND APPROXIMATELY 2,556 SQ. FT. OF RESTAURANT/RETAIL USES ON THE GROUND FLOOR. THE PROJECT PROPOSES NO VEHICLE PARKING AND WOULD PROVIDE 9 CLASS 1 BICYCLE PARKING SPACES, AND 19 CLASS 2 BICYCLE PARKING SPACES, LOCATED AT 1125 MARKET STREET, LOT 047 IN ASSESSOR’S BLOCK 3702, WITHIN THE C-3-G – DOWNTOWN-GENERAL ZONING DISTRICT AND A 120-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On October 18, 2017, Hans Galland of Pacific Eagle Holdings (which has since changed to Patricia Yeh of PEAK Project Management Limited) (hereinafter "Project Sponsor") filed Application No. 2013.0511CUA (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Conditional Use Authorization to construct a new 12-story, 119-ft tall (141-ft tall inclusive of rooftop screening/mechanical equipment), mixed-use hotel and office building (hereinafter "Project") at 1125 Market Street, Block 3702 Lot 047 (hereinafter "Project Site").

On July 29, 2020 Draft Mitigated Negative Declaration (MND) for the Project was prepared and published for public review; and

The Draft MND was available for public comment until August 26, 2020; and

On September 10, 2020 the Planning Department/Planning Commission reviewed and considered the Final Mitigated Negative Declaration (FMND) and found that the contents of said report and the procedures through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

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

On September 10, 2020, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Authorization Application No. 2013.0511CUA.

The Planning Department Commission Secretary is the custodian of records; the File for Record No. 2013.0511CUA is located at 49 South Van Ness Avenue, Suite 1400, San Francisco, California.

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

MOVED, that the Commission hereby authorizes the Conditional Use Authorization as requested in Application No. 2013.0511CUA, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

- 1. The above recitals are accurate and constitute findings of this Commission.**
- 2. Project Description.** The Project includes new construction of a 12-story, 119-ft tall (141-ft tall inclusive of rooftop screening/mechanical equipment), mixed-use project that includes an approximately 99,626 square foot, 180 room tourist hotel (d.b.a. Eaton SF), approximately 9,529 square feet of office use (coworking space), and approximately 2,556 square feet of restaurant/retail uses on the ground floor. The Project proposes no vehicle parking and would provide 9 Class 1 bicycle parking spaces, and 19 Class 2 bicycle parking spaces.
- 3. Site Description and Present Use.** The site is a vacant, 12,414 square foot through-lot with 70-foot frontages on both Market and Stevenson Streets.
- 4. Surrounding Properties and Neighborhood.** The Project Site is located within the C-3-G Zoning District in the Downtown Area Plan. The immediate vicinity is mixed in character with residential, commercial, hotel, entertainment, and office uses, as well as many civic uses. The immediate context includes three-to-nine-story developments along Market Street, U.N. Plaza located directly across Market Street, and a few 18-story and taller office towers within a couple blocks radius. The Federal Building is located directly south of the project, on Stevenson Street. The project site is located within the boundaries of the SoMa Pilipinas Cultural District and is across the street from the Civic Center Historic District and two parcels west of the Theater and Loft District and adjacent to individually significant Strand Theater. Other zoning districts in the vicinity of the project site include: P (Public), RC-4 (Residential Commercial), and MU (Mixed-Use) Zoning Districts.
- 5. Public Outreach and Comments.** The Department has received seven letters in support, including support from the San Francisco Chamber of Commerce, A.C.T., the Hotel Council of San Francisco, the Mid-Market Business Association, San Francisco Travel Association and existing neighborhood businesses and residents. Generally, the support focused on the activation of a long-vacant site and increased opportunities for a marginalized neighborhood. The Department has received one letter in opposition from Local 2 expressing concerns that they have not been involved in outreach. The Sponsor will be meeting with this group on 9/3/2020 and has held two other outreach meetings with neighborhood groups.
- 6. Planning Code Compliance.** The Planning Code Compliance Findings set forth in Motion No 2030511X (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion and are incorporated herein as though fully set forth.
- 7. Conditional Use Findings.** Planning Code Section 303 establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use authorization. On balance, the project complies with said criteria in that:
 - A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the

neighborhood or the community.

The proposed hotel and mixed retail/office use complies with the underlying zoning and the retail and coworking uses are permitted as of right. Conditional use authorization is required for the hotel use. The site has been vacant for 21 years. Dense, multi-story mixed-use housing projects on both sides of Market Street are under construction or planned for this area of Market Street. The Project is contributing to the revitalization of this portion of Mid-Market by its mixed use-character.

San Francisco is a prime location for conventions and theatre goes and there is an inadequate supply of hotel rooms to house convention goers during an up economy. The presence of this hotel at a central location with easy access to the various convention spaces at Moscone Center and tourist destinations is a boon to the tourist industry, which through taxes provides a significant amount of revenue to sustain San Francisco's economic health. The desirability of a hotel at this location will result in the benefits of job creation. The Sponsors will work with Local 2 and will seek to fill hotel jobs from within the neighborhood if possible. The size of the proposed use is in keeping with other storefronts on the block face. The proposed full-service restaurant will not impact traffic or parking in the District because it is not a destination restaurant. This will complement the mix of goods and services currently available in the district and contribute to the economic vitality of the neighborhood by removing a vacant storefront.

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

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

A 180 key hotel and mixed-use commercial project complies with the underlying zoning. The Project's size and shape will reflect a modern building compatible with the surrounding historic buildings along this portion of Market Street. It offers some unique amenities for guests, visitors, and the public. Its POPOS will consist of redwood trees sunken into the center of the building comprising 975 sq. ft. and an interior POPOS space comprised of 1,507 sq. ft.

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

The Planning Code does not require parking or loading for the proposed size of hotel, office or retail uses. The proposed use is designed to meet the needs of the immediate neighborhood and should not generate significant amounts of vehicular trips from the immediate neighborhood or citywide. The expectation is that most guests, visitors, and employees will travel by transit or bicycle. The Project will provide 9 Class 1 bicycle spaces and 19 Class 2 bicycle spaces. Potential traffic impacts were studied as part of the PMND.

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

The proposed use is subject to the standard conditions of approval for full-service restaurants, hotel and office spaces and outlined in "EXHIBIT A". Potential noise and air quality impacts of the Project were studied in the PMND and will be mitigated as required.

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

The proposed Project will provide landscaping in the form of a "social condenser" seating area and a rear courtyard. No off-street parking or loading is required for this mixed-use building and none is provided. Any lighting and signs proposed for the new building will comply with the applicable provisions of the Code.

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

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

- D. That the use as proposed would provide development that is in conformity with the stated purpose of the applicable C-3-G – Downtown General Zoning District.

The proposed project is consistent with the stated purpose of C-3-G District in that the intended use is located at the ground floor, will provide a compatible convenience service for the immediately surrounding neighborhoods during daytime hours.

- E. That the use or feature satisfies any criteria specific to the use or feature in Subsections (g) Hotels and Motels, et seq. of this section.

The Planning Commission shall consider the following criteria as stated in Section 303(g) for hotels and motels in addition to the criteria set forth in Section 303 above. On balance, the Project complies with said criteria in that:

- i. The impact of the employees of the hotel or motel on the demand in the City for housing, public transit, child-care, and other social services. To the extent relevant, the Commission shall also consider the seasonal and part-time nature of employment in the hotel or motel.

The Project's employment of hotel workers will have a positive impact on the job stability of the industry providing union jobs. These workers will come primarily from the local, existing San Francisco population so adverse impacts from this employment will not be significant.

- ii. The measures that will be taken by the project sponsor to employ residents of San Francisco in order to minimize increased demand for regional transportation.

The Project will provide union jobs for the front desk and concierge workers. These workers will come primarily from the local existing San Francisco population so adverse impacts from this employment will not be significant. The Project Sponsor will also enter into a First Source Hiring Plan setting forth its good faith efforts to employ qualified economically disadvantaged San Franciscans, thereby minimizing increased demand for regional transportation.

- iii. The market demand for a hotel or motel of the type proposed.

There appears to be a great market for a boutique hotel along Market St (see attached Hotel Market Study and update memo). The Project is situated in an excellent location to capture market area demand. The Hotel will be at the center of the dynamic and rapidly revitalizing Mid-Market neighborhood that includes a technology-centric office market, a growing residential neighborhood, a historic cultural arts district, and adjacency to the growing Yerba Buena and South of Market neighborhoods. It is within walking distance, or a short streetcar/cable car ride, of the Moscone Center, Union Square, the Financial District, the Embarcadero, and Fisherman's Wharf. The proposed hotel will also be next door to The Strand, across the street from The Orpheum, and within walking distance of the Bill Graham Civic Auditorium and various local cultural institutions. The location is also excellent for capturing the future growth of commercial demand in the city. The Mid-Market neighborhood is centrally located for new office and residential development and is a positive factor in supporting future growth in hotel demand.

At present, occupancy rates in San Francisco may appear to have bottomed out with the economic crisis as a result of the pandemic, but prior to the pandemic in March 2020 occupancy rates were above 80 percent, substantially above the 62% nationwide average. The Eaton San Francisco is not expected to open until 2023 (as assumed in THG's 3/1/20 report), or later depending on approvals, material sourcing, and construction costs. At best, the hotel would open approximately two and one-half years from today. The question at hand appears to when and if it would be appropriate to re-address the demand assessment? There are numerous articles, models, and projections relating to when demand for hotel accommodations in the US will return to 2019 levels. Recently, nearly all the models and articles indicate a recovery in 2022-2023 and, in the most stressed cases, 2024. Should market demand recover between 2022 and 2024, as is widely expected, then their forecast of demand assessment for the Eaton would be valid, as the 3/1/20 report indicated stabilization in 2026.

- iv. That in the Transit Center C-3-O(SD) Commercial Special Use District, the opportunity for commercial growth in the Special Use District and whether the proposed hotel, considered with other hotels and non-commercial uses approved or proposed for major development sites in the Special Use District since its adoption would substantially reduce the capacity to accommodate dense, transit-oriented job growth in the District.

The Project is not within the C-3-O(SD) Commercial Special Use District

8. **General Plan Compliance.** The General Plan Compliance Findings set forth in Motion No 2030511X (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion and are incorporated herein as though fully set forth.
9. **Planning Code Section 101.1(b).** The Planning Code Priority Policy Findings set forth in Motion No 2030511X (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion and are incorporated herein as though fully set forth.
10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
11. The Commission hereby finds that approval of the Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Authorization Application No. 2013.0511CUA** subject to the following conditions attached hereto as “EXHIBIT A” in general conformance with plans on file, dated August 11, 2020, and stamped “EXHIBIT B”, which is incorporated herein by reference as though fully set forth.

The Planning Commission has reviewed and considered the MND and the record as a whole and finds that there is no substantial evidence that the Project will have a significant effect on the environment with the adoption of the mitigation measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and hereby adopts the FMND.

The Planning Commission hereby adopts the MND and the MMRP attached hereto as “EXHIBIT C” and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the MND and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 329/309 Large/Downtown Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. Any appeal shall be made to the Board of Appeals, unless an associated entitlement is appealed to the Board of Supervisors, in which case the appeal of this Motion shall also be made to the Board of Supervisors (see Charter Section 4.135). For further information, please contact the Board of Appeals at (628) 652-1150, 49 South Van Ness Avenue, Suite 1475, San Francisco, CA 94103, or the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on September 10, 2020.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: September 10, 2020

EXHIBIT A

Authorization

This authorization is for a conditional use to allow a hotel use (d.b.a. **Eaton SF**) located at 1125 Market Street, Block 3702, and Lot 047 pursuant to Planning Code Section(s) **210.2 and 303** within the **C-3-G – Downtown-General** Zoning District and a **120-X** Height and Bulk District; in general conformance with plans, dated **August 11, 2020**, and stamped “EXHIBIT B” included in the docket for Record No. **2013.0511CUA** and subject to conditions of approval reviewed and approved by the Commission on **September 10, 2020** under Motion No **XXXXXX**. Planning Department staff prepared a Mitigation Monitoring and Reporting program (MMRP), which material was made available to the public and this Commission for this Commission’s review, consideration and action and is attached here as “Exhibit C.” This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

Recordation of Conditions of Approval

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on **September 10, 2020** under Motion No **XXXXXX**.

Printing of Conditions of Approval on Plans

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

Severability

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

Changes and Modifications

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

CONDITIONS OF APPROVAL, COMPLIANCE, MONITORING, AND REPORTING

Performance

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

- 6. Additional Project Authorization.** The Project Sponsor must obtain a Downtown Project Authorization for Case Number 2013.0511DNX under Sections 210.2 and 309 to allow a project greater than 50,000 square feet of floor area within the C-3-G Zoning District with exceptions to the following Planning Code Sections: 1) reduction of ground-level wind currents in C-3 Districts (Section 148); and 2) reduction of sunlight on the public sidewalks (Section 146) and satisfy all the conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

Design – Compliance at Plan Stage

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 10. Streetscape Plan.** Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with other City agencies, to refine the design and programming of

the Streetscape Plan so that the plan generally meets the standards of the Better Streets Plan and all applicable City standards. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 11. Open Space Provision - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall continue to work with Planning Department staff to refine the design and programming of the public open space so that the open space generally meets the standards of the Downtown Open Space Guidelines in the Downtown Plan of the General Plan.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 12. Food Service in Open Spaces - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall make food service available during the hours that the open space is accessible to the public. In the event that the Project Sponsor is unable to lease a retail space to a food service, food service shall be provided by a kiosk, or a cart or similar portable device at the ground floor open space.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 13. Open Space Plaques - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall install the required public open space plaques at each building entrance including the standard City logo identifying it; the hours open to the public and contact information for building management. The plaques shall be plainly visible from the public sidewalks on Market Street and Stevenson Street and shall indicate that the open space is accessible to the public. Design of the plaques shall utilize the standard templates provided by the Planning Department, as available, and shall be approved by the Department staff prior to installation.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 14. Signage.** The Project Sponsor shall develop a signage program for the Project which shall be subject to review and approval by Planning Department staff before submitting any building permits for construction of the Project. All subsequent sign permits shall conform to the approved signage program. Once approved by the Department, the signage program/plan information shall be submitted and approved as part of the site permit for the Project. All exterior signage shall be designed to compliment, not compete with, the existing architectural character and architectural features of the building.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

15. Transformer Vault Location. The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department in consultation with Public Works shall require the following location(s) for transformer vault(s) for this project: in the sidewalk along the Stevenson Street façade. The above requirement shall adhere to the Memorandum of Understanding regarding Electrical Transformer Locations for Private Development Projects between Public Works and the Planning Department dated January 2, 2019.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 628.271.2000, www.sfpublicworks.org

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

For information about compliance, contact San Francisco Municipal Railway (Muni), San Francisco Municipal Transit Agency (SFMTA), at 415.701.4500, www.sfmta.org

17. Landscaping. Pursuant to Planning Code Section 132, the Project Sponsor shall submit a site plan to the Planning Department prior to Planning approval of the building permit application indicating the size and specie of plant materials and the nature any permeable surfaces shall be as approved by the Department of Public Works.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

Parking and Traffic

18. Transportation Demand Management (TDM) Program. Pursuant to Planning Code Section 169, the Project shall finalize a TDM Plan prior to the issuance of the first Building Permit or Site Permit to construct the project and/or commence the approved uses. The Property Owner, and all successors, shall ensure ongoing compliance with the TDM Program for the life of the Project, which may include providing a TDM Coordinator, providing access to City staff for site inspections, submitting appropriate documentation, paying application fees associated with required monitoring and reporting, and other actions.

Prior to the issuance of the first Building Permit or Site Permit, the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property to document compliance with the TDM Program. This Notice shall provide the finalized TDM Plan for the Project, including the relevant details associated with each TDM measure included in the Plan, as well as associated monitoring, reporting, and compliance requirements.

For information about compliance, contact the TDM Performance Manager at tdm@sfgov.org or 628.652.7340, www.sfplanning.org

19. Bicycle Parking. Pursuant to Planning Code Sections 155.1 and 155.4, the Project shall provide no fewer

than 9 Class 1 or 18 Class 2 bicycle parking spaces. SFMTA has final authority on the type, placement and number of Class 2 bicycle racks within the public ROW. Prior to issuance of first architectural addenda, the project sponsor shall contact the SFMTA Bike Parking Program at bikeparking@sfmta.com to coordinate the installation of on-street bicycle racks and ensure that the proposed bicycle racks meet the SFMTA's bicycle parking guidelines. Depending on local site conditions and anticipated demand, SFMTA may request the project sponsor pay an in-lieu fee for Class II bike racks required by the Planning Code.

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

Provisions

- 21. Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 22. Downtown Park Fee - C-3 District.** The Project is subject to the Downtown Park Fee, as applicable, pursuant to Planning Code Section 412.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 23. Jobs-Housing Linkage.** The Project is subject to the Jobs Housing Linkage Fee, as applicable, pursuant to Planning Code Section 413.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

- 24. Child-Care Requirements for Office and Hotel Development.** In lieu of providing an on-site child-care facility, the Project has elected to meet this requirement by providing an in-lieu fee, as applicable, pursuant to Planning Code Section 414.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

25. Art. The Project is subject to the Public Art Fee, as applicable, pursuant to Planning Code Section 429.

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

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

For information about compliance, contact the Case Planner, Planning Department at 628.652.7334, www.sfplanning.org

Monitoring - After Entitlement

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

30. Monitoring. The Project requires monitoring of the conditions of approval in this Motion. The Project Sponsor or the subsequent responsible parties for the Project shall pay fees as established under Planning

Code Section 351(e) (1) and work with the Planning Department for information about compliance.

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org.

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

Operation

- 32. Eating and Drinking Uses.** As defined in Planning Code Section 202.2, Eating and Drinking Uses, as defined in [Section 102](#), shall be subject to the following conditions:

- A. The business operator shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Street and Sidewalk Maintenance Standards. In addition, the operator shall be responsible for daily monitoring of the sidewalk within a one-block radius of the subject business to maintain the sidewalk free of paper or other litter associated with the business during business hours, in accordance with Article 1, [Section 34](#) of the San Francisco Police Code.

For information about compliance, contact the Bureau of Street Use and Mapping, Department of Public Works at 628.271.2000, www.sfpdw.org.

- B. When located within an enclosed space, the premises shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of the building, and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance.

For information about compliance of fixed mechanical objects such as rooftop air conditioning, restaurant ventilation systems, and motors and compressors with acceptable noise levels, contact the Environmental Health Section, Department of Public Health at 415.252.3800, www.sfdph.org.

For information about compliance with construction noise requirements, contact the Department of Building Inspection at 628.652.3200, www.sfdbi.org.

For information about compliance with the requirements for amplified sound, including music and television, contact the Police Department at 415.553.0123, www.sf-police.org

- C. While it is inevitable that some low level of odor may be detectable to nearby residents and

passersby, appropriate odor control equipment shall be installed in conformance with the approved plans and maintained to prevent any significant noxious or offensive odors from escaping the premises.

For information about compliance with odor or other chemical air pollutants standards, contact the Bay Area Air Quality Management District, (BAAQMD), 1-800-334-ODOR (6367), www.baaqmd.gov and Code Enforcement, Planning Department at 628.652.7600, www.sfplanning.org

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

For information about compliance, contact the Bureau of Street Use and Mapping, Department of Public Works at 628.271.2000, www.sfpublishworks.org

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

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 628.271.2000, www.sfpublishworks.org

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

For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463, www.sfplanning.org

- 35. Notices Posted at Bars and Entertainment Venues.** Notices urging patrons to leave the establishment and neighborhood in a quiet, peaceful, and orderly fashion and to not litter or block driveways in the neighborhood, shall be well-lit and prominently displayed at all entrances to and exits from the establishment.

For information about compliance, contact the Entertainment Commission, at 415 554-6678, www.sfgov.org/entertainment

- 36. Other Entertainment.** The Other Entertainment shall be performed within the enclosed building only. The building shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of the building and fixed-source equipment noise

shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance. Bass and vibrations shall also be contained within the enclosed structure. The Project Sponsor shall obtain all necessary approvals from the Entertainment Commission prior to operation. The authorized entertainment use shall also comply with all of the conditions imposed by the Entertainment Commission.

*For information about compliance, contact the Entertainment Commission, at 628.652.6030,
www.sfgov.org/entertainment*

- 37. Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

*For information about compliance, contact Code Enforcement, Planning Department at 628.652.7463,
www.sfplanning.org*

Draft Motion
September 10, 2020

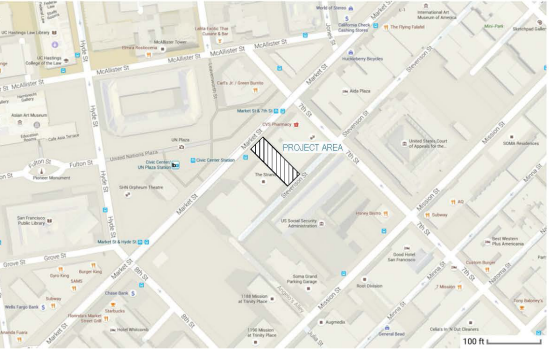
RECORD NO. 2013.0511CUA/X
1125 Market Street

EXHIBIT B

PLANS AND RENDERINGS

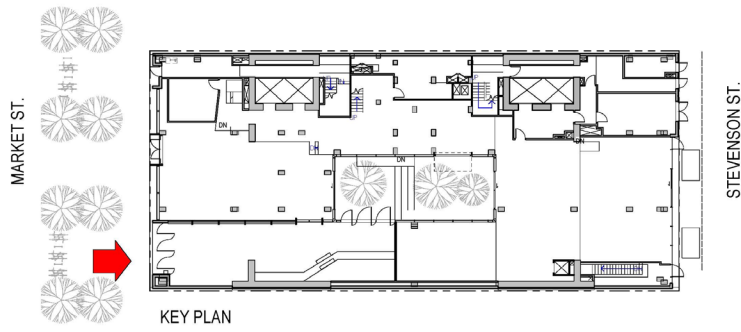


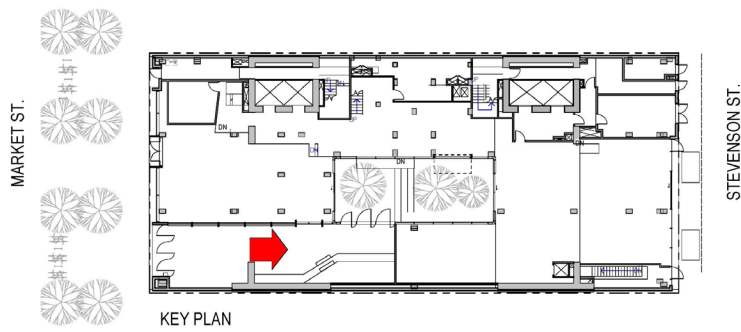
1125 MARKET STREET
PLANNING COMMISSION DRAFT SUBMITTAL - AUGUST 11, 2020
PACIFIC 1125 MARKET CORPORATION

BICYCLE PARKING	APPLICABLE CODES	PROJECT INFORMATION	SCOPE OF WORK																																																																																																																																																																																																																														
<p>MEASUREMENT PER SF PLANNING CODE SECTION 155.2</p> <p>OFFICE LONG-TERM BICYCLE PARKING 1 PER 5,000 SF OFA SHORT-TERM BICYCLE PARKING 2 FOR FIRST 5,000 SF, THEN 1/EA. ADD'L 50,000 SF OFA</p> <p>RESTAURANT LONG-TERM BICYCLE PARKING 1 PER 7,500 SF OFA SHORT-TERM BICYCLE PARKING 1 PER 750 SF (MINIMUM 2) OFA</p> <p>HOTEL LONG-TERM BICYCLE PARKING 1 PER 30 GUEST ROOMS SHORT-TERM BICYCLE PARKING 2 PER 30 GUEST ROOMS</p> <p>HOTEL (FUNCTION ROOMS) LONG-TERM BICYCLE PARKING NA SHORT-TERM BICYCLE PARKING 1 PER 5,000 SF OFA</p> <table border="1"> <thead> <tr> <th colspan="3">BIKE PARKING REQUIRED</th> </tr> <tr> <th>NAME</th> <th>LONG-TERM</th> <th>SHORT-TERM</th> </tr> </thead> <tbody> <tr> <td>OFFICE</td> <td>2</td> <td>3</td> </tr> <tr> <td>RESTAURANT</td> <td>1</td> <td>2</td> </tr> <tr> <td>HOTEL</td> <td>6</td> <td>12</td> </tr> <tr> <td>HOTEL (FUNCTION ROOMS)</td> <td>-</td> <td>1</td> </tr> <tr> <td>GRAND TOTAL</td> <td>9</td> <td>18</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">BIKE PARKING PROVIDED</th> </tr> <tr> <th></th> <th>LONG-TERM</th> <th>SHORT-TERM</th> </tr> </thead> <tbody> <tr> <td>GRAND TOTAL</td> <td>9</td> <td>19</td> </tr> </tbody> </table> <p>SEE SHEET: A-22-01 FLOOR PLAN LEVEL B2 FOR LONG TERM CLASS 1 PARKING A-10-10 PLOT AND SITE PLAN FOR SHORT TERM CLASS 2 PARKING</p>	BIKE PARKING REQUIRED			NAME	LONG-TERM	SHORT-TERM	OFFICE	2	3	RESTAURANT	1	2	HOTEL	6	12	HOTEL (FUNCTION ROOMS)	-	1	GRAND TOTAL	9	18	BIKE PARKING PROVIDED				LONG-TERM	SHORT-TERM	GRAND TOTAL	9	19	<p>2016 CALIFORNIA BUILDING CODE 2016 CALIFORNIA ELECTRICAL CODE 2016 CALIFORNIA MECHANICAL CODE 2016 CALIFORNIA PLUMBING CODE 2016 CALIFORNIA GREEN BUILDING CODE 2016 CALIFORNIA ENERGY CODE</p> <p>2016 SAN FRANCISCO CODE AMENDMENTS 2016 SAN FRANCISCO BUILDING CODE AMENDMENTS 2016 SAN FRANCISCO ELECTRICAL CODE AMENDMENTS 2016 SAN FRANCISCO MECHANICAL CODE AMENDMENTS 2016 SAN FRANCISCO PLUMBING CODE AMENDMENTS 2016 SAN FRANCISCO GREEN BUILDING CODE AMENDMENTS 2016 SAN FRANCISCO HOUSING CODE</p> <p>FAR CALCULATION</p> <p>MEASUREMENT PER SF PLANNING CODE SECTION 102.9</p> <p>IN C-3 DISTRICTS, THE SUM OF THE GROSS AREAS OF THE SEVERAL FLOORS OF A BUILDING OR BUILDINGS, MEASURED ALONG THE GLASS LINE AT WINDOWS AT A HEIGHT OF FOUR FEET ABOVE THE FINISHED FLOOR AND ALONG A PROJECTED STRAIGHT LINE PARALLEL TO THE OVERALL BUILDING WALL PLANE CONNECTING THE ENDS OF INDIVIDUAL WINDOWS, PROVIDED, HOWEVER, THAT SUCH LINE SHALL NOT BE INWARD OF THE INTERIOR FACE OF THE WALL.</p> <p>NOTE: LEVEL B2 CONTAINS PROGRAM ALLOCATED FOR BUILDING OPERATION AND BICYCLE PARKING. THIS PROGRAM DOES NOT CONTRIBUTE TO FLOOR AREA PER §102(b)(1), §102(b)(8).</p> <p>LOT AREA: = 12,414 SF</p> <p>ALLOWABLE FAR: = 6.0 AS-OF-RIGHT FAR + 3.0 TDR FAR = BUILDABLE AREA X 9.0 = 111,726 SF</p> <p>PROPOSED FAR: = TOTAL NEW FLOOR AREA / BUILDABLE AREA = 111,711 SF / 12,414 SF = 9.00 FAR</p>	<p>PROJECT NAME: 1125 MARKET STREET</p> <p>ADDRESS: 1125 MARKET ST SAN FRANCISCO, CA 94103</p> <p>OWNER: PACIFIC 1125 MARKET CORP 201 CALIFORNIA ST, STE 500 SAN FRANCISCO, CA 94111</p> <p>ZONING: C-3-G - DOWNTOWN GENERAL</p> <p>BLOCK AND LOT: 3702/047</p> <p>HEIGHT DISTRICT: 120-X</p> <p>PARKING: NOT REQUIRED</p> <p>CURRENT USE: VACANT LOT</p> <p>CONSTRUCTION TYPE: IA, FULLY SPRINKLERED</p> <p>ALLOWABLE HEIGHT: 120 FOOT HEIGHT LIMIT</p> <p>PROPOSED HEIGHT: 119'-3" FOOT</p> <p>OCCUPANCY TYPES: A1, A2, B, R1</p> <p>TOTAL LOT AREA: 12,414 SF</p> <p>PROJECT DIRECTORY</p> <p>OWNER'S REPRESENTATIVE: PACIFIC 1125 MARKET CORPORATION 201 CALIFORNIA STREET, SUITE 500 SAN FRANCISCO, CA 94111 CONTACT: MATTHEW LAI TEL: +1 415-780-7312 EMAIL: patrick.mccreary@peakdpm.com</p> <p>DESIGN ARCHITECT: LEONG LEONG 167 BOWERY, 3RD FLOOR NEW YORK, NY 10002 CONTACT: CHRISTOPHER LEONG TEL: +1 212-920-7221 EMAIL: chris@leong-leong.com</p> <p>ARCHITECT OF RECORD: WOODS BAGOT 88 KEARNY ST, 19TH FLOOR SAN FRANCISCO, CA 94108 CONTACT: TERRY MEURK TEL: +1 415-277-3000 EMAIL: terry.meurk@woodsbagot.com</p> <p>SUSTAINABILITY: ARUP 560 MISSION ST # 700 SAN FRANCISCO, CA 94105 CONTACT: RAPHAEL SPERRY TEL: +1 415 946 0227 EMAIL: raphael.sperry@arup.com</p> <p>STRUCTURAL ENGINEER: MAGNUSON KLEMENCIC ASSOCIATES 1301 5TH AVE #3200 SEATTLE, WA 98101 CONTACT: DANIEL CURRIT TEL: +1 206 215 8301 EMAIL: dcurrit@mka.com</p> <p>MEP ENGINEER: PAE ENGINEERS 425 CALIFORNIA ST #1200 SAN FRANCISCO, CA 94104 CONTACT: ERICA ROSS TEL: +1 415 767 2715 EMAIL: erica.ross@pae-engineers.com</p> <p>GEOTECH: LANGAN 555 MONTGOMERY STREET SUITE 1300 SAN FRANCISCO, CA 94111 CONTACT: KRISTEN LEASE TEL: +1 415 955 5226 EMAIL: klease@langan.com</p> <p>INTERIOR DESIGNER: AVROKO HOSPITALITY GROUP 531 BRYANT STREET SAN FRANCISCO, CA 94107 CONTACT: ANDREW LIEBERMAN TEL: +1 415 366 5882 X301 EMAIL: andrew.l@avroko.com</p>	<p>VICINITY MAP</p> 																																																																																																																																																																																																
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<p>SHOWERS & LOCKERS</p> <p>SHOWER & LOCKER REQUIRED PER SF PLANNING CODE SECTION 155.4</p> <p>PER DEFINITIONS HOTEL & RESTAURANT FALL UNDER SALES AND SERVICES RETAIL (97,133SF HOTEL OFA + 1,203SF RETAIL OFA= 98,336SF OFA) + 2 SHOWERS & 12 LOCKERS</p> <p>COWORKING OFFICE FALLS UNDER SALES AND SERVICES NON-RETAIL (9,787SF OFFICE) + 1 SHOWER & 6 LOCKERS</p> <table border="1"> <thead> <tr> <th colspan="3">SHOWER & LOCKER CALCULATION</th> </tr> <tr> <th>NAME</th> <th>SHOWER</th> <th>LOCKER</th> </tr> </thead> <tbody> <tr> <td>OFFICE</td> <td>2</td> <td>12</td> </tr> <tr> <td>RESTAURANT</td> <td>1</td> <td>6</td> </tr> <tr> <td>GRAND TOTAL</td> <td>3</td> <td>18</td> </tr> </tbody> </table>	SHOWER & LOCKER CALCULATION			NAME	SHOWER	LOCKER	OFFICE	2	12	RESTAURANT	1	6	GRAND TOTAL	3	18	<p>LOADING DOCK</p> <p>PER SF PLANNING CODE SEC. 152.1</p> <p>LOADING DOCK NOT REQUIRED NON-RETAIL SERVICES OFFICE OFA= 6,623 SF PER 10,000 SF / 9,787 SF * 0.1 0 LOADING DOCKS</p> <p>RETAIL SERVICES OFA = 1,434 SF < 10,000 SF 0 LOADING DOCKS</p> <p>HOTEL OFA = 78,098 SF < 100,000 SF 0 LOADING DOCKS</p>	<p>OPEN SPACE</p> <p>GFA PER SF PLANNING CODE SECTION 102</p> <p>MEASUREMENT PER SF PLANNING CODE SEC.138(b)</p> <p>THE MINIMUM AMOUNT OF PRIVATELY OWNED PUBLIC OPEN SPACE REQUIRED IN DISTRICT C-3-G IS 1 SQUARE FOOT OF OPEN SPACE FOR EVERY 50 GROSS SQUARE FEET OF USES. SEE AREA TABLE BELOW FOR ADDITIONAL INFORMATION</p>	<p>KEY COUNT</p> <table border="1"> <thead> <tr> <th colspan="2">Building Heights</th> <th colspan="7">Unit Types</th> <th rowspan="2">Key Count Total</th> </tr> <tr> <th>Floor</th> <th>Height</th> <th>Level El</th> <th>A 25' X 10'-3"</th> <th>B 22'-4" X 11'-6"</th> <th>C-knuckle 22'-4" X 12'-4"</th> <th>D-knuckle 23' X 10'-8"</th> <th>E-knuckle 23' X 11'-6"</th> <th>F 24'-1" X 10'-6"</th> <th>G 17'-3" X 24'-6"</th> </tr> </thead> <tbody> <tr> <td>Total Ht</td> <td>119.25</td> <td></td> <td>273</td> <td>252</td> <td>303</td> <td>329</td> <td>288</td> <td>287</td> <td>426</td> <td>Square Footage</td> </tr> <tr> <td>Bulkhead*</td> <td>16</td> <td>119.25</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>12</td> <td>10</td> <td>109.25</td> <td>10</td> <td>2</td> <td></td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> <td>16</td> </tr> <tr> <td>11</td> <td>9.25</td> <td>100</td> <td>10</td> <td>2</td> <td></td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> <td>16</td> </tr> <tr> <td>10</td> <td>10</td> <td>90</td> <td>9</td> <td>0</td> <td></td> <td>1</td> <td></td> <td></td> <td></td> <td>10</td> </tr> <tr> <td>9</td> <td>10.25</td> <td>79.75</td> <td>18</td> <td>3</td> <td>1</td> <td>1</td> <td></td> <td></td> <td></td> <td>23</td> </tr> <tr> <td>8</td> <td>9.25</td> <td>70.5</td> <td>18</td> <td>3</td> <td>1</td> <td>1</td> <td></td> <td></td> <td></td> <td>23</td> </tr> <tr> <td>7</td> <td>9.25</td> <td>61.25</td> <td>18</td> <td>3</td> <td>1</td> <td>1</td> <td></td> <td></td> <td></td> <td>23</td> </tr> <tr> <td>6</td> <td>9.25</td> <td>52</td> <td>18</td> <td>3</td> <td>1</td> <td>1</td> <td></td> <td></td> <td></td> <td>23</td> </tr> <tr> <td>5</td> <td>9.25</td> <td>42.75</td> <td>18</td> <td>3</td> <td>1</td> <td>1</td> <td></td> <td></td> <td></td> <td>23</td> </tr> <tr> <td>4</td> <td>9.25</td> <td>33.5</td> <td>18</td> <td>3</td> <td>1</td> <td>1</td> <td></td> <td></td> <td></td> <td>23</td> </tr> <tr> <td>3</td> <td>10</td> <td>23.5</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0</td> </tr> <tr> <td>2</td> <td>9.5</td> <td>14</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0</td> </tr> <tr> <td>1</td> <td>14</td> <td>0</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0</td> </tr> <tr> <td>B1</td> <td>14</td> <td>-14</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>B2</td> <td>11.25</td> <td>-25.25</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="9"></td> <td>Totals</td> <td>180</td> </tr> </tbody> </table> <p>* SFPC §260 (b)(1)(B) Elevator, Stair, Mech Penthouses max 16' for bldgs > 65'H</p> <p>GUEST ROOMS WITH MOBILITY FEATURES PER CBC 11B-224.2, 8-GUEST ROOMS OF THE TOTAL PROPOSED 180 KEYS SHALL PROVIDE MOBILITY FEATURES TO COMPLY WITH CALIFORNIA CHAPTER 11B. COMPLIANCE WITH HORIZONTAL DISPERSION REQUIREMENTS ARE AS FOLLOWS:</p> <p>MARKET ST EXPOSURE 1 STANDARD KING ROOM 1 STANDARD DOUBLE DOUBLE ROOM 1 SUITE</p> <p>SUNKEN FOREST EXPOSURE 1 STANDARD KING ROOM 1 STANDARD DOUBLE DOUBLE ROOM</p> <p>STEVENSON ST EXPOSURE 2 STANDARD KING ROOMS 1 STANDARD DOUBLE DOUBLE ROOM</p> <p>NOTE: FINAL ROOM LOCATIONS BY LEVEL TO BE COORDINATED WITH REQUIREMENTS FOR VERTICAL DISPERSION.</p>	Building Heights		Unit Types							Key Count Total	Floor	Height	Level El	A 25' X 10'-3"	B 22'-4" X 11'-6"	C-knuckle 22'-4" X 12'-4"	D-knuckle 23' X 10'-8"	E-knuckle 23' X 11'-6"	F 24'-1" X 10'-6"	G 17'-3" X 24'-6"	Total Ht	119.25		273	252	303	329	288	287	426	Square Footage	Bulkhead*	16	119.25									12	10	109.25	10	2		1	1	1	1	16	11	9.25	100	10	2		1	1	1	1	16	10	10	90	9	0		1				10	9	10.25	79.75	18	3	1	1				23	8	9.25	70.5	18	3	1	1				23	7	9.25	61.25	18	3	1	1				23	6	9.25	52	18	3	1	1				23	5	9.25	42.75	18	3	1	1				23	4	9.25	33.5	18	3	1	1				23	3	10	23.5								0	2	9.5	14								0	1	14	0								0	B1	14	-14									B2	11.25	-25.25																		Totals	180
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GROUND FLOOR LEVEL STREET VIEW FROM MARKET STREET



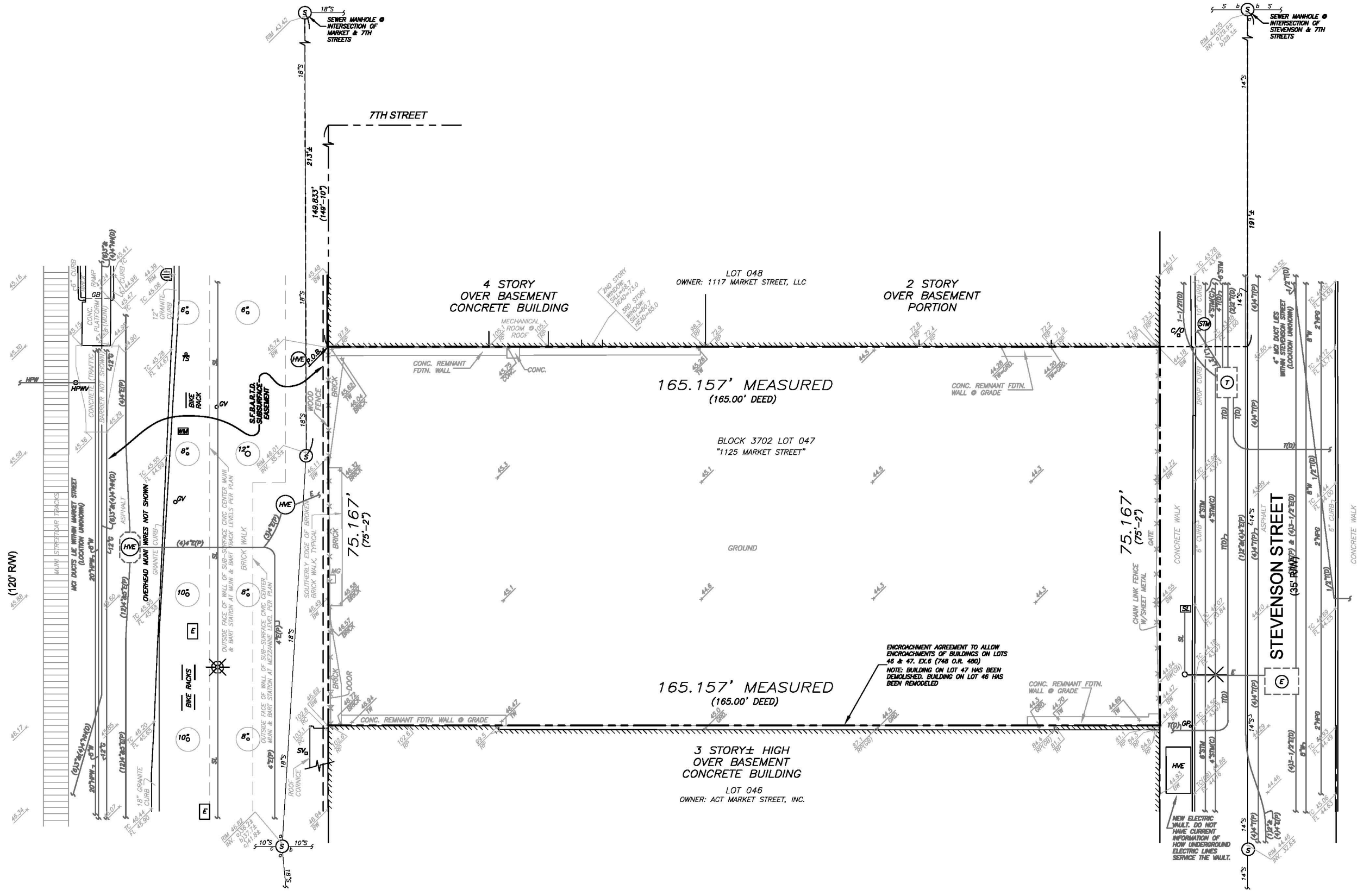


VIEW OF PRIVATELY OWNED PUBLIC OPEN SPACE:
 CIRCULATION SPACE 'SOCIAL CONDENSER' PERFORMANCE
 ASSEMBLY STAND AND FOREST COURTYARD

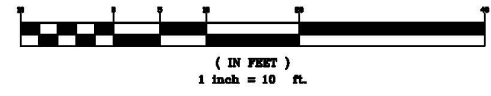


UNDERGROUND UTILITY LINES, NORTH OF MUNI STREET OR TRACKS NOT SHOWN

MARKET STREET (120' RW)



GRAPHIC SCALE



Client Pacific 1125 Market Corporation

Project 1125 Market Street

Sheet title Site Survey

Project number 510252
Page 5

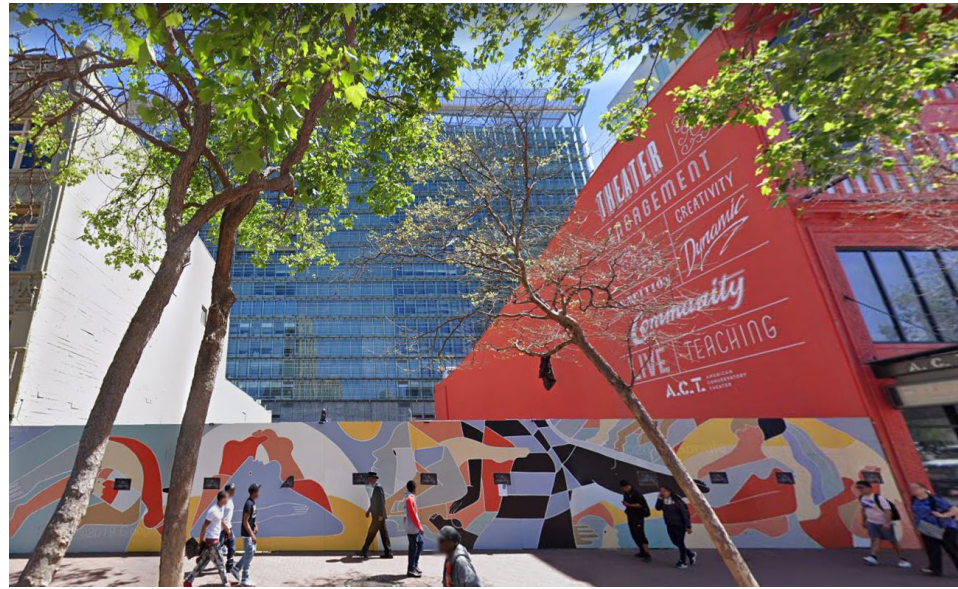
Scale NTS
Revision

Sheet size 11" x 17"
8/11/2020

© Woods Bagot



1 Market St Facing SouthEast



2 Market St Facing South



3 Market St Facing East



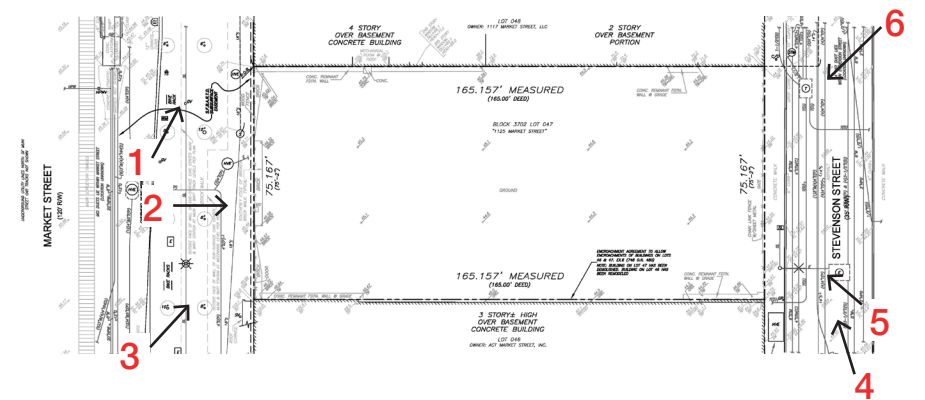
4 Stevenson St Facing East

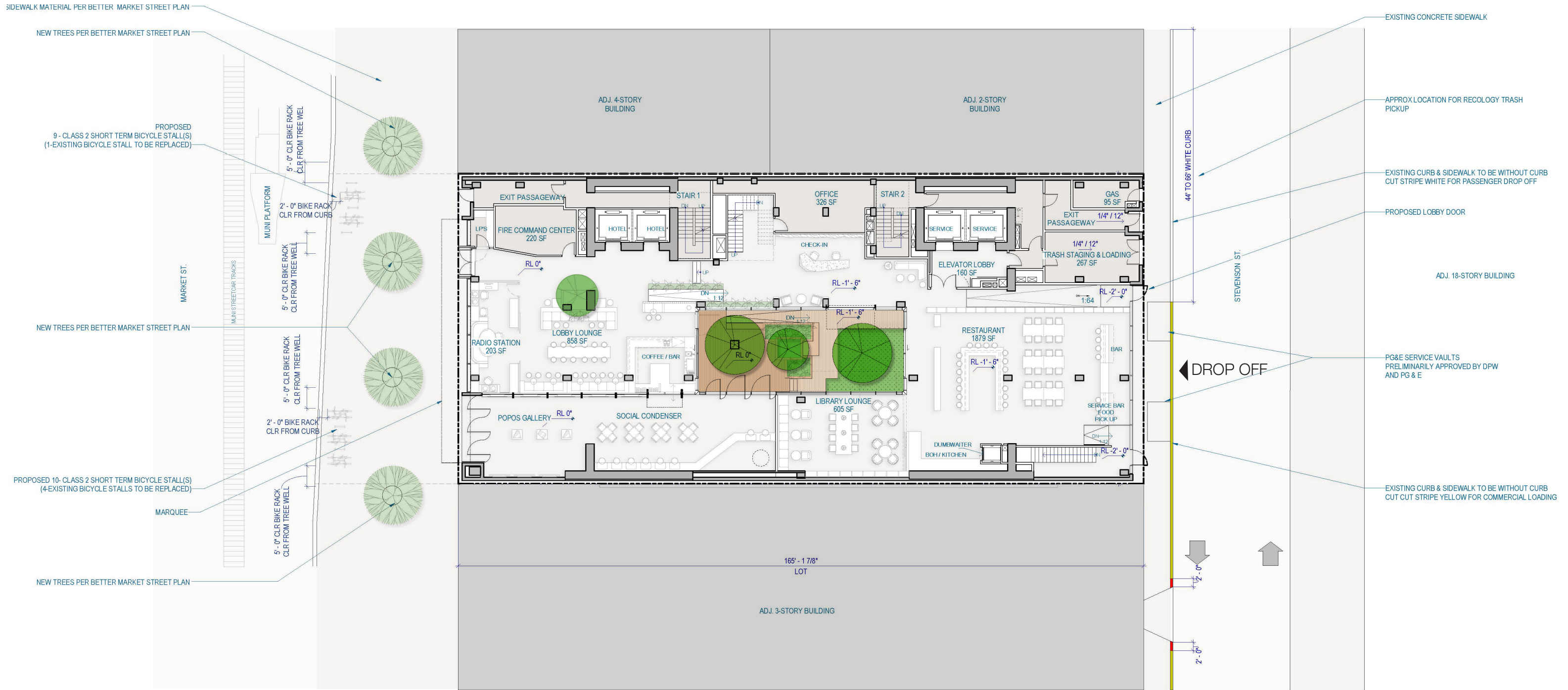


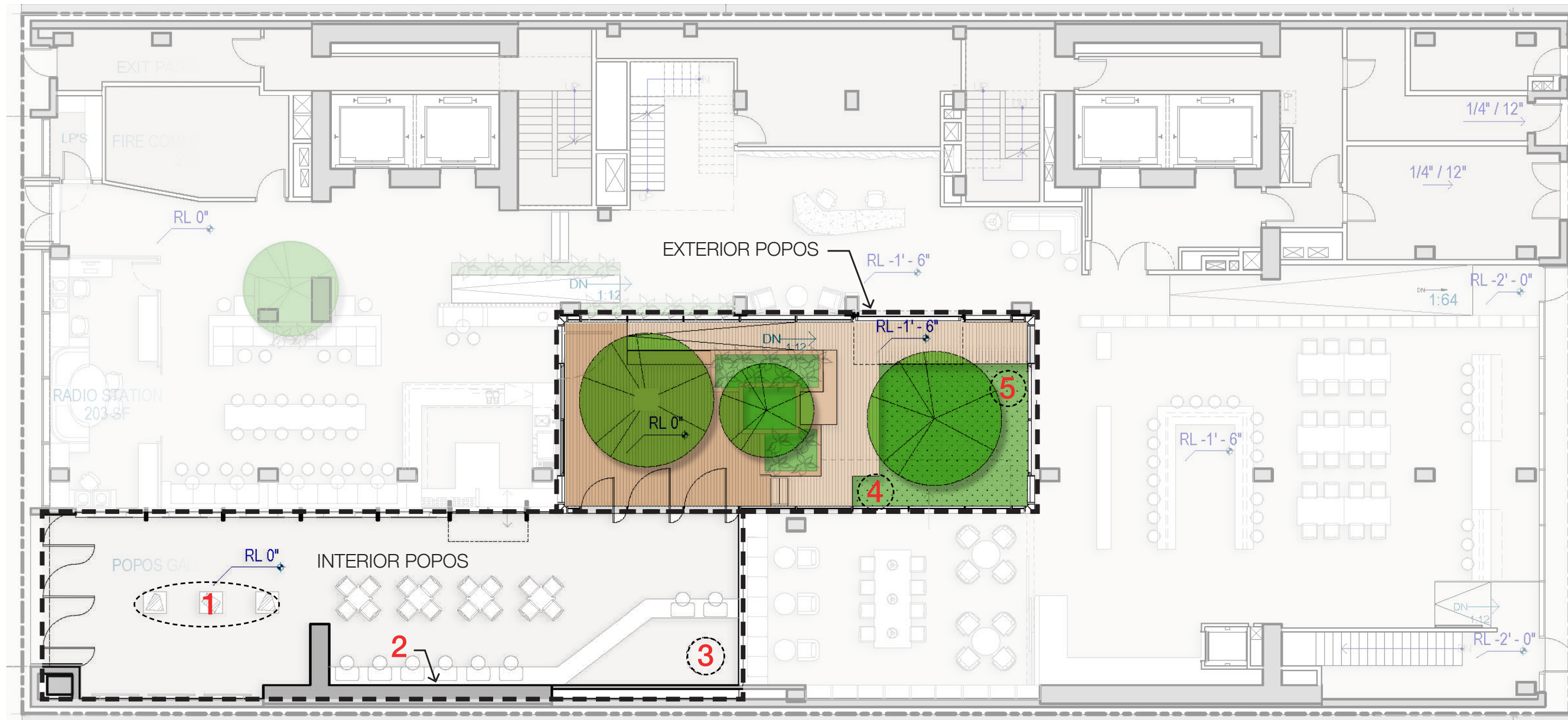
5 Stevenson St Facing Northeast



6 Stevenson St Facing West





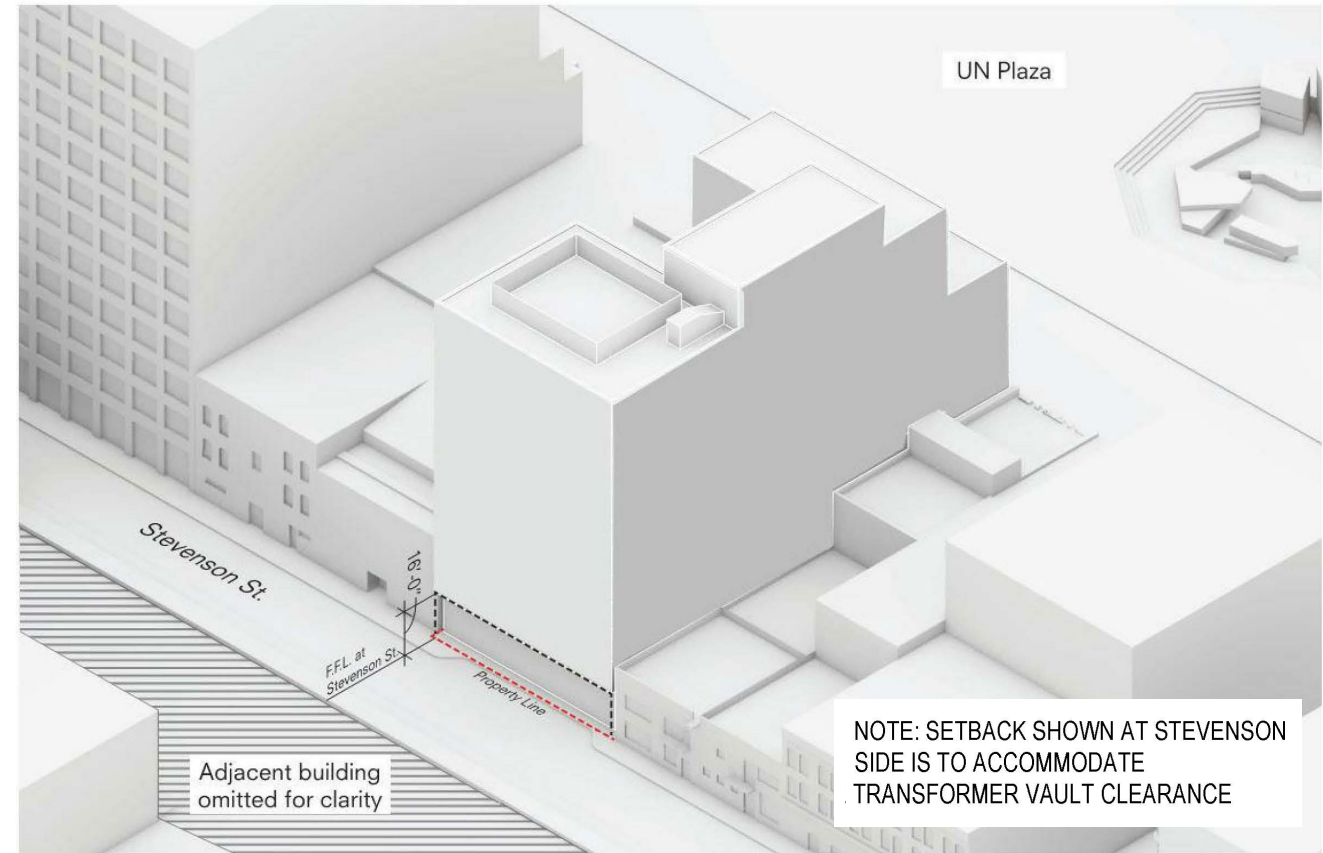
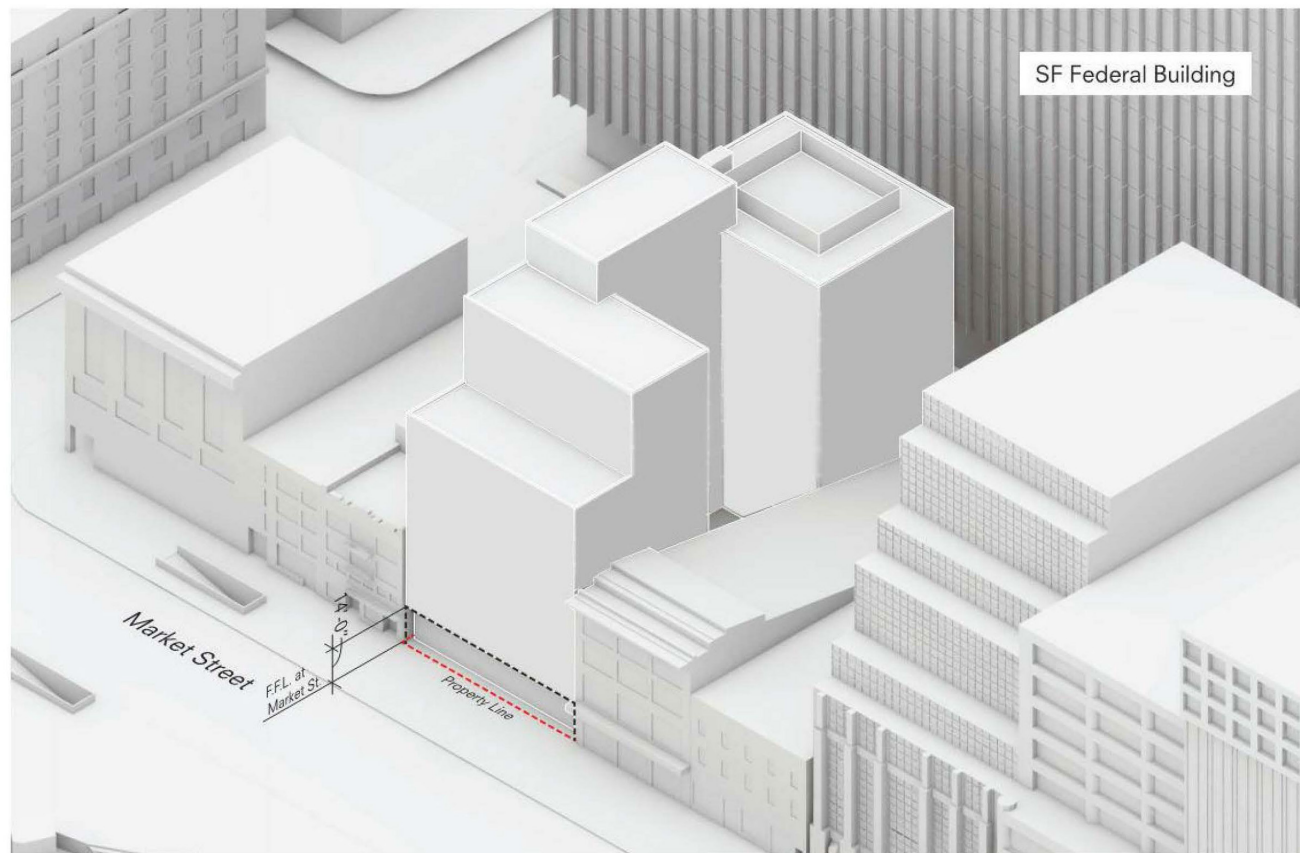
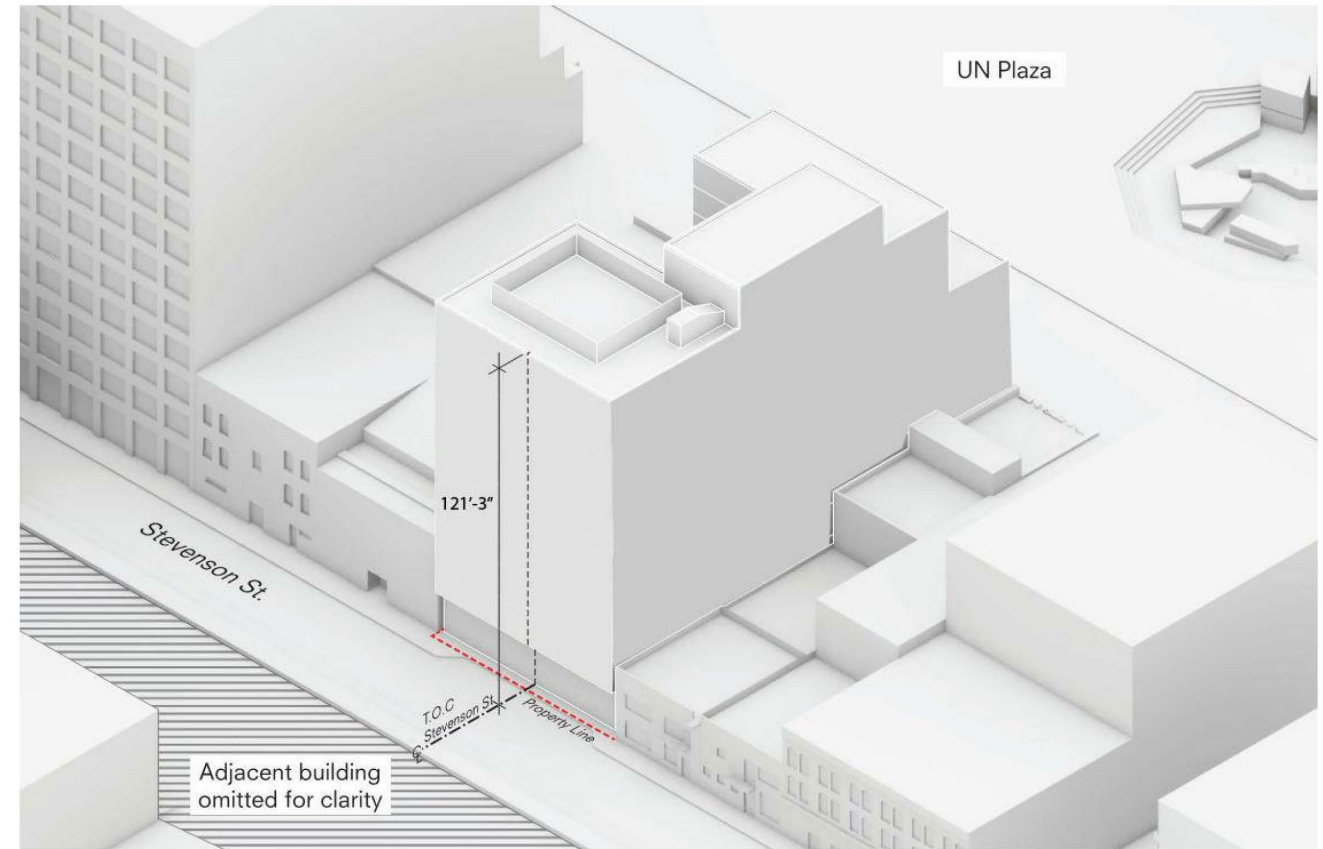
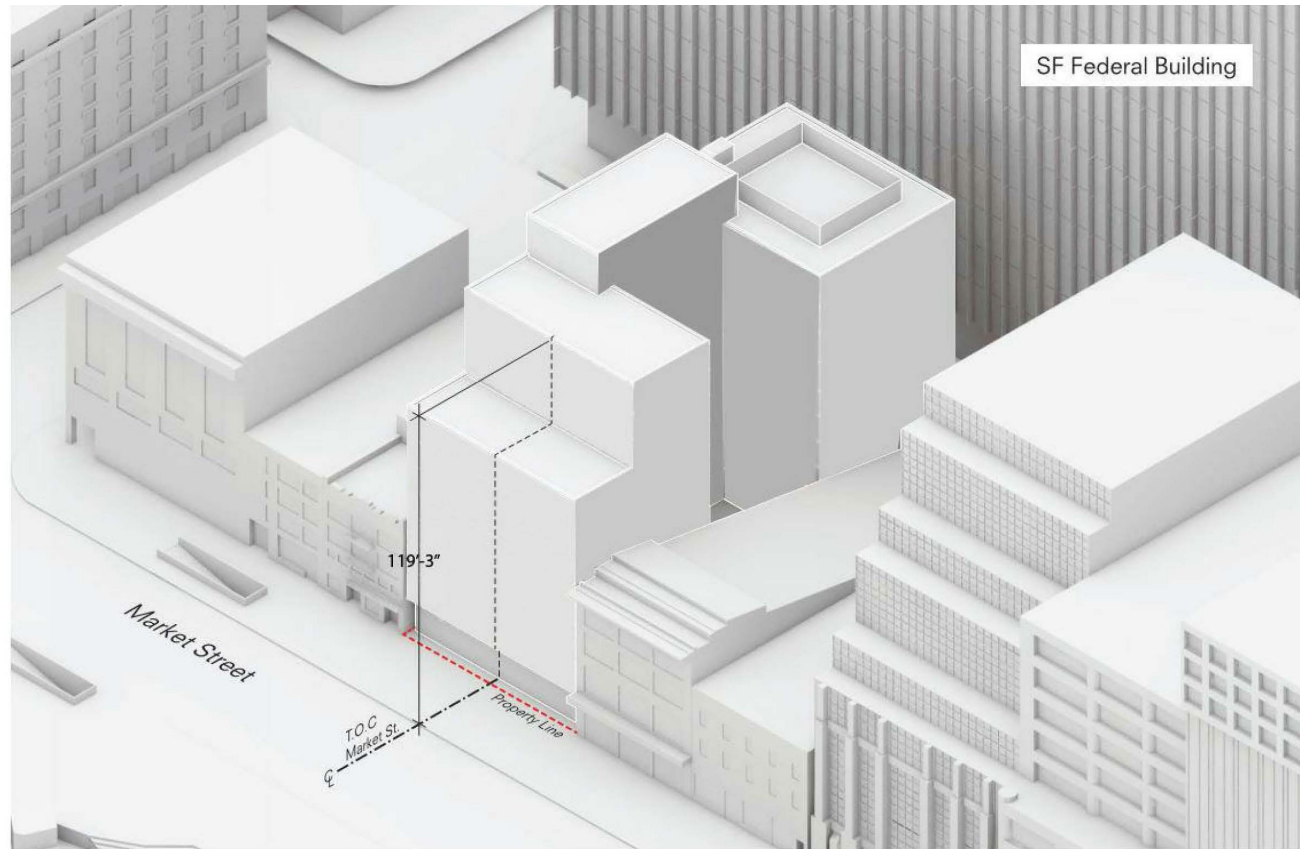


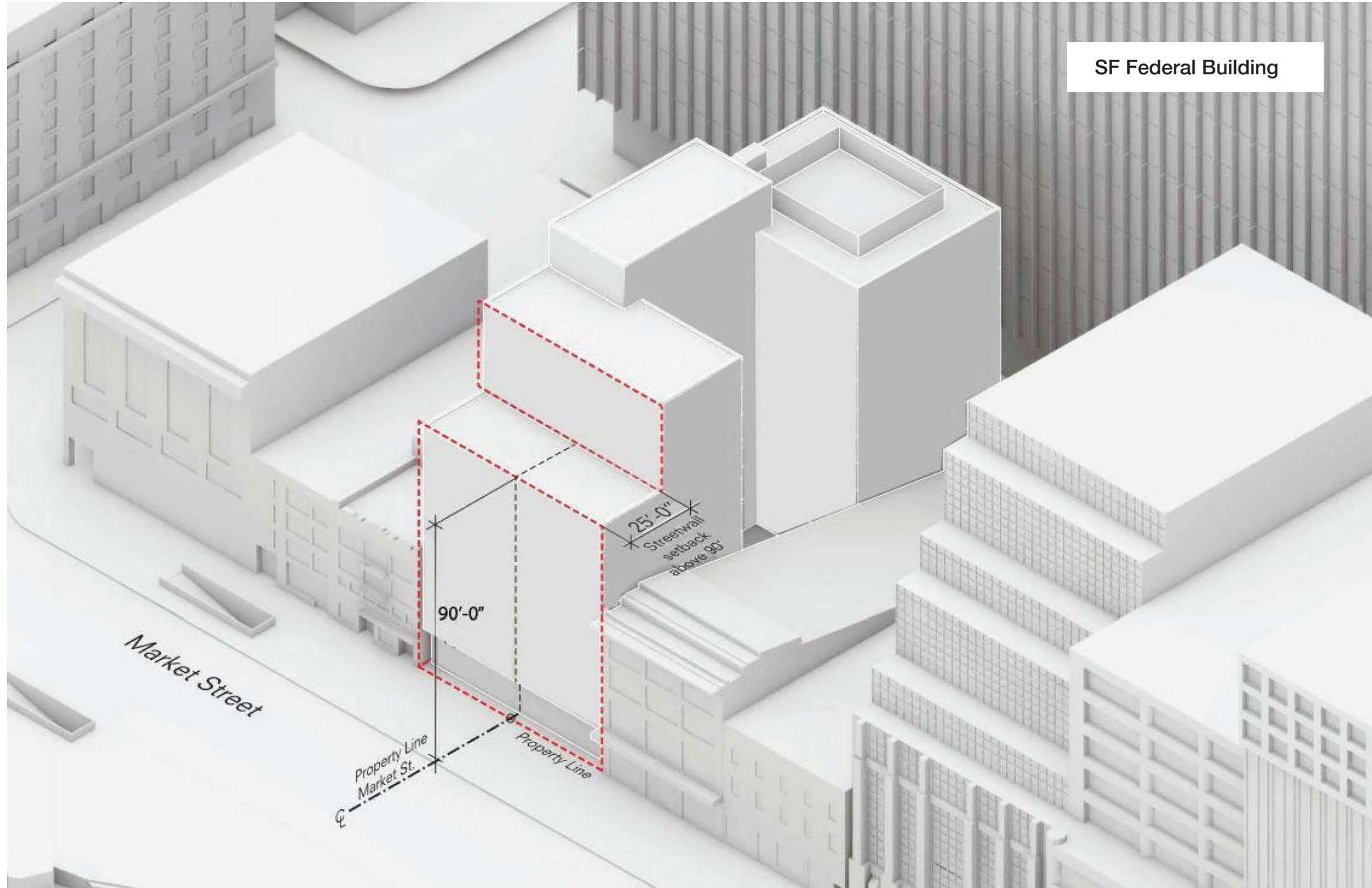
INTERIOR POPOS

- 1 Art installation
- 2 Painting
- 3 Art installation

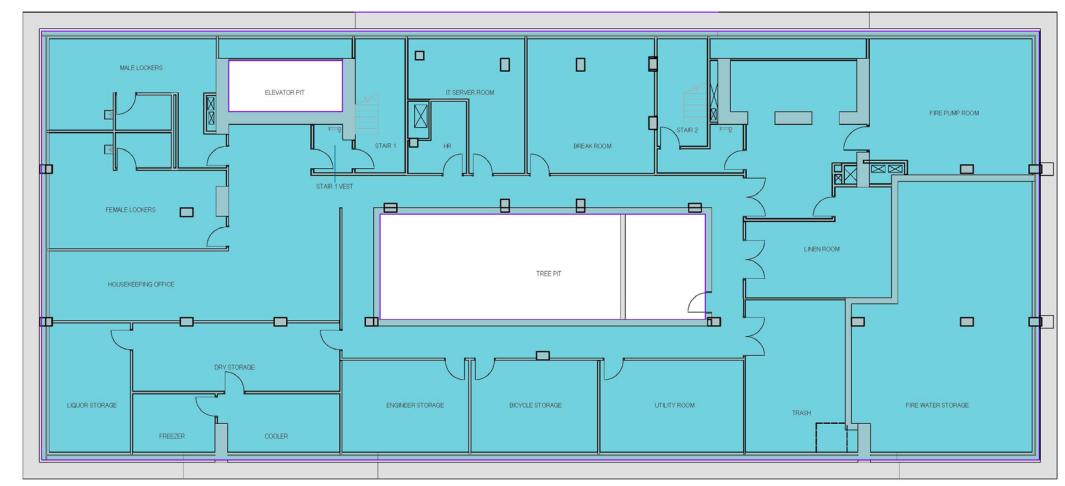
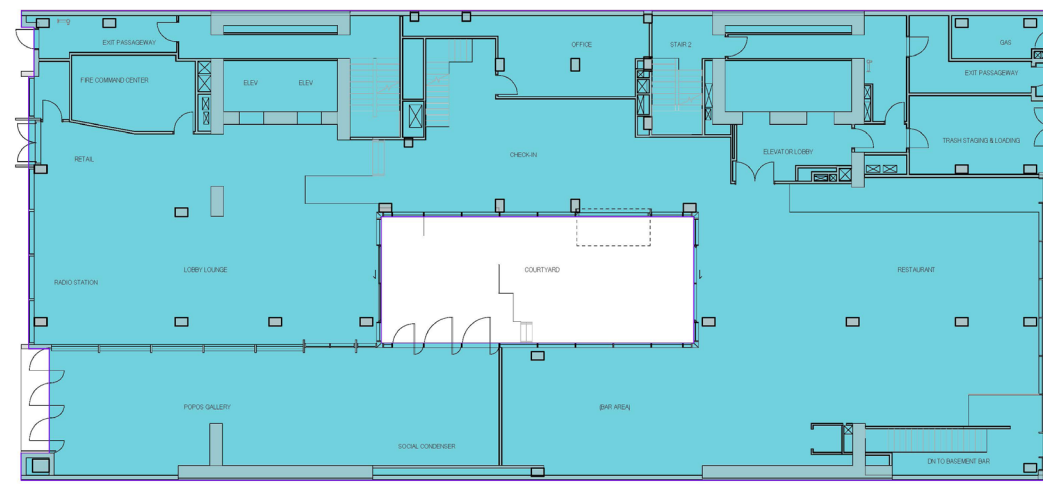
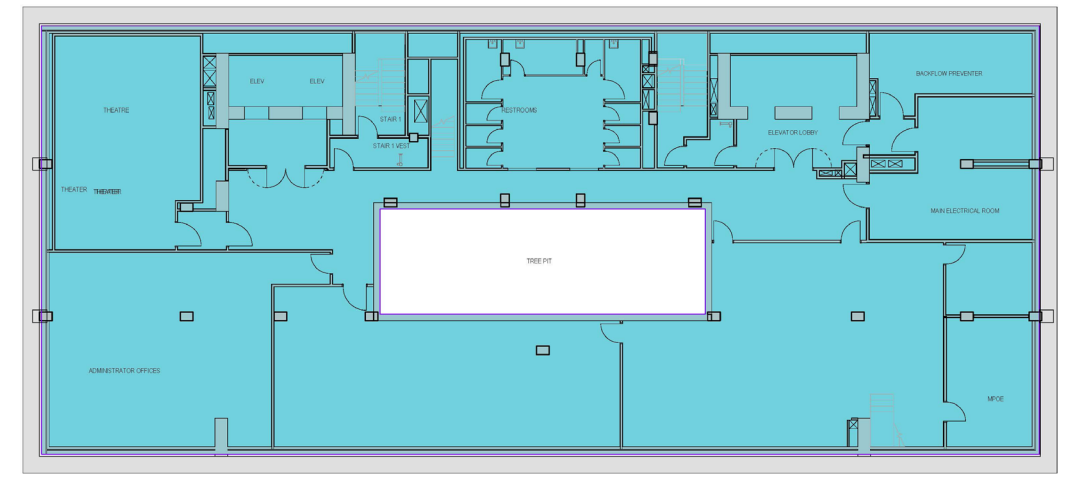
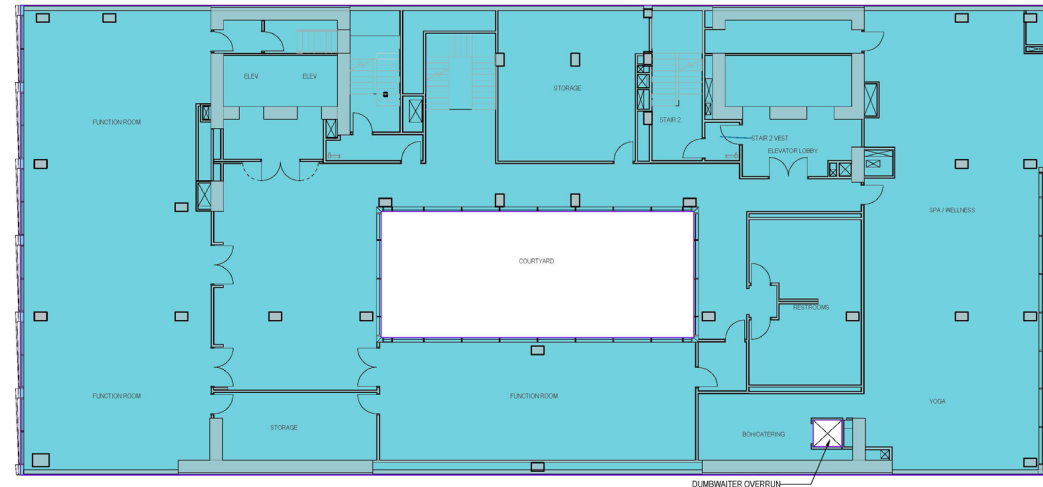
EXTERIOR POPOS


- 4 Art object / Art installation
- 5 Art object / Art installation



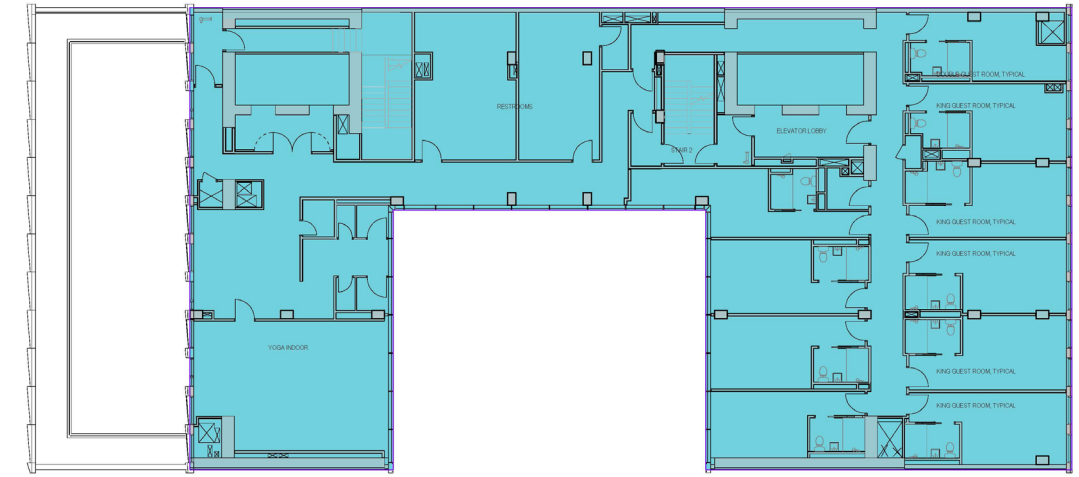


Floor	Gross Floor Construction Area
Bulkhead	4,143sf
12	8,114sf
11	8,114sf
10	8,114sf
09	9,968sf
08	9,968sf
07	9,968sf
06	9,968sf
05	9,968sf
04	9,968sf
03	9,988sf
02	11,013sf
01	10,883sf
B1	9,765sf
B2	9,621sf
TOTAL	139,563sf

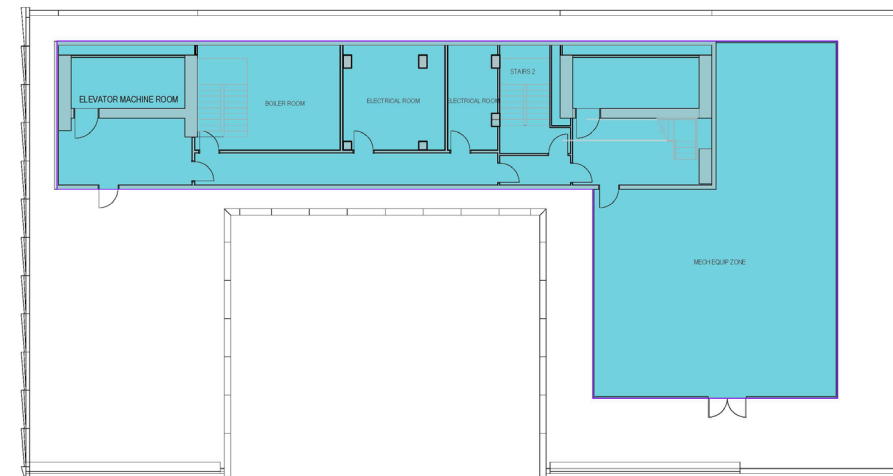


Legend
 GROSS FLOOR AREA

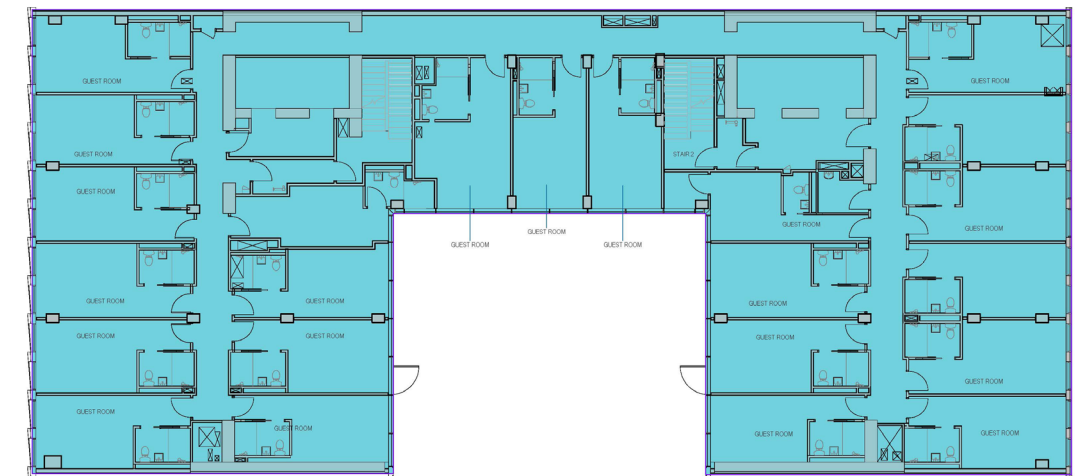
Floor	Gross Floor Construction Area
Bulkhead	4,143sf
12	8,114sf
11	8,114sf
10	8,114sf
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08	9,968sf
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05	9,968sf
04	9,968sf
03	9,988sf
02	11,013sf
01	10,883sf
B1	9,765sf
B2	9,621sf
TOTAL	139,563sf



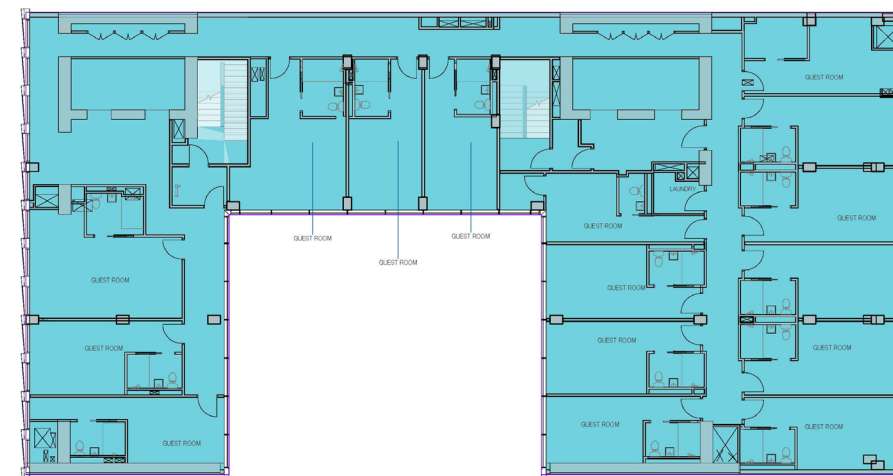
LEVEL 10



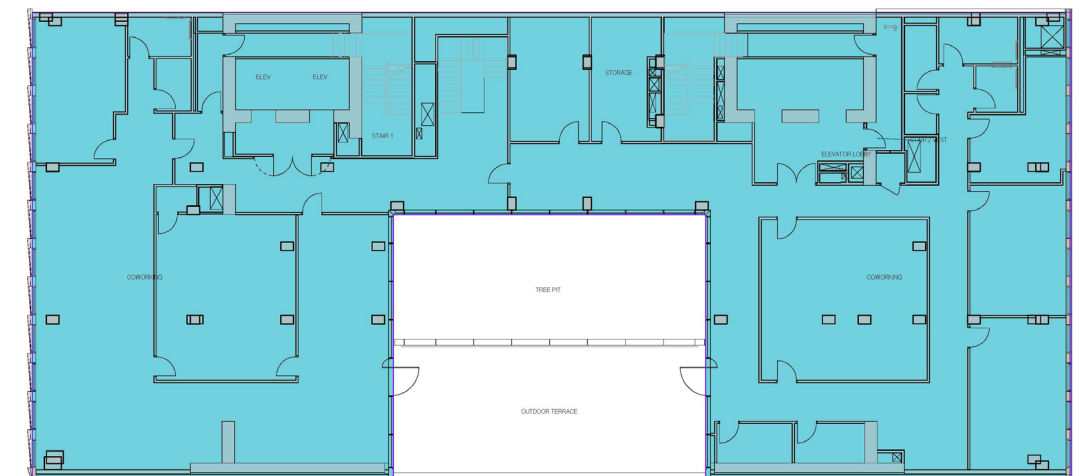
BULKHEAD LEVEL




LEVELS 4 - 9

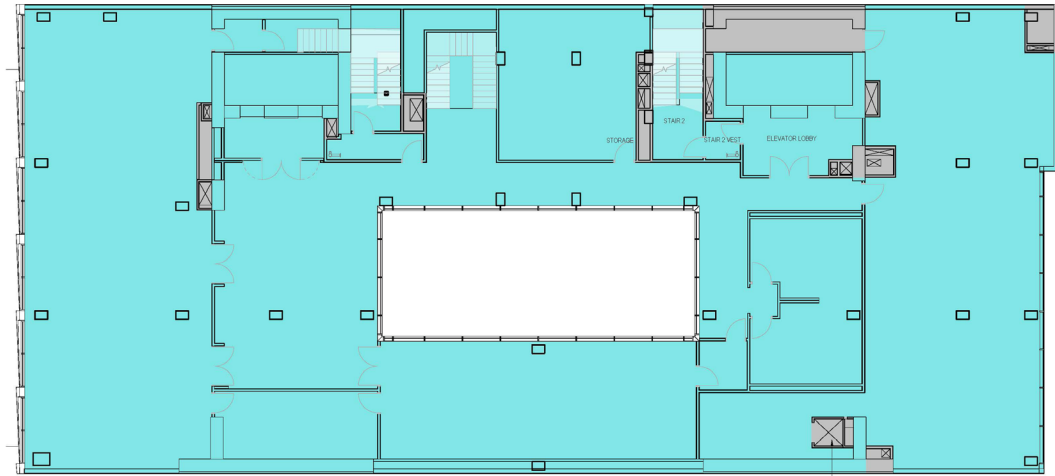


LEVELS 11-12

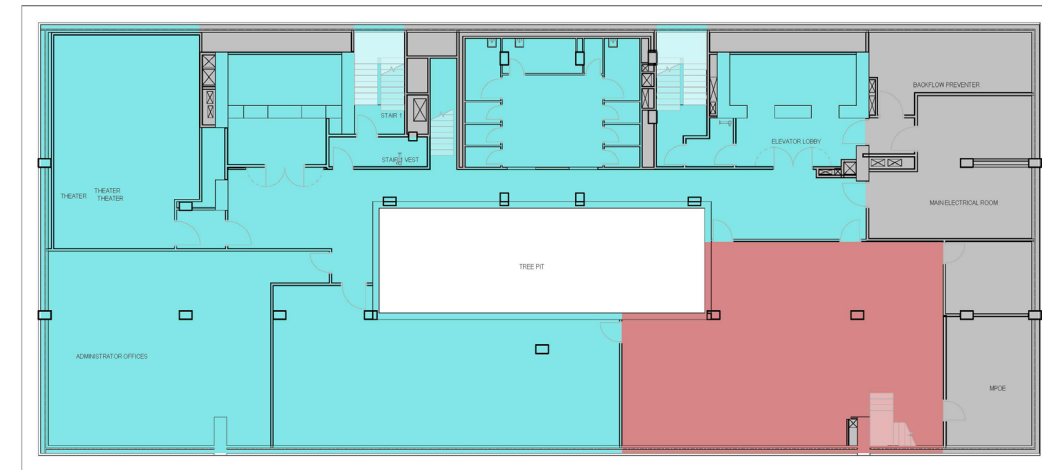


LEVEL 3

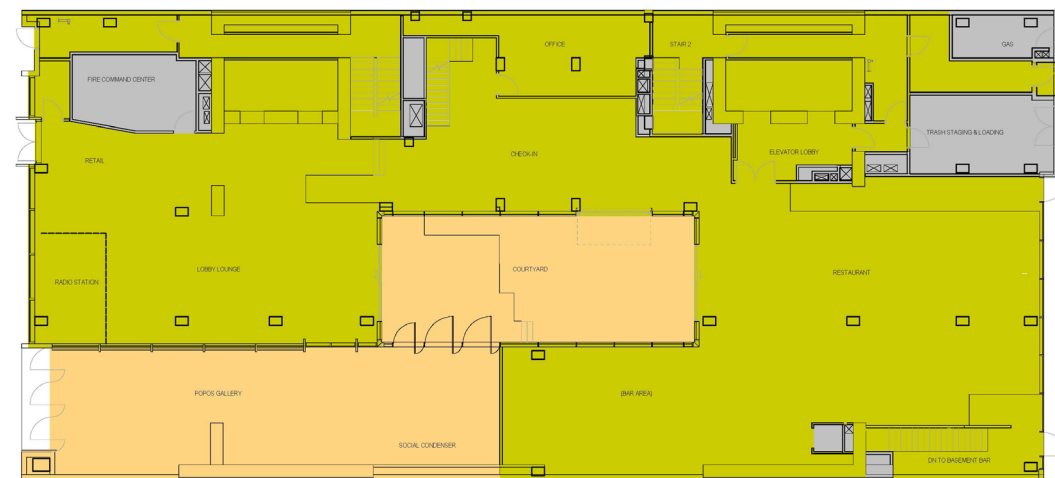
Legend
 GROSS FLOOR AREA



LEVEL 2		Hotel	
Gross Floor Construction Area:	11,013sf		
MEP deductions per SF Planning Code:	486sf		
Gross Floor Area Excluding Deductions:	10,527sf	10,527sf	



LEVEL B1		Hotel		Retail	
Gross Floor Construction Area:	9,765sf				
MEP deductions per SF Planning Code:	1,960sf				
Gross Floor Area Excluding Deductions:	7,805sf	6,272sf	1,533sf		



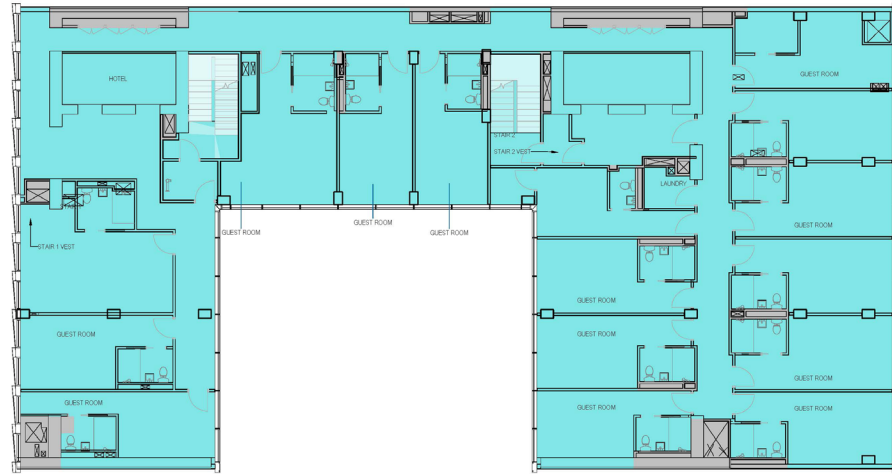
LEVEL 1		Hotel		Retail		Popos	
Gross Floor Construction Area:	10,883sf						
Deductions per SF Planning Code:	9,922sf	4,957sf	3,458sf	1,507sf			
MEP deductions per SF Planning Code:	961sf						
Gross Floor Area Excluding Deductions:	0sf						
Exterior Open Space Excluded from Gross Area:	975sf			975sf			



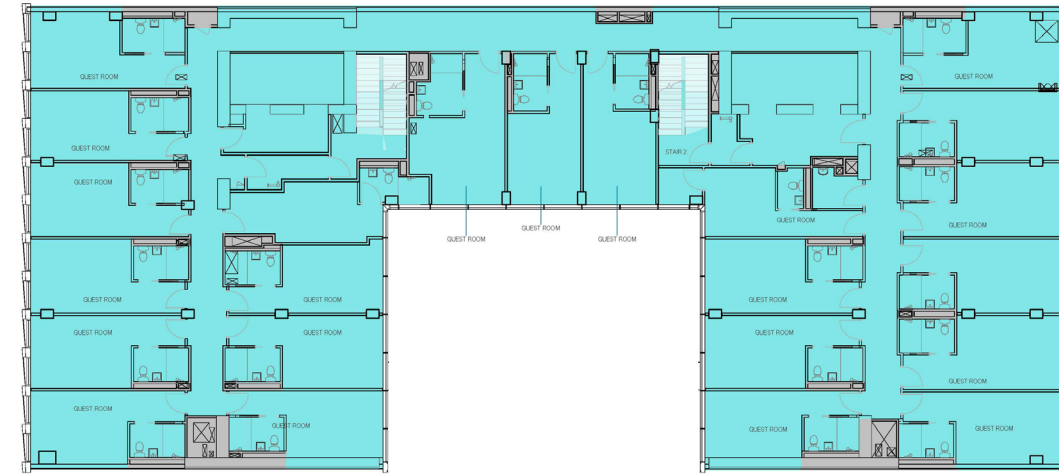
LEVEL B2		Hotel		Retail	
Gross Floor Construction Area:	9,621sf				
MEP deductions per SF Planning Code:	3,753sf				
Gross Floor Area Excluding Deductions:	5,868sf	4,845sf	1,023sf		

- Legend**
- GFA - HOTEL
 - GFA - RESTAURANT/RETAIL
 - GFA - CO-WORKING
 - MECHANICAL SPACE EXCLUDED FROM OCCUPIED FLOOR AREA PER §102 FLOOR AREA, GROSS (b)(4)
 - OPEN SPACE EXCLUDED FROM GROSS PER §102 FLOOR AREA, GROSS (b)(10)
 - GROUND FLOOR - C-3 AMENITIES EXCLUDED FROM GROSS PER §102 FLOOR AREA, GROSS (b)(14)
 - OPEN SPACE EXCLUDED FROM GROSS PER §102 FLOOR AREA, GROSS (b)(15)

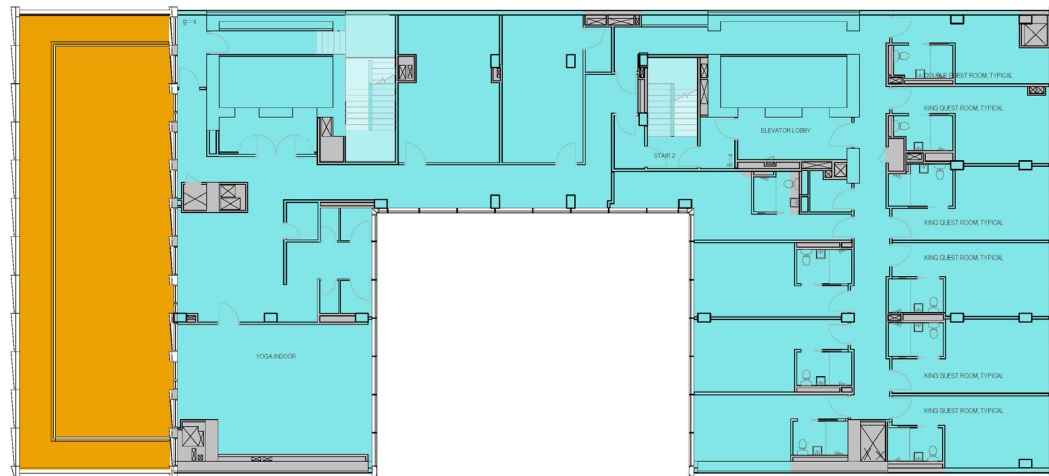
GFA PER SF PLANNING CODE SEC. 102
 MEASUREMENTS PER SF PLANNING CODE SEC. 138(b)
 THE MINIMUM AMOUNT OF PRIVATELY OWNED PUBLIC SPACE REQUIRED IN DISTRICT C-3-G IS 1 SQUARE FOOT OF OPEN SPACE FOR EVERY 50 GROSS SQUARE FEET OF USES. SEE AREA TABLE FOR ADDITIONAL INFORMATION.



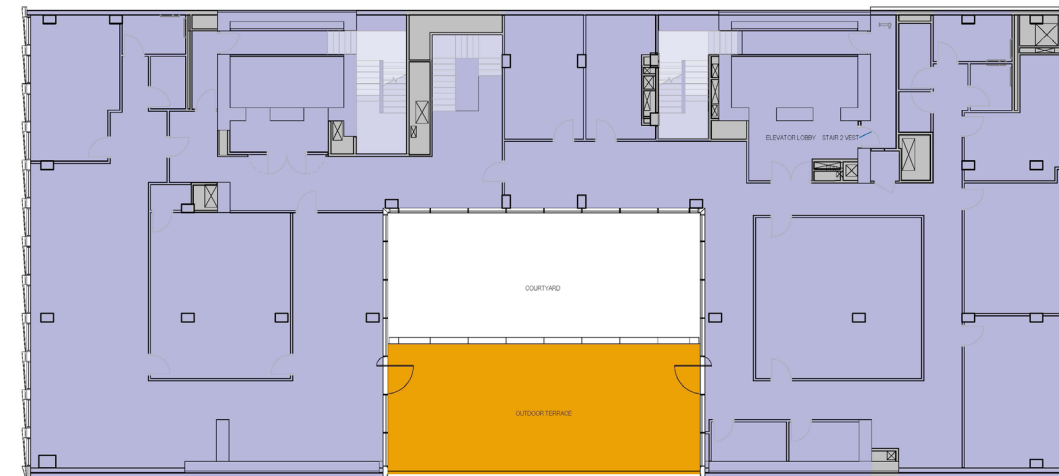
LEVELS 11-12	Per Floor	(X2 Floors)	Hotel
Gross Floor Construction Area:	8,114sf	16,228sf	
MEP deductions per SF Planning Code:	587sf	1,174sf	
Gross Floor Area Excluding Deductions:	7,527sf	15,054sf	15,054sf



LEVELS 4 - 9	Per Floor	(X6 Floors)	Hotel
Gross Floor Construction Area:	9,968sf	59,808sf	
MEP deductions per SF Planning Code:	734sf	4,404sf	
Gross Floor Area Excluding Deductions:	9,234sf	55,404sf	55,404sf



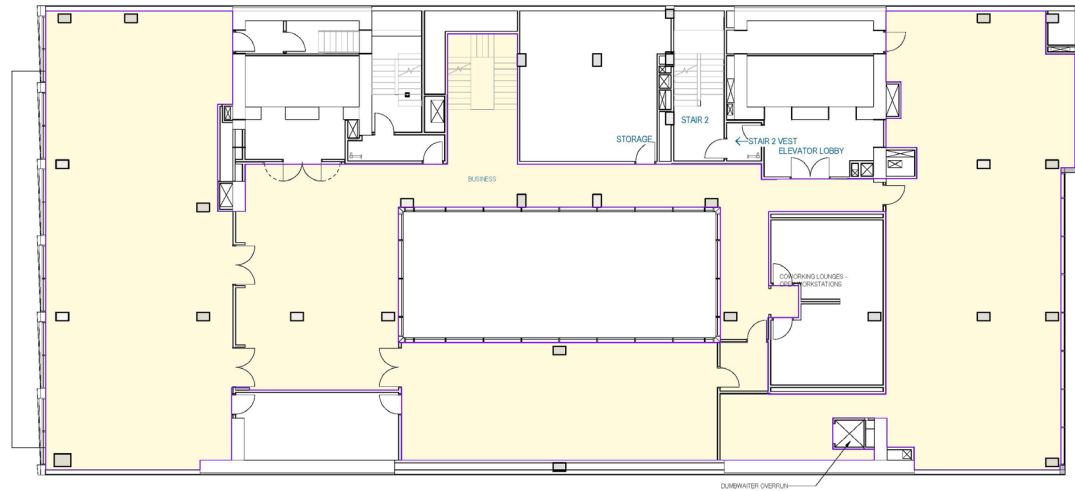
LEVEL 10	Hotel	Open Space
Gross Floor Construction Area:	8,114sf	
MEP deductions per SF Planning Code:	590sf	
Gross Floor Area Excluding Deductions:	7,524sf	7,524sf
Exterior Open Space Excluded from Gross Area:	1,703sf	1,703sf



LEVEL 3	Hotel	Open Space
Gross Floor Construction Area:	9,988sf	
MEP deductions per SF Planning Code:	459sf	
Gross Floor Area Excluding Deductions:	9,529sf	9,529sf
Exterior Open Space Excluded from Gross Area:	1,012sf	1,012sf

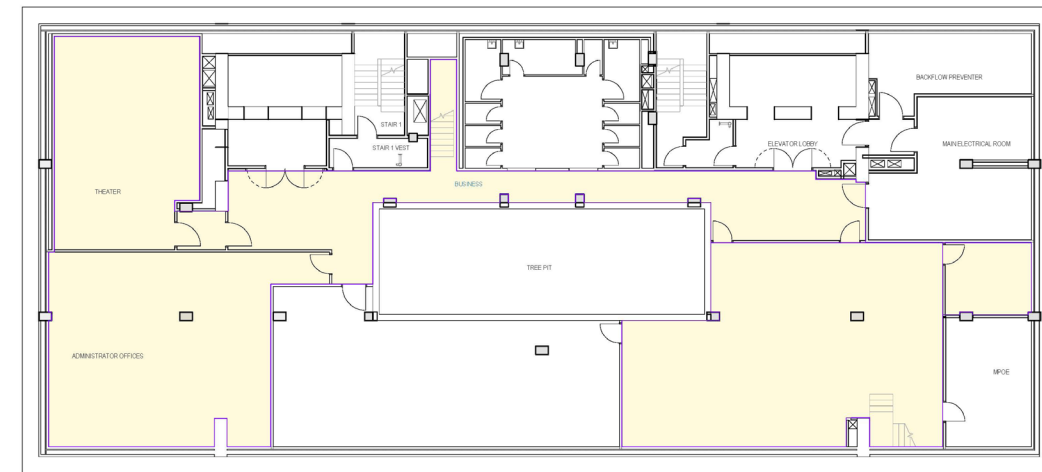
Legend

- GFA - HOTEL
- MECHANICAL SPACE EXCLUDED FROM OCCUPIED FLOOR AREA PER §102 FLOOR AREA, GROSS (b)(4)
- GFA - RESTAURANT/RETAIL
- OPEN SPACE EXCLUDED FROM GROSS PER §102 FLOOR AREA, GROSS (b)(10)
- GFA - CO-WORKING
- GROUND FLOOR - C-3 AMENITIES EXCLUDED FROM GROSS PER §102 FLOOR AREA, GROSS (b)(14)
- OPEN SPACE EXCLUDED FROM GROSS PER §102 FLOOR AREA, GROSS (b)(15)



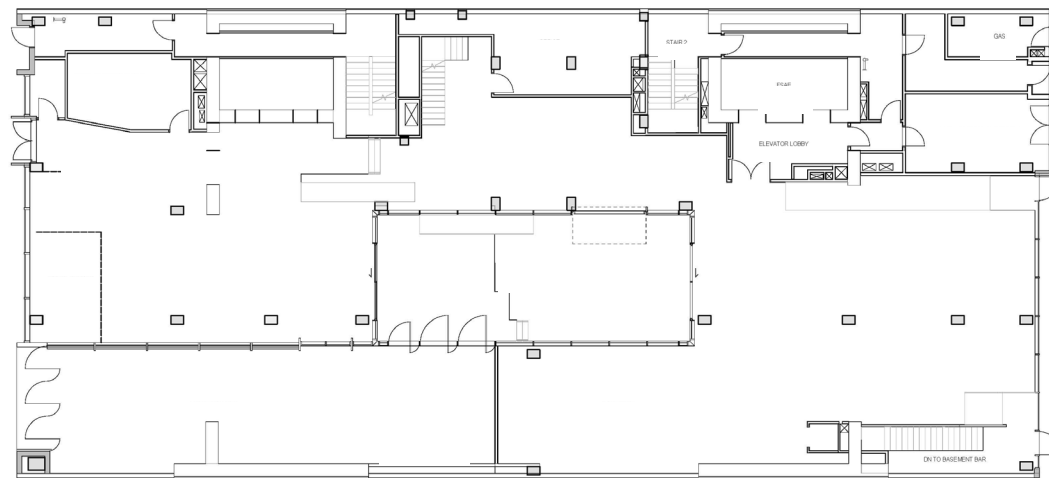
LEVEL 2

Occupied Floor Area: 7,078sf



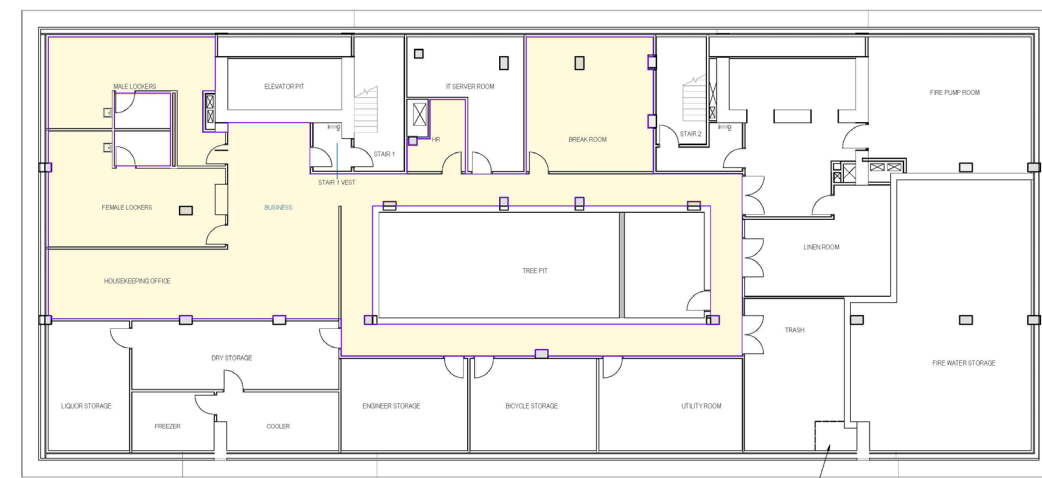
LEVEL B1

Occupied Floor Area: 4,429sf



LEVEL 1

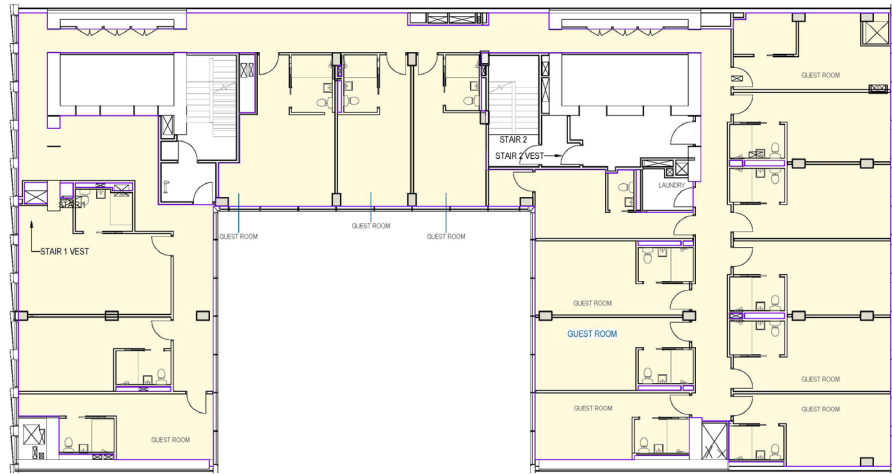
Occupied Floor Area: 0sf



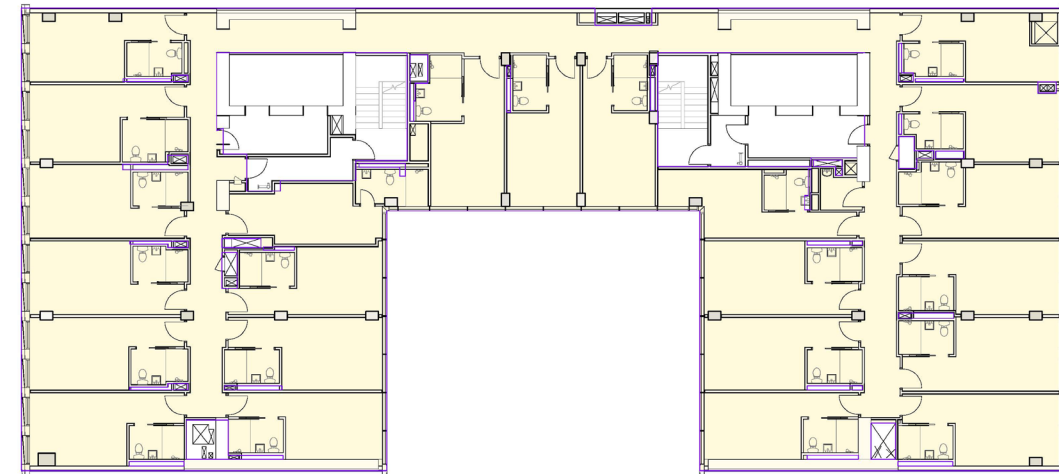
LEVEL B2

Occupied Floor Area: 2,938sf

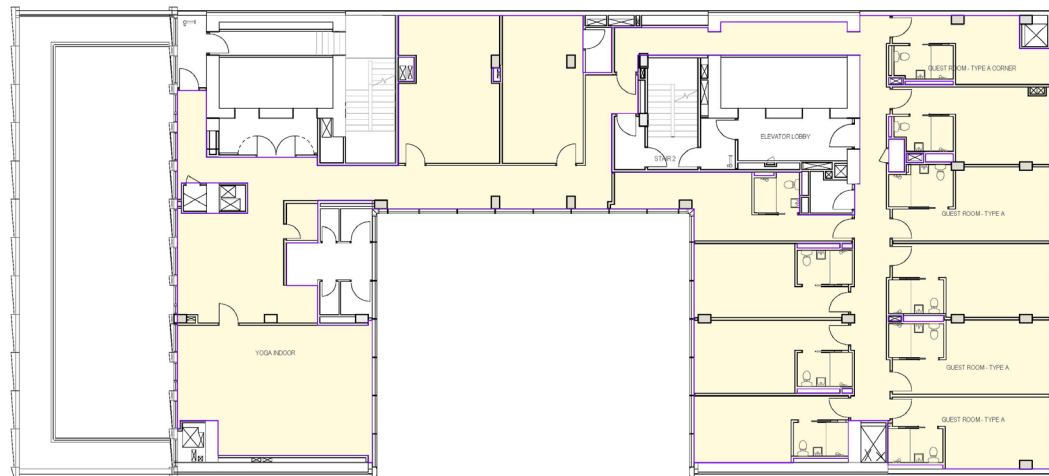
Legend
 OCCUPIED FLOOR AREA



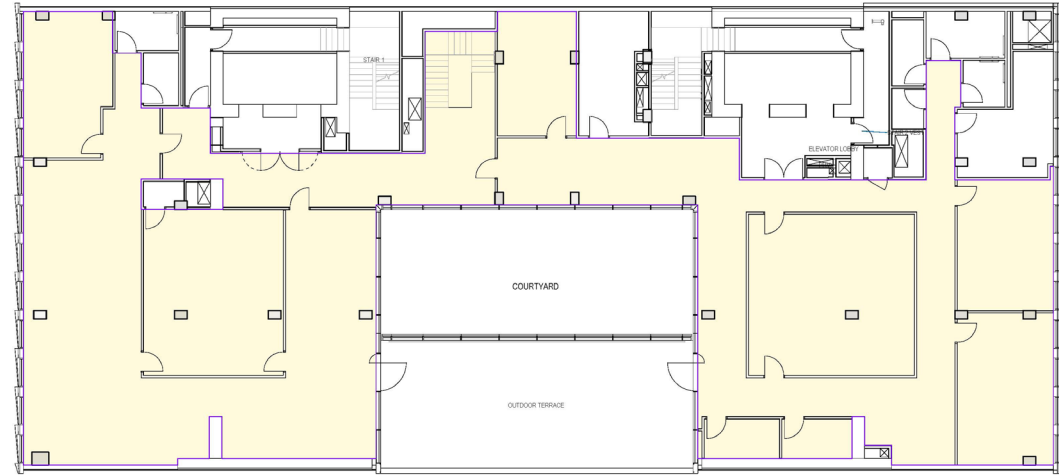
LEVELS 11-12
 Gross Floor Construction Area: Per Floor (X2 Floors)
 6,167sf 12,334sf



LEVELS 4 - 9
 Occupied Floor Area: Per Floor (X6 Floors)
 7,856sf 47,136sf



LEVEL 10
 Gross Floor Construction Area: 5,617sf



LEVEL 3
 Occupied Floor Area: 6,623sf

Legend
 OCCUPIED FLOOR AREA

1125 MARKET STREET - AREA CALCULATIONS

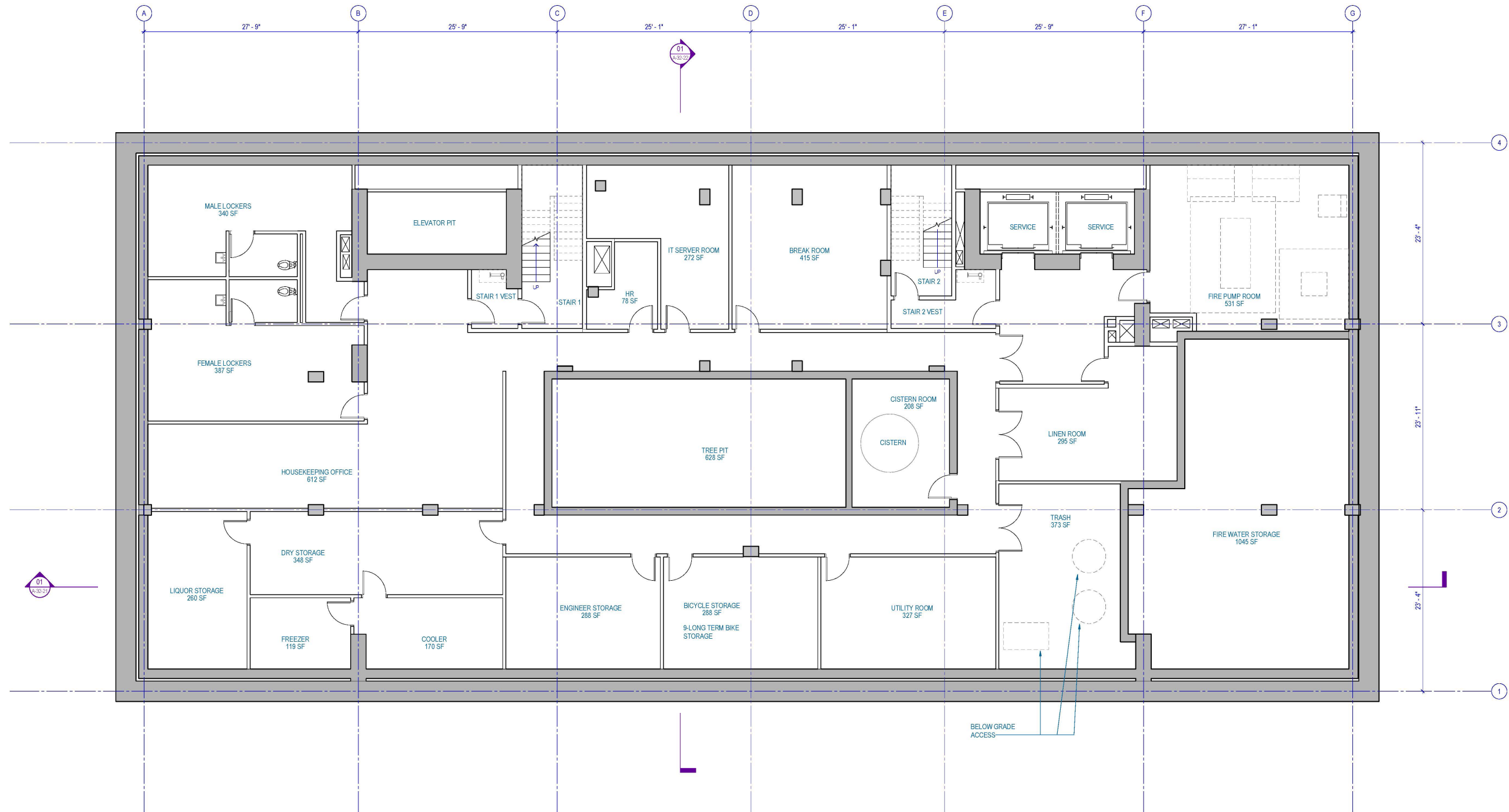
Floor	Gross Floor Construction Area	Non-GFA Mechanical/Support Spaces	Gross Floor Area Calculations											Occupied Floor Area (152.1)			Privately Owned Public Open Space...									
			Base GFA				Base Area excludable from GFA per Planning Code				Gross Floor Area (GFA)			Hotel	Office (non-Retail)	Retail	Interior. POPOS (Social Condenser)	Exterior POPOS	Total POPOS							
			Base Hotel GFA (incl. Int. POPOS)	Base Office GFA (Coworking)	Total Base Retail GFA	Total Base GFA	Hotel	Interior POPOS (Social Condenser)	Office (Coworking)	Retail	Total Excluded From GFA	Hotel	Office (Coworking)							Retail	Total GFA					
Bulkhead	4,143	4,143				-																				
12	8,114	587	7,527			7,527								-	7,527											
11	8,114	587	7,527			7,527								-	7,527											
10	8,114	590	7,524			7,524								-	7,524											
9	9,968	734	9,234			9,234								-	9,234											
8	9,968	734	9,234			9,234								-	9,234											
7	9,968	734	9,234			9,234								-	9,234											
6	9,968	734	9,234			9,234								-	9,234											
5	9,968	734	9,234			9,234								-	9,234											
4	9,968	734	9,234			9,234								-	9,234											
3	9,988	459	-		9,529	9,529								-		9,529										
2	11,013	486	10,527			10,527								-	10,527											
1	10,883	961	4,957		-	3,458	9,922	4,957	1,507		3,458	8,415		-												
B1	9,765	1,960	6,272			1,533	7,805							-	6,272		1,533	7,805								
B2	9,621	3,753	4,845			1,023	5,868							-	4,845		1,023	5,868								
Totals	139,563	17,930	104,583		9,529	7,521	121,633	4,957	1,507		-	3,458	8,415		99,626	9,529	2,556	111,711	78,098	6,623	1,434	1,507	975	2,482		

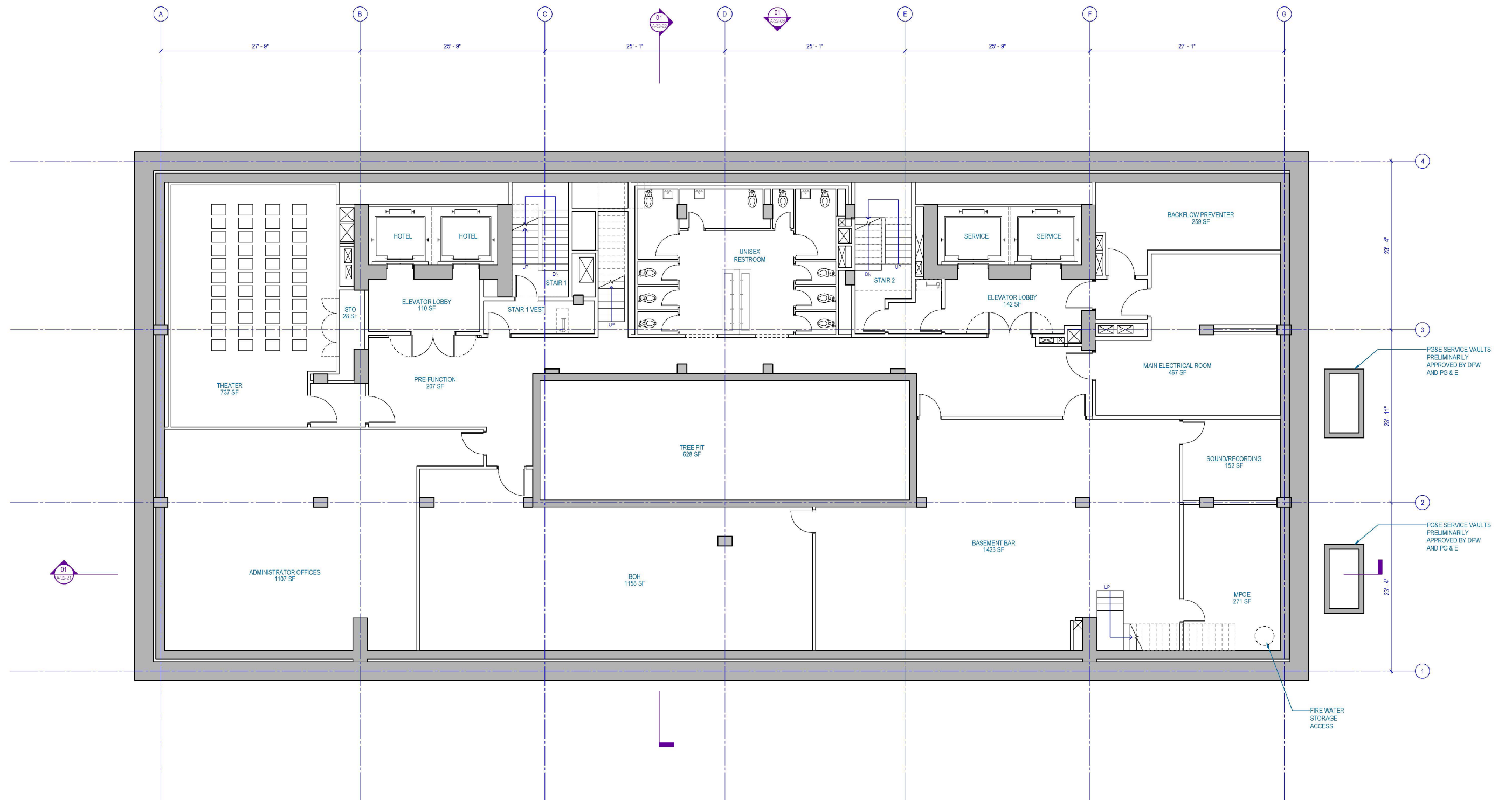
Parcel Area 12,414
 Allow. FAR 9.0
 Allow. GFA 111,726
 Variance 15

Req'd POPOS 2,232
 Variance 250

OFA PER SF PLANNING CODE SEC. 102
 LOADING DOCK PER SF PLANNING CODE SEC. 152
 THE MINIMUM AMOUNT OF PRIVATELY OWNED PUBLIC SPACE REQUIRED IN DISTRICT C-3
 RETAIL OFA < 10,000 SF = 0 FREIGHT LOADING SPACES REQUIRED
 HOTEL OFA < 100,000 SF = 0 FREIGHT LOADING SPACES REQUIRED
 OFFICE (CO-WORKING) < 17,744 SF = 0 FREIGHT LOADING SPACES REQUIRED

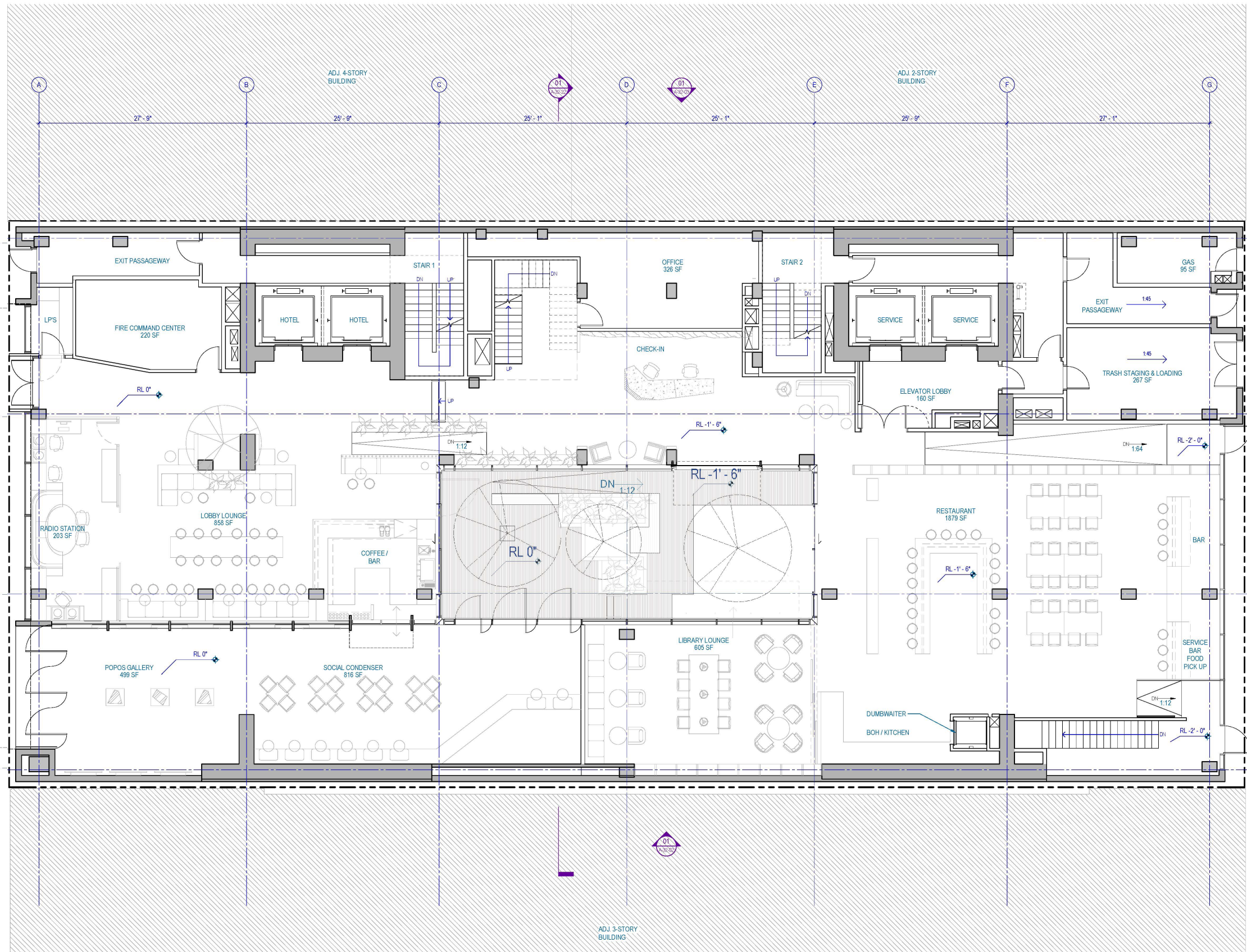


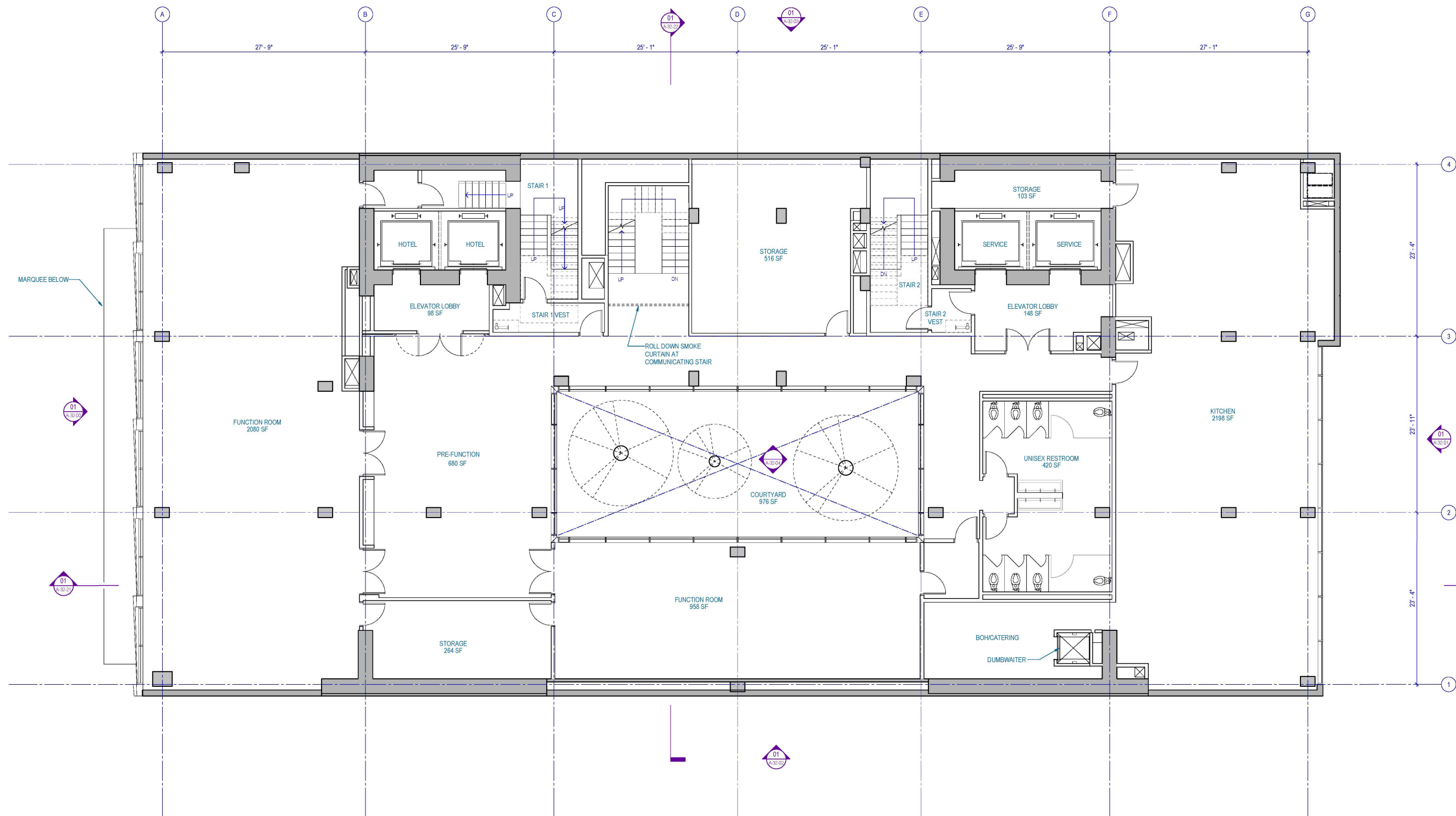


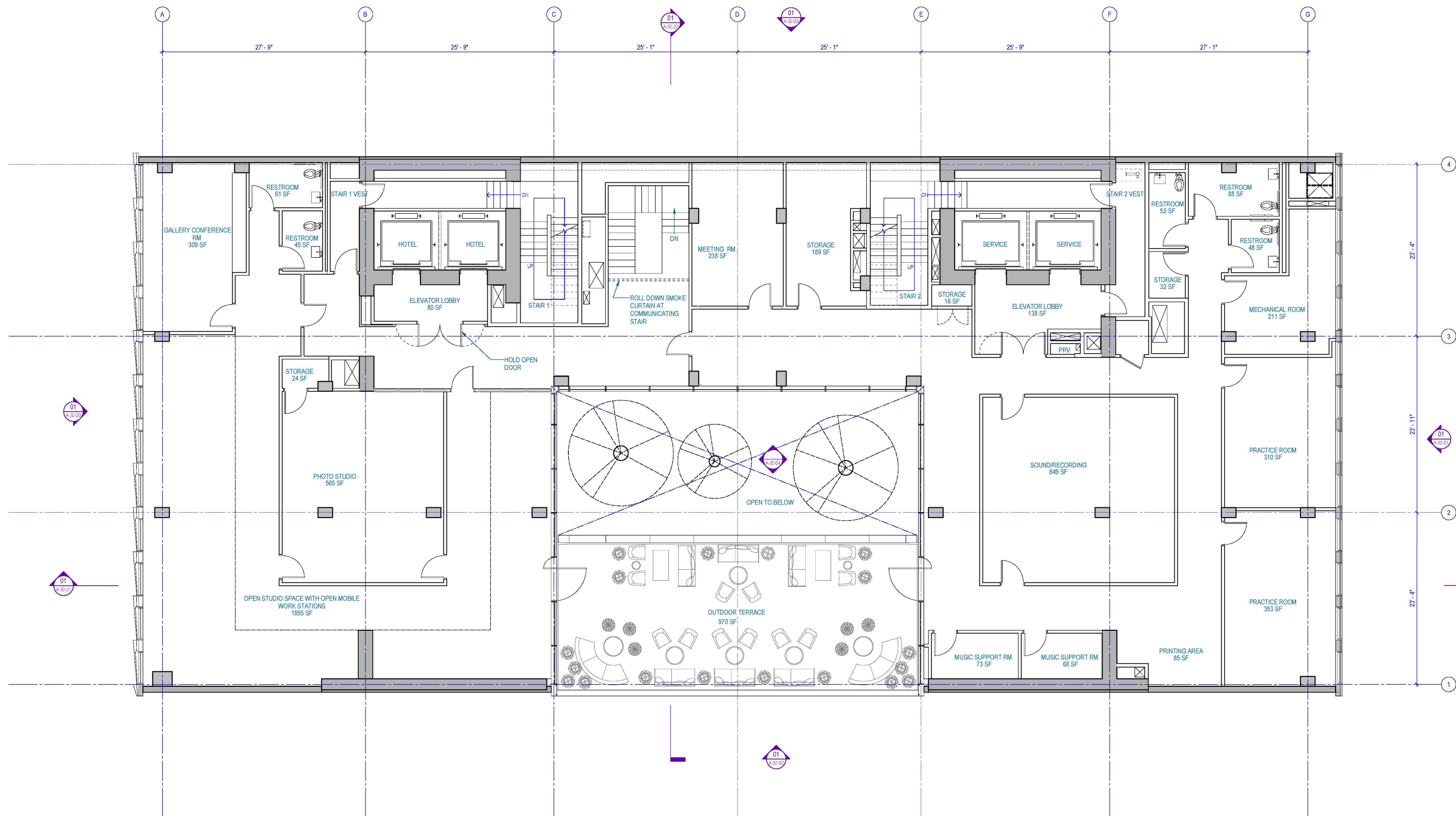


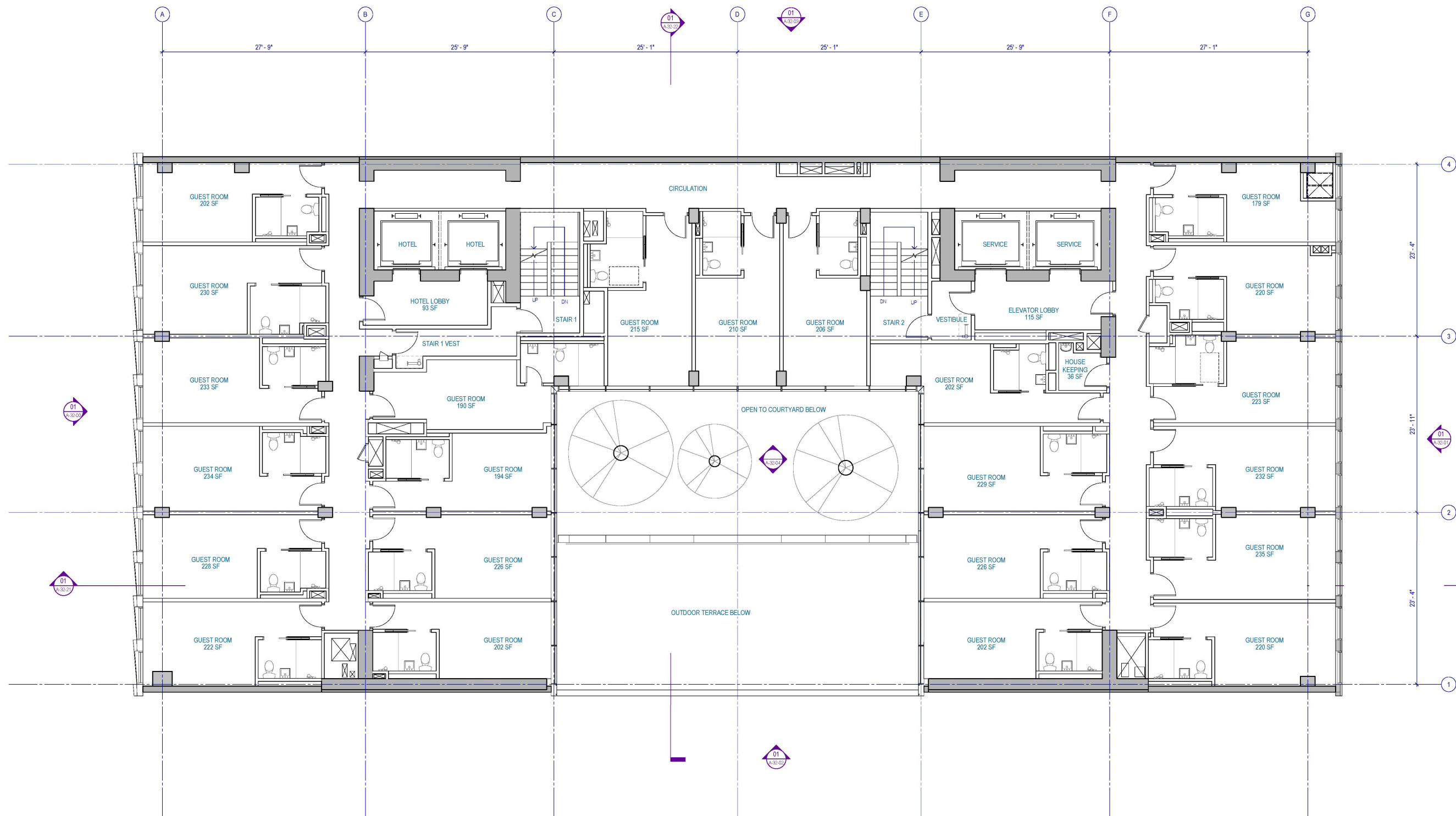
MARKET ST.

STEVENSON ST.

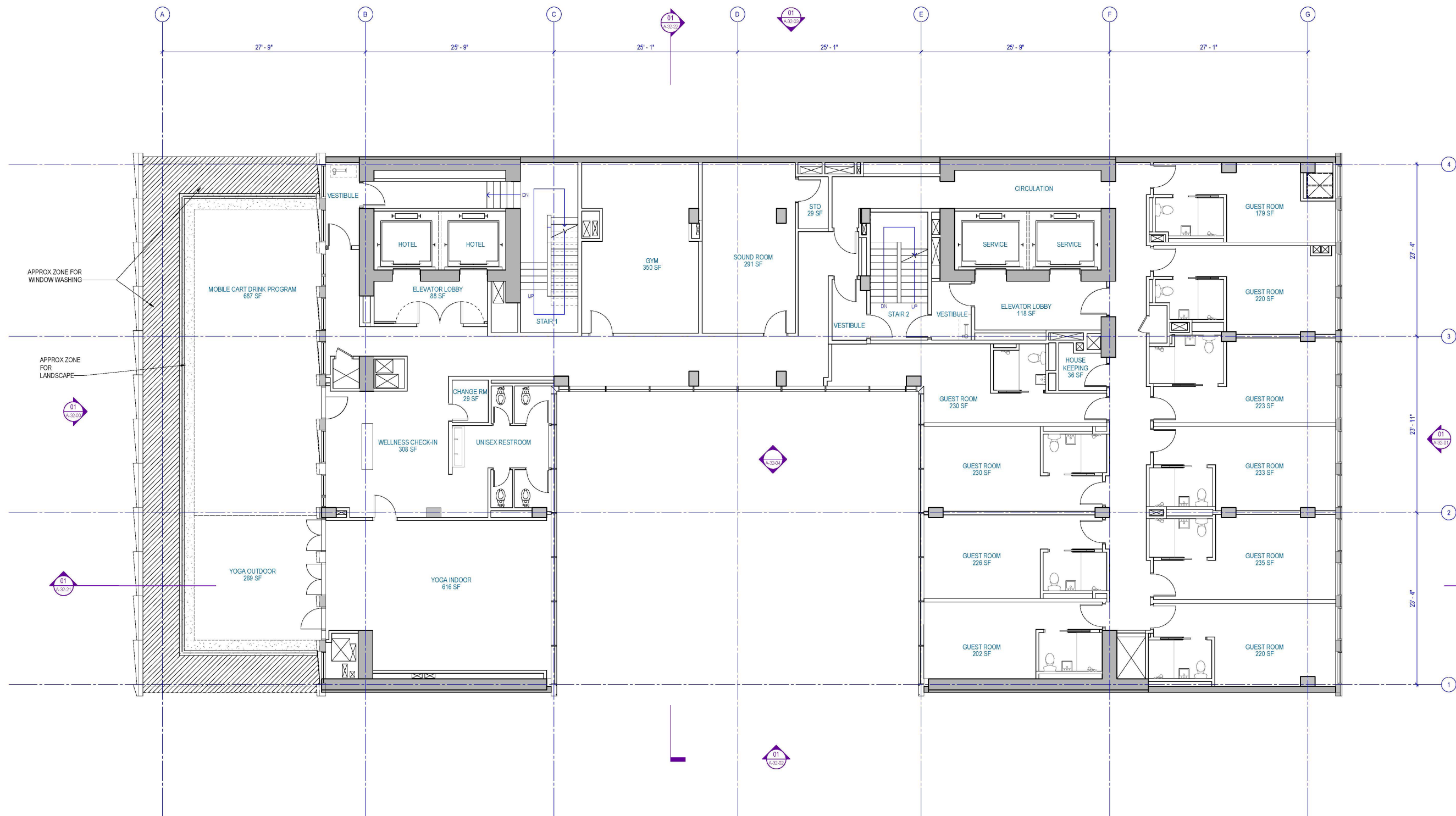




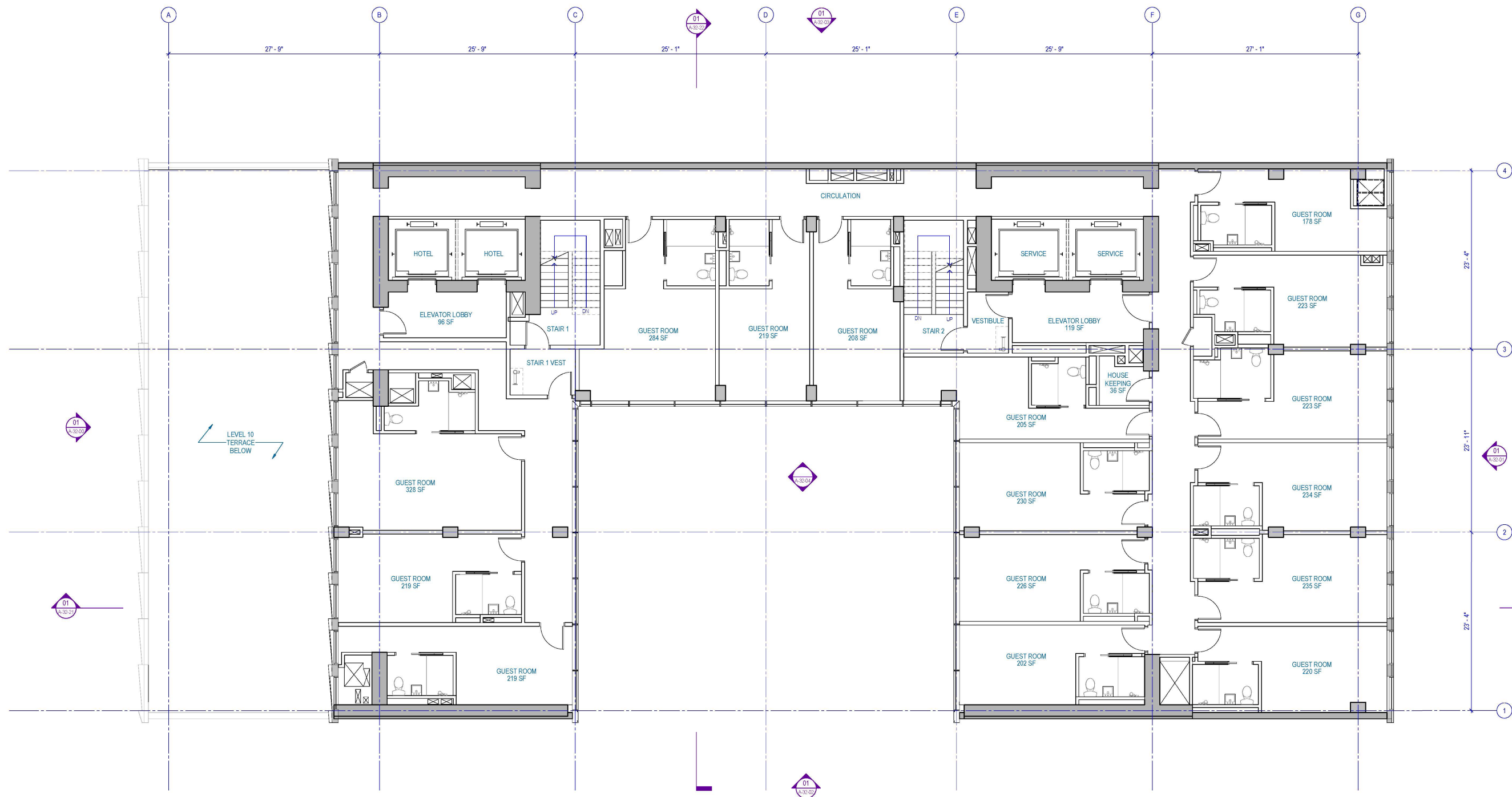




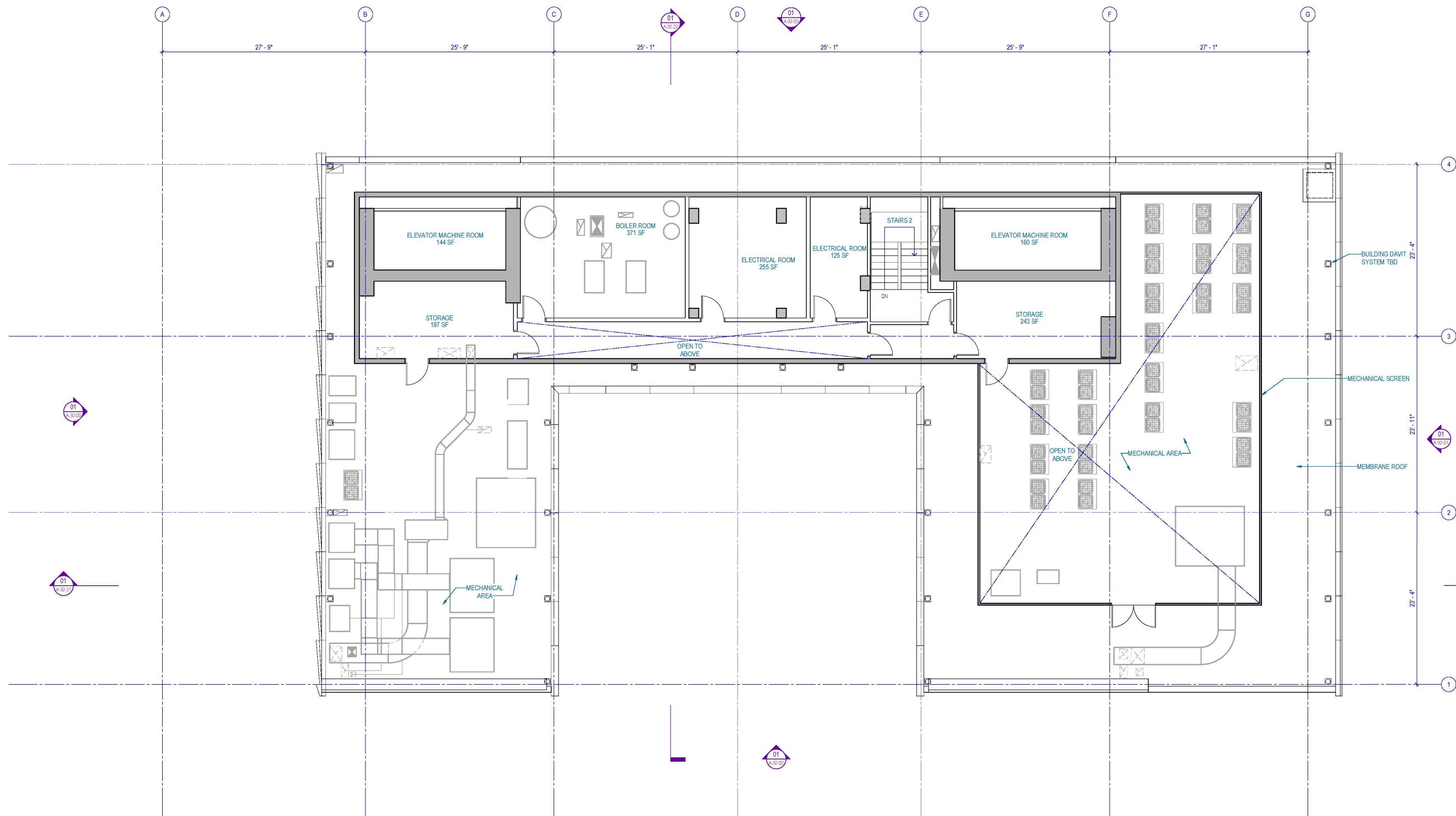
NUMBER OF HOTEL KEYS PER FLOOR = 23
 SUB TOTAL (LEVELS 4 - 9) = 138

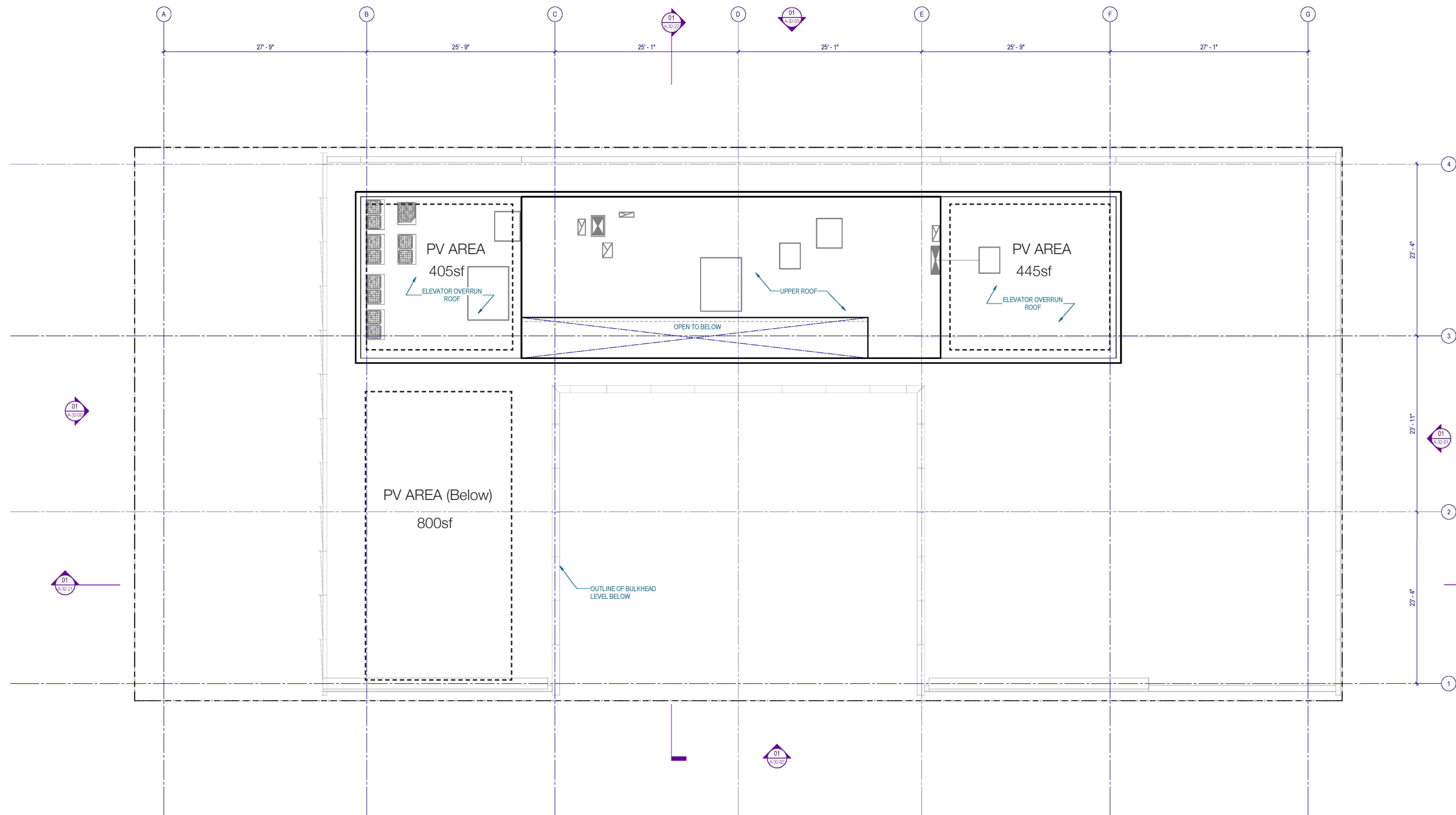


NUMBER OF HOTEL KEYS = 10



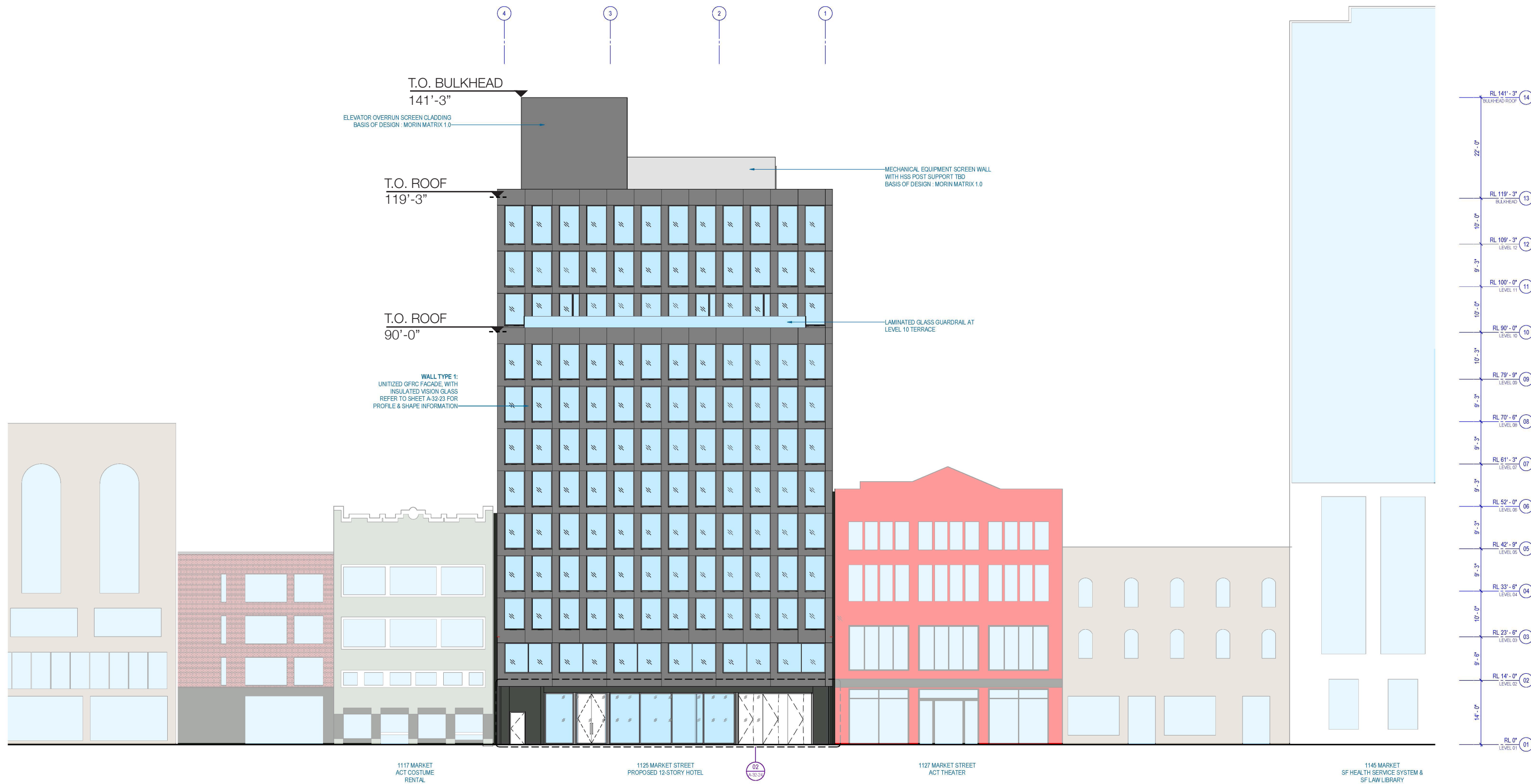
NUMBER OF HOTEL KEYS PER FLOOR= 16
 SUB TOTAL (LEVELS 11-12) = 32
 TOTAL HOTEL KEYS (LEVELS 4-12) = 180

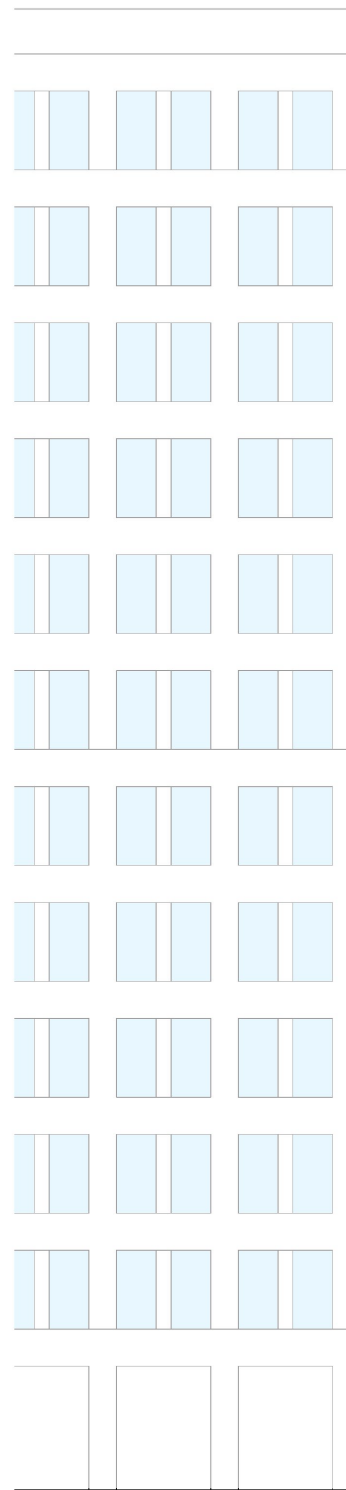




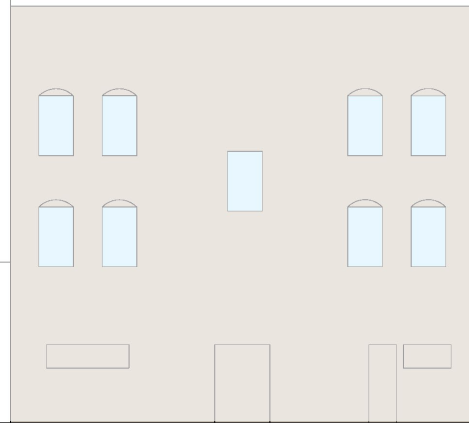
TOTAL ROOF AREA = 11,000sf X 15% = 1650sf

15% ROOF AREA REQUIRED PER SF PLANNING CODE SEC.149

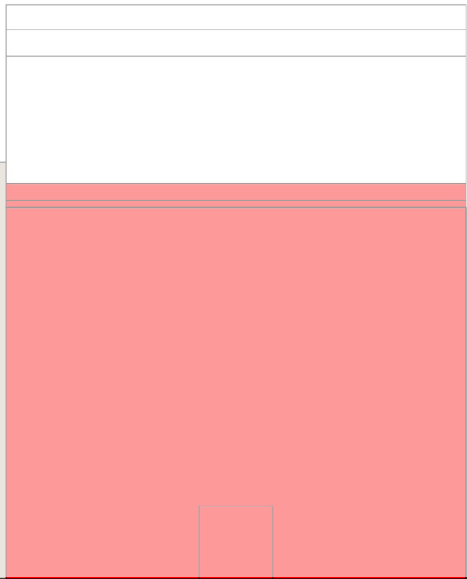




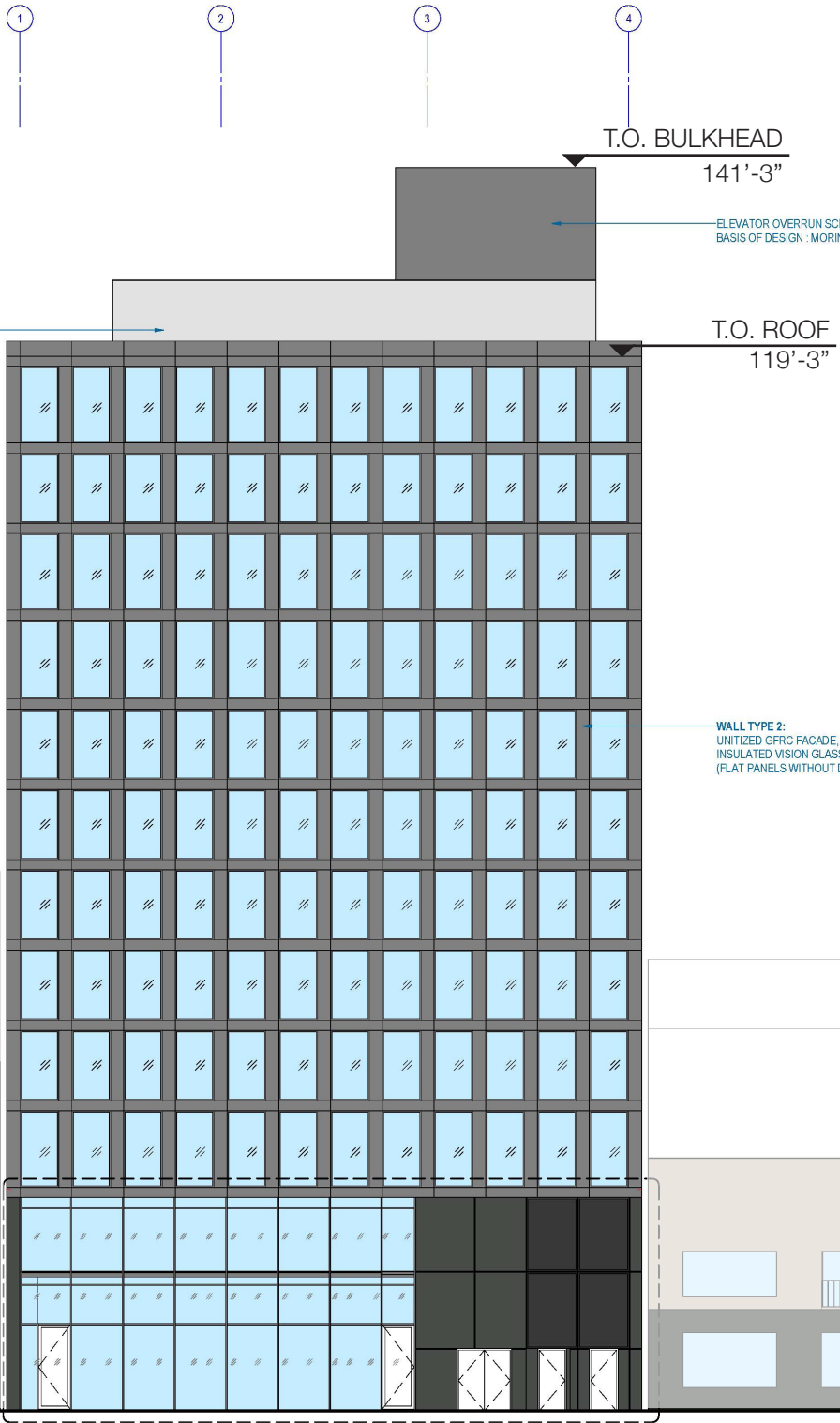
1145 MARKET
SF HEALTH SERVICE SYSTEM &
SF LAW LIBRARY



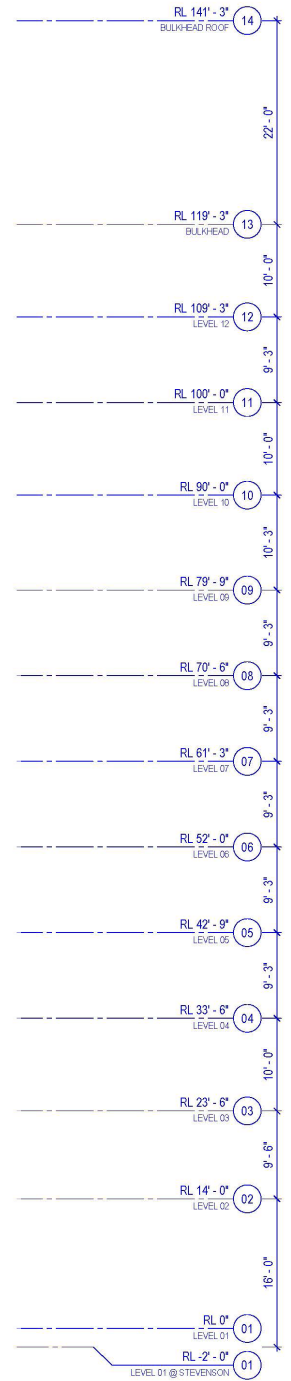
1127 MARKET STREET
ACT THEATER

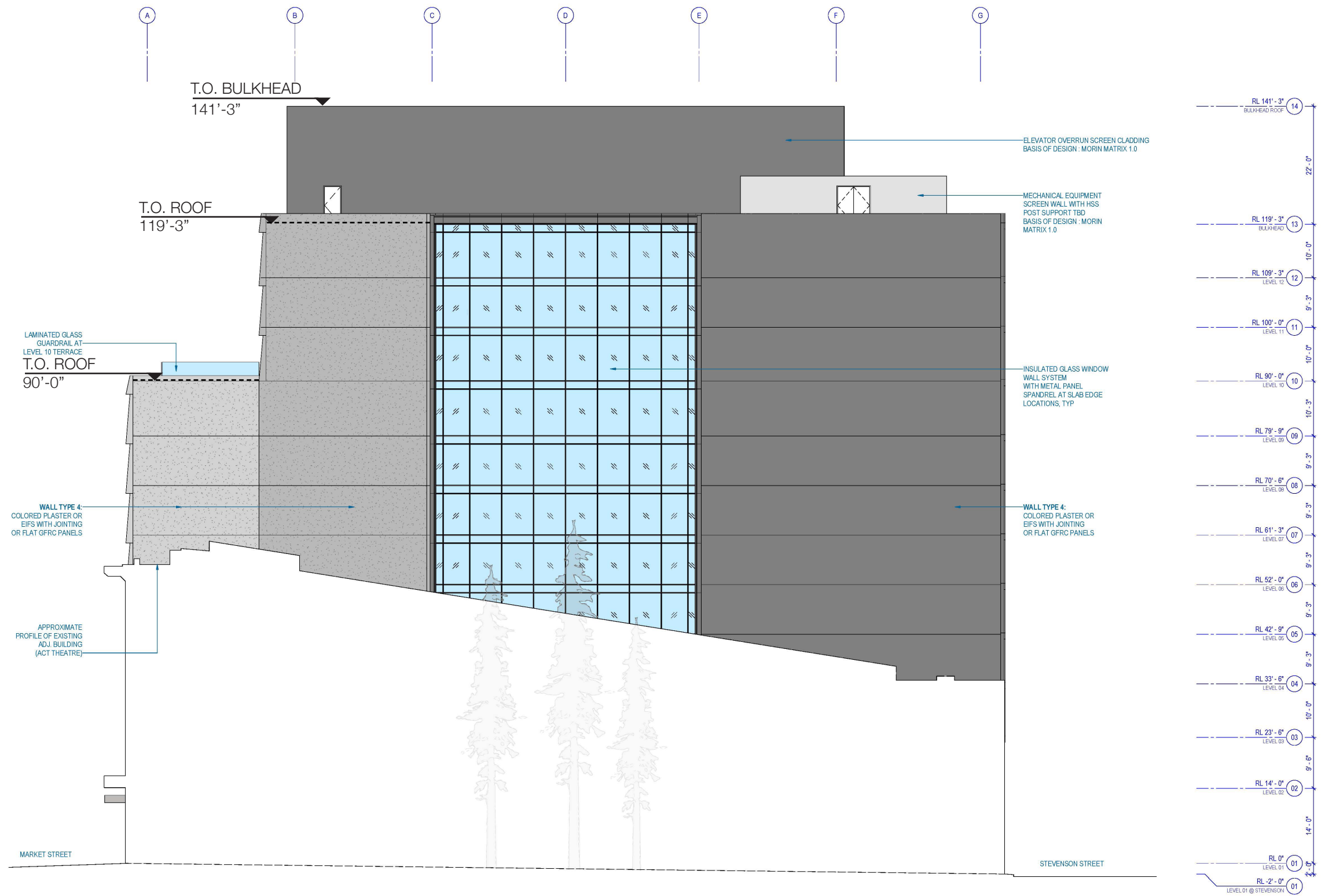


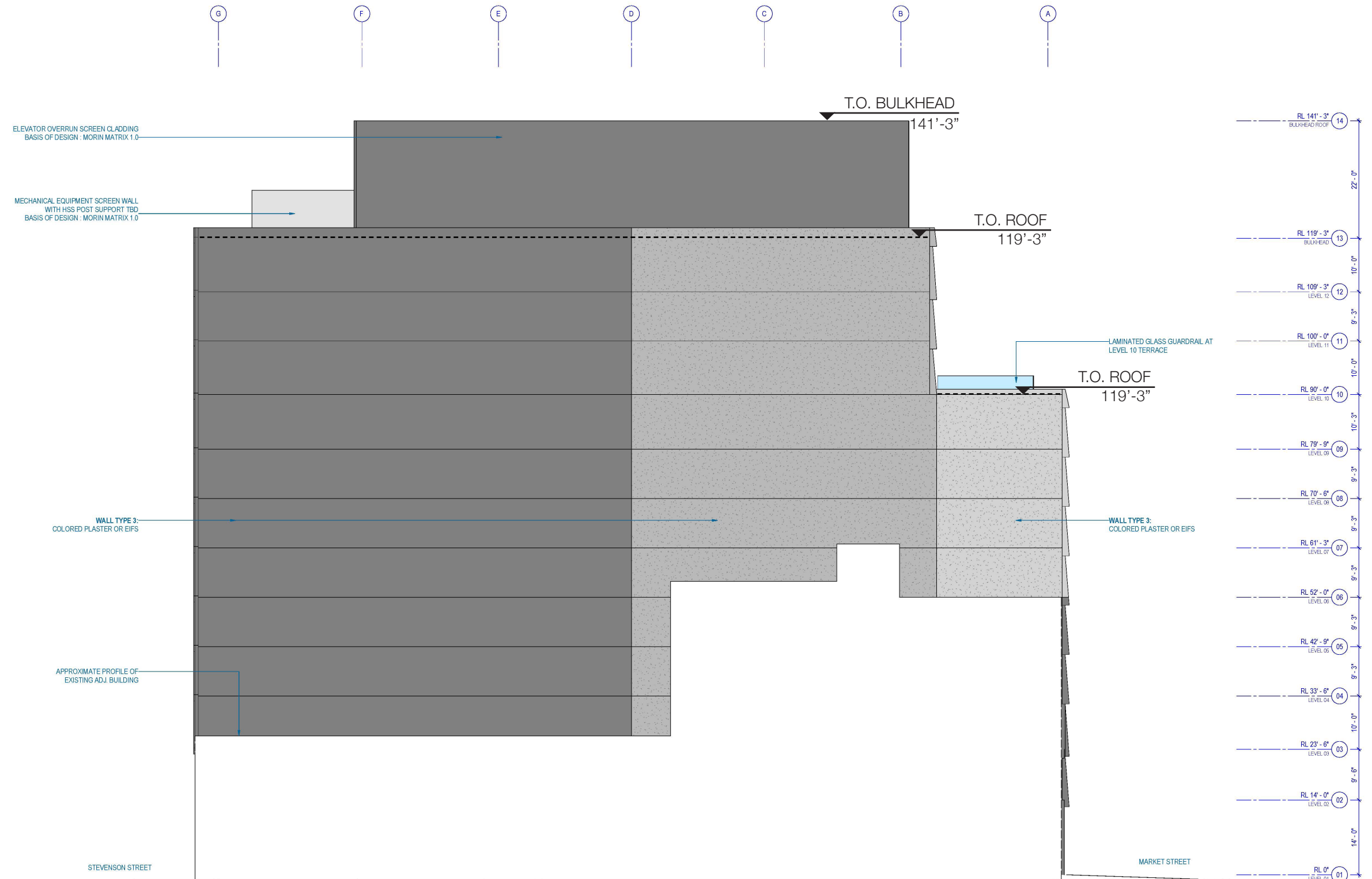
1125 MARKET STREET
PROPOSED 12-STORY HOTEL

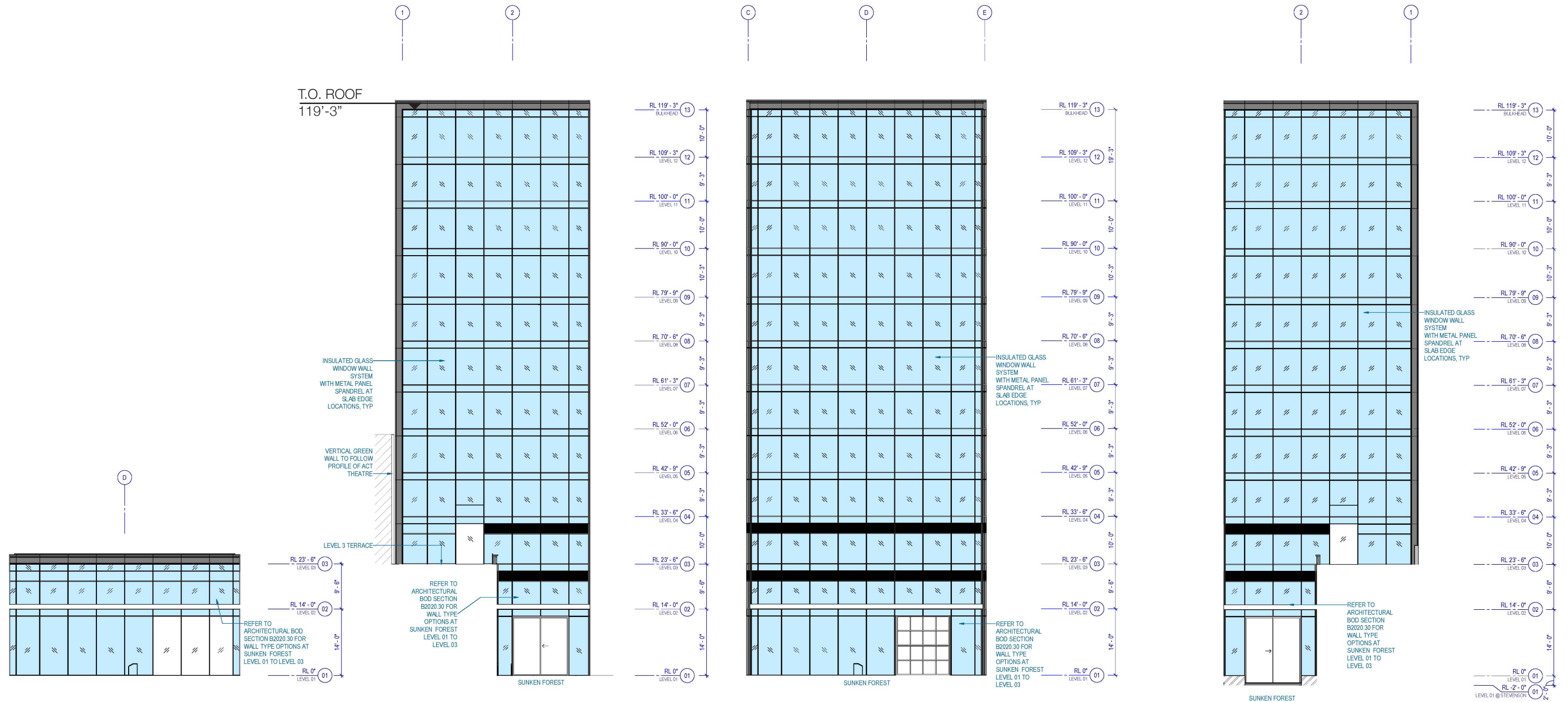


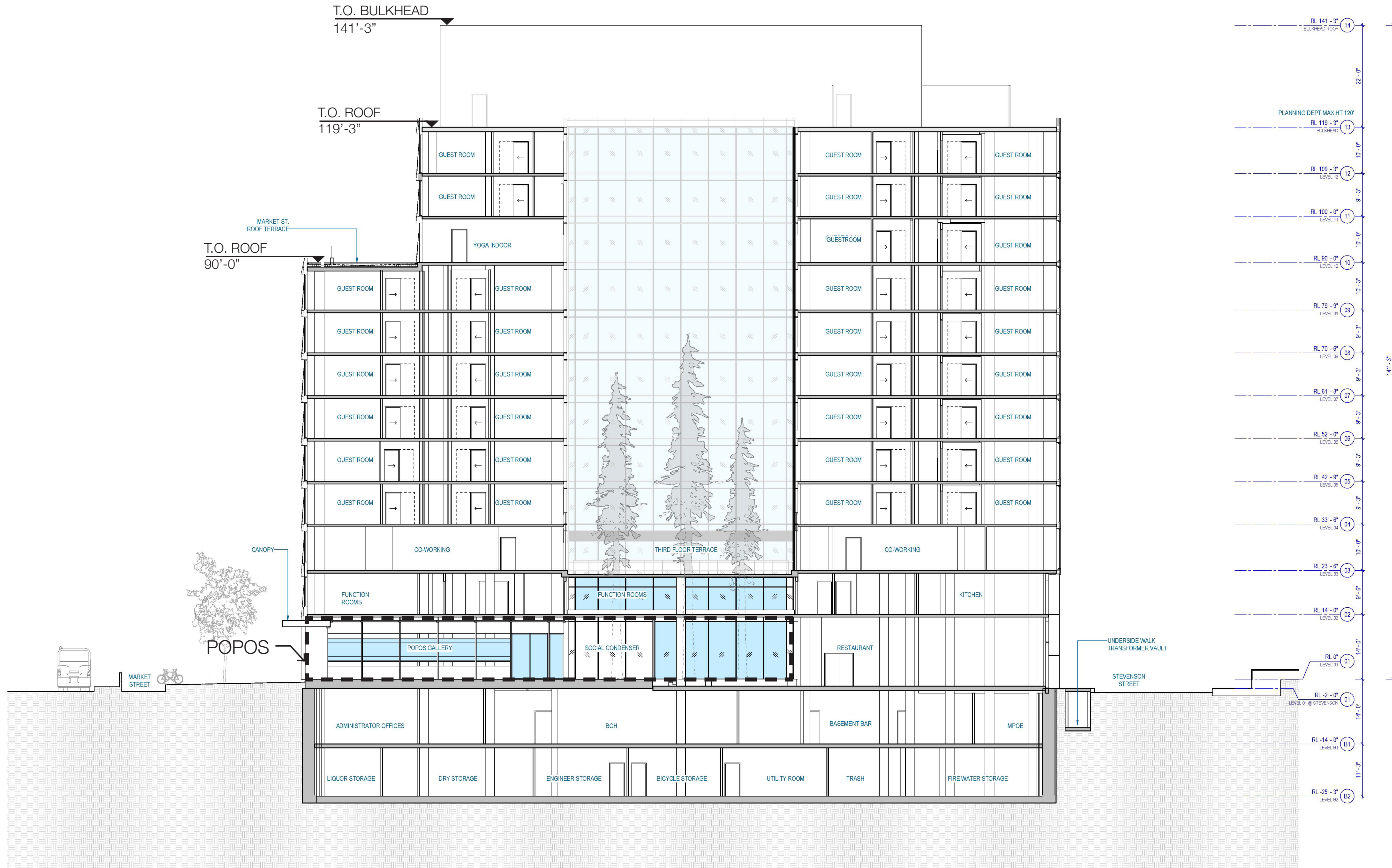
01
11-10-20

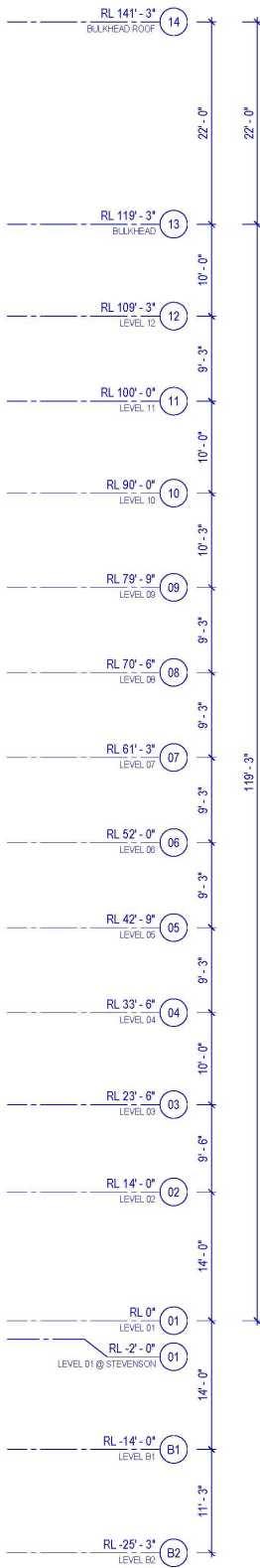
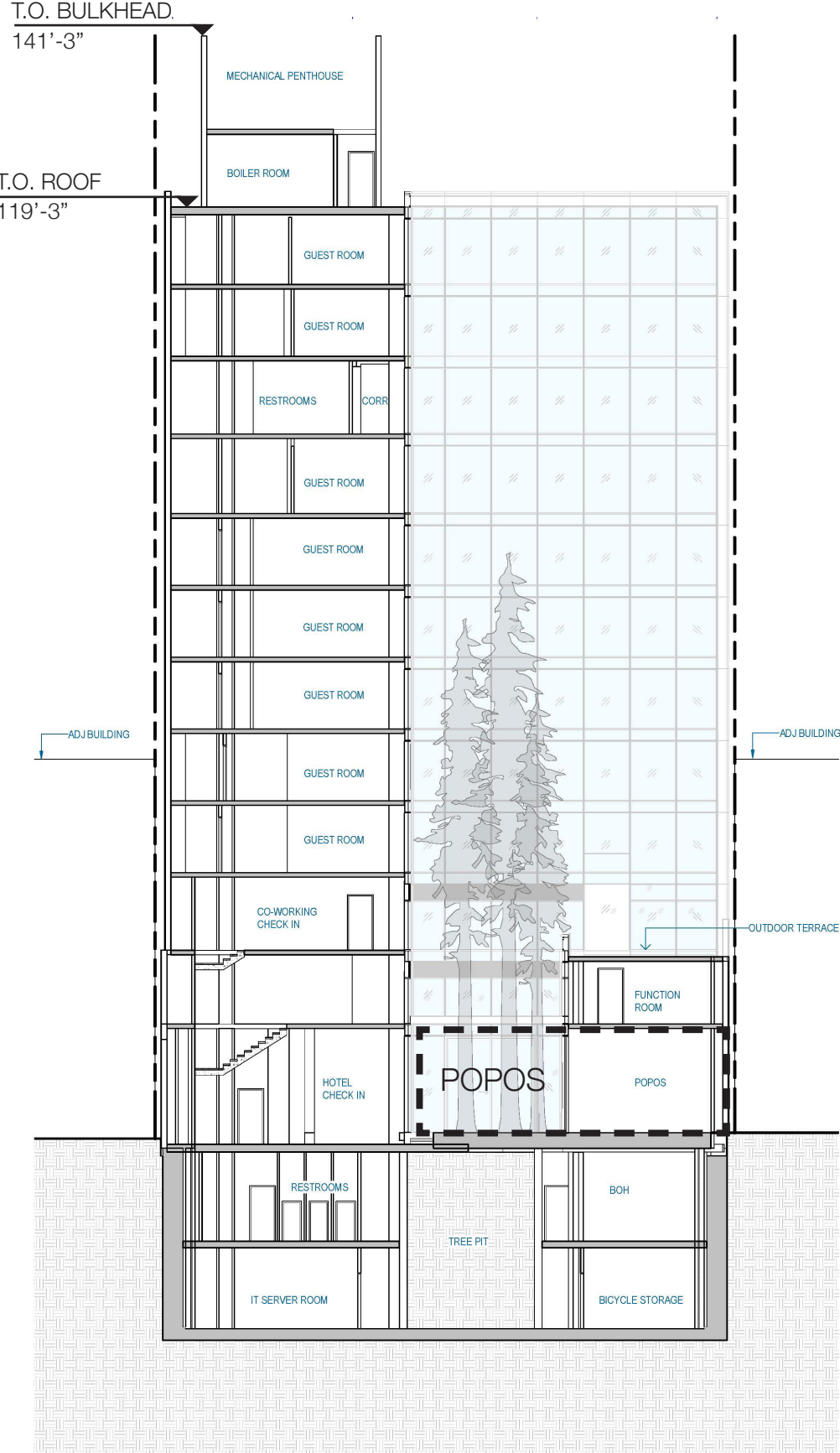












Draft Motion
September 10, 2020

RECORD NO. 2013.0511CUA/X
1125 Market Street

EXHIBIT C

MMRP

MITIGATION MONITORING AND REPORTING PROGRAM				
MONITORING AND REPORTING PROGRAM				
Adopted Mitigation Measures	Implementation Responsibility	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Actions/ Schedule and Verification of Compliance
MITIGATION MEASURES AGREED TO BY PROJECT SPONSOR				
<i>Cultural resources</i>				
<p>Mitigation Measure M-CR-2: Archeological Testing, Monitoring, Data Recovery and Reporting. Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources and on human remains and associated or unassociated funerary objects. The project sponsor shall retain the services of an archaeological consultant from the rotational Department Qualified Archaeological Consultants List (QACL) maintained by the planning department archaeologist. After the first project approval action or as directed by the Environmental Review Officer (ERO), the project sponsor shall contact the department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the ERO. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less than significant level potential</p>	Project sponsors to retain qualified archeological consultant from the pool of archaeological consultants maintained by the Planning Department	Prior to issuance of construction permits and prior to any soil-disturbing activities during construction	Archaeologist to develop testing program to be approved by ERO, carry out the approved testing program, and be available for monitoring during excavation if determined to be necessary	Considered complete when project sponsors retain qualified archaeological consultant, and archaeological consultant's scope is approved by the ERO for the testing program.

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effects on a significant archeological resource as defined in CEQA Guidelines sections 15064.5 (a) and (c).				
<i>Consultation with Descendant Communities.</i> On discovery of an archeological site ¹ associated with descendant Native Americans, the Overseas Chinese, or other potentially interested descendant group an appropriate representative ² of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to offer recommendations to the ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archaeological Resources Report shall be provided to the representative of the descendant group.	Project sponsor's archeological consultant	Upon discovery of an archeological site associated with descendant Native Americans during excavation, and for the duration of archaeological investigation of the site	Project sponsor's archeological consultant to contact ERO and appropriate descendant group rep upon discovery of an associated site	Considered complete after Final Archeological Resources Report is approved and provided to descendant group representative.
<i>Archeological Testing Program.</i> The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or	Project sponsor's archeological consultant, with review and approval by ERO	Prior to issuance of construction permits and prior to any soil disturbing activities, and after review and approval of ATP by ERO	Archaeological consultant to undertake implementation of ATP, with consultation by ERO	Considered complete after submittal and approval of Final Archeological Testing Report.

¹ By the term "archeological site" is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

² An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and in the case of the Overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the Department archeologist.

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<p>absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.</p> <p>At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the planning department archeologist. If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, either:</p> <p style="margin-left: 20px;">A) The ERO, in consultation with the project sponsor shall determine whether preservation in place would be feasible. If so, the project sponsor shall ensure that the proposed project is re-designed so as to avoid any adverse effect on the significant archeological resource; or</p> <p style="margin-left: 20px;">B) A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.</p>	<p>Project sponsor and sponsor's archaeological consultant, in consultation with ERO</p>	<p>At completion of approved ATP</p>	<p>Archaeological consultant to submit report of findings to ERO, who will, in consultation with archaeologist, determine final measures.</p>	
<p><i>Archeological Monitoring Program.</i> If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:</p>	<p>Project sponsor and sponsor's archaeological consultant, in consultation with</p>	<p>ERO to determine whether monitoring is necessary, in consultation with</p>		<p>Considered complete after approval of Archeological Monitoring Report by ERO.</p>

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<ul style="list-style-type: none"> The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils-disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archaeological resources and to their depositional context; The archeological consultant shall undertake a worker training program for soil-disturbing workers that will include an overview of expected resource(s), how to identify the evidence of the expected resource(s), and the appropriate protocol in the event of apparent discovery of an archeological resource; The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits; The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis; If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease. 	ERO and in coordination with construction contractor	archaeologist. If monitoring is necessary, monitor throughout all soils-disturbing activities	Archaeological consultant to prepare AMP, in consultation with ERO. If required, sponsor, archaeological consultant, archaeological monitor, and project sponsor's contractor shall implement AMP.	Considered complete after submittal of report regarding findings of monitoring program and acceptance by ERO of that report.

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<p>The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving or deep foundation activities (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile driving or deep foundation activities may affect an archeological resource, the pile driving or deep foundation activities shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.</p> <p>Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.</p>	Project sponsor's archeological consultant	After completion of monitoring program	Archaeologist to prepare and submit monitoring report	
<p><i>Archeological Data Recovery Program.</i> The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would</p>	Project sponsor's archeological consultant, in consultation with sponsor and ERO.	In the event that an archeological site is uncovered during excavation and monitoring, ERO, sponsor and archaeologist to meet and determine the need for ADRP	Archaeological consultant to prepare and submit ADRP	Considered complete upon approval of Final Archeological Results Report (FARR).

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<p>address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.</p> <p>The scope of the ADRP shall include the following elements:</p> <ul style="list-style-type: none"> • <i>Field Methods and Procedures.</i> Descriptions of proposed field strategies, procedures, and operations. • <i>Cataloguing and Laboratory Analysis.</i> Description of selected cataloguing system and artifact analysis procedures. • <i>Discard and Deaccession Policy.</i> Description of and rationale for field and post-field discard and deaccession policies. • <i>Interpretive Program.</i> Consideration of an on-site/off-site public interpretive program during the course of the archeological data recovery program. • <i>Security Measures.</i> Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities. • <i>Final Report.</i> Description of proposed report format and distribution of results. • <i>Curation.</i> Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities. 				

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<p><i>Human Remains and Associated or Unassociated Funerary Objects.</i> The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and federal laws. This shall include immediate notification of the Medical Examiner of the City and County of San Francisco and, in the event of the Medical Examiner’s determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission, which will appoint a Most Likely Descendant (MLD). The MLD will complete his or her inspection of the remains and make recommendations or preferences for treatment within 48 hours of being granted access to the site (Public Resources Code section 5097.98). The ERO also shall be notified immediately upon the discovery of human remains.</p> <p>The project sponsor and ERO shall make all reasonable efforts to develop a Burial Agreement (“Agreement”) with the MLD, as expeditiously as possible, for the treatment and disposition, with appropriate dignity, of human remains and associated or unassociated funerary objects (as detailed in CEQA Guidelines section 15064.5(d)). The Agreement shall take into consideration the appropriate excavation, removal, recordation, scientific analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. If the MLD agrees to scientific analyses of the remains and/or associated or unassociated funerary objects, the archaeological consultant shall retain possession of the remains and associated or unassociated funerary objects until completion of any such analyses, after which the remains and associated or unassociated funerary objects shall be reinterred or curated as specified in the Agreement.</p>	<p>Project sponsor’s contractor and archaeological consultant, in consultation with SF Medical Examiner, Native American Heritage Commission and MLD</p>	<p>In the event that human remains or funerary objectives are uncovered during soil disturbance, project sponsor’s construction contractor to contact archaeological consultant and ERO</p>	<p>Archaeological consultant and/or monitor, or construction contractor to contact SF Medical Examiner and ERO. If ME determines that human remains are Native American, or project sponsor and ERO to establish Agreement with MLD, if feasible, pursuant to regulatory requirements</p>	<p>Considered complete after ME, NAHC, and ERO are notified; after all reasonable efforts to develop a Burial Agreement with MLD have been made; and after remains and associated or unassociated funerary objects are reinterred or curated.</p>

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<p>Nothing in existing State regulations or in this mitigation measure compels the project sponsor and the ERO to accept treatment recommendations of the MLD. However, if the ERO, project sponsor and MLD are unable to reach an Agreement on scientific treatment of the remains and associated or unassociated funerary objects, the ERO, with cooperation of the project sponsor, shall ensure that the remains and/or mortuary materials are stored securely and respectfully until they can be reinterred on the property, with appropriate dignity, in a location not subject to further or future subsurface disturbance.</p> <p>Treatment of historic-period human remains and of associated or unassociated funerary objects discovered during any soil-disturbing activity, additionally, shall follow protocols laid out in the project's archaeological treatment documents, and in any related agreement established between the project sponsor, Medical Examiner and the ERO.</p>				
<p><i>Final Archeological Resources Report.</i> The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. The Draft FARR shall include a curation and deaccession plan for all recovered cultural materials. The Draft FARR shall also include an Interpretation Plan for public interpretation of all significant archeological features.</p> <p>Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO, the consultant shall also prepare a public distribution version of the FARR. Copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR</p>	Project sponsor's archaeological consultant, in consultation with ERO.	After completion of monitoring, data recovery, any testing and necessary treatment.	Project sponsor's archaeological consultant to submit draft FARR to ERO for review and approval	Considered complete after Final Archeological Resources Report is approved and distributed as required

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to the NWIC. The Environmental Planning division of the planning department shall receive one bound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of public interest in or the high interpretive value of the resource, the ERO may require a different or additional final report content, format, and distribution than that presented above.				
Mitigation Measure M-CR-3: Tribal Cultural Resources Interpretive Program. If the Environmental Review Officer (ERO), in consultation with the project sponsor, determines that preservation-in-place of the tribal cultural resource (TCR) would be both feasible and effective, then the archeological consultant shall prepare an archeological resource preservation plan (ARPP). Implementation of the approved ARPP by the archeological consultant shall be required when feasible. If the ERO in consultation with the project sponsor determines that preservation-in-place of the TCR is not a sufficient or feasible option, then the project sponsor shall implement an interpretive program of the TCR in consultation with affiliated Native American tribal representatives. An interpretive plan produced in consultation with affiliated Native American tribal representatives, at a minimum, and approved by the ERO would be required to guide the interpretive program. The plan shall identify proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays	Project sponsor and sponsor’s archaeological consultant, as directed by ERO	To be initiated during any soils disturbing activities, immediately upon determination that archaeological materials are or could be TCR. To be completed prior to final certificate of occupancy	Project sponsor and sponsor’s archaeological consultant or other qualified consultant, the Native American tribal representative, and ERO	Considered complete upon approval of ARPP. If an interpretive program is found appropriate, considered complete when interpretive program is installed and long-term maintenance program is in place

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and interpretation, and educational panels or other informational displays.				
Noise & Vibration				
<p>Mitigation Measure M-NO-2: Protection of Adjacent Buildings/Structures and Vibration Monitoring During Construction</p> <p>Construction Specifications. The property owner shall incorporate into construction specifications for the project a requirement that the construction contractor(s) use all feasible means to avoid damage to potentially affected buildings at 1117 Market Street. Such methods may include:</p> <ul style="list-style-type: none"> • Maintaining Buffer Distances. Maintain a safe distance between the operation of vibration-generating construction equipment and the potentially affected building and/or structure to avoid damage to the extent possible, based on site constraints; and • Alternative Construction Equipment. To the extent possible, the construction contractor shall use alternative construction techniques or equipment, such as concrete saws instead of jackhammers or hoe-rams to open excavation trenches, non-vibratory rollers, or hand excavation, to avoid or reduce unnecessary construction vibration. <p>Monitoring Plan. The property owner shall undertake a monitoring program to avoid or reduce project-related construction vibration damage to adjacent buildings and/or structures and to ensure that any such damage is documented and repaired. The monitoring program shall apply to all potentially affected buildings and/or structures at 1117 Market Street. Prior to issuance of any demolition or building</p>	Project sponsor, construction contractor, qualified acoustical consultant, historic architect or qualified historic preservation professional and structural engineer	<p>Vibration Monitoring Plan to be submitted and approved prior to issuance of building permits</p> <p>Pre-construction survey: to be completed prior to issuance of building permits.</p> <p>Maximum Vibration Level: to be established and included in Vibration Monitoring Plan and in construction contract documents prior to issuance of building permits.</p> <p>Vibration Monitoring: ongoing during construction until cladding is</p>	Planning Department Preservation staff shall review and approve pre-construction survey, Vibration Monitoring Plan, and regular monitoring reports	Considered complete when Vibration Monitoring Plan has been submitted and approved, vibration monitoring reports received, and if inspections show any damage at 1117 Market Street, when damage is remedied after all vibration-related construction activities on the project site are completed.

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<p>permit, the property owner shall submit the construction vibration monitoring plan to the Environmental Review Officer (ERO) or the officer’s designee for approval. The monitoring plan shall include, at a minimum, the following components, as applicable:</p> <ul style="list-style-type: none"> • Pre-construction Survey. Prior to the start of any ground-disturbing activity, the property owner shall engage a historic architect or qualified historic preservation professional to undertake a pre-construction survey of potentially affected historic buildings and/or structures on adjacent properties identified by the San Francisco Planning Department. If the nearby affected buildings are potentially historic, the historic architect or qualified historic preservation professional shall document and photograph the existing conditions of the building(s) and/or structure(s). If nearby affected buildings and/or structures are not potentially historic, a structural engineer or other professional with similar qualifications shall document and photograph the existing conditions of potentially affected buildings and/or structures. The property owner shall submit the pre-construction survey to the ERO prior to the start of vibration-generating construction activity. • Maximum Vibration Level. Based on the anticipated construction and condition of the affected buildings and/or structures on adjacent properties, a qualified acoustical consultant in coordination with a structural engineer (or professional with similar qualifications) and, in the case of potentially affected historic buildings/structures, a historic architect or qualified historic preservation professional, shall establish a maximum vibration level that shall not be exceeded at each building/structure on adjacent properties, 		<p>installed and construction activity is limited to interior finishing. Monitoring reports to be submitted at a frequency established in the Vibration Monitoring Plan.</p>		

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<p>based on existing conditions, character-defining features, soil conditions, and anticipated construction practices (common standards are a peak particle velocity [PPV] of 0.25 inch per second for historic and some old buildings, a PPV of 0.3 inch per second for older residential structures, and a PPV of 0.5 inch per second for new residential structures and modern industrial/commercial buildings).</p> <ul style="list-style-type: none"> • Vibration Monitoring. To ensure that construction vibration levels do not exceed the established standard, the acoustical consultant shall monitor vibration levels at each affected building and/or structure on adjacent properties and prohibit vibratory construction activities that generate vibration levels in excess of the standard. • Alternative Construction Techniques. Should construction vibration levels be observed in excess of the established standard, the contractor(s) shall halt construction and put alternative construction techniques into practice, to the extent feasible (e.g., pre-drilled piles could be substituted for driven piles, if feasible, based on soil conditions, or smaller, lighter equipment could be used in some cases). Following incorporation of the alternative construction techniques, vibration monitoring shall recommence to ensure that vibration levels at each affected building and/or structure on adjacent properties are not exceeded. • Periodic Inspections. The historic architect or qualified historic preservation professional (for effects on historic buildings and/or structures) and/or structural engineer (for effects on non-historic buildings and/or structures) shall conduct regular periodic inspections as specified in the vibration monitoring plan of each affected building and/or 				

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structure on adjacent properties during vibration-generating construction activity on the project site. Should damage to any building and/or structure occur, the building(s) and/or structure(s) shall be remediated to their pre-construction condition at the conclusion of vibration-generating activity on the site.				
Air Quality				
<p>Mitigation Measure M-AQ-2: Construction Air Quality The project sponsor or the project sponsor's construction contractor shall comply with the following</p> <p>A. <i>Engine Requirements.</i></p> <ol style="list-style-type: none"> All off-road equipment greater than 25 horsepower and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (U.S. EPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and have been retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement. Where access to alternative sources of power are available, portable diesel engines shall be prohibited. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than two minutes, at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions, safe operating 	Project sponsor and sponsor's construction contractor shall ensure use, operation, and maintenance of approved equipment	<p>Prior to issuance of construction permits, project sponsor must certify that all of the requirements have been complied with; construction contractor shall implement engine requirements throughout the construction period.</p> <p>As soon as feasible, construction contractor shall remove diesel engines from construction site and employ</p>	Planning Department	Considered completed after construction activities are completed

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<p>conditions). The contractor shall post legible and visible signs in English, Spanish, and Chinese, in designated queuing areas and at the construction site to remind operators of the two-minute idling limit.</p> <p>4. The contractor shall instruct construction workers and equipment operators on the maintenance and tuning of construction equipment, and require that such workers and operators properly maintain and tune equipment in accordance with manufacturer specifications.</p> <p>B. <i>Waivers.</i></p> <p>1. The planning department’s Environmental Review Officer (ERO) or designee may waive the alternative source of power requirement of Subsection (A)(2) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the contractor must submit documentation that the equipment used for onsite power generation meets the requirements of Subsection (A)(1).</p> <p>2. The ERO may waive the equipment requirements of Subsection (A)(1) if: a particular piece of off-road equipment with an ARB Level 3 VDECS is technically not feasible; the equipment would not produce desired emissions reduction due to expected operating modes; installation of the equipment would create a safety hazard or impaired visibility for the operator; or, there is a compelling emergency need to use off-road equipment that is not retrofitted with an ARB Level 3 VDECS. If the ERO grants the waiver, the contractor must use the next cleanest piece of off-road equipment, according to Table below.</p>		<p>alternative sources of power, including electricity from the local grid.</p>		

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<p>Table – Off-Road Equipment Compliance Step-down Schedule</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Compliance Alternative</th> <th style="width: 20%;">Engine Emission Standard</th> <th style="width: 65%;">Emissions Control</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">ARB Level 2 VDECS</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">ARB Level 1 VDECS</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">Alternative Fuel*</td> </tr> </tbody> </table> <p>How to use the table: If the ERO determines that the equipment requirements cannot be met, then the project sponsor would need to meet Compliance Alternative 1. If the ERO determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 1, then the Contractor must meet Compliance Alternative 2. If the ERO determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 2, then the Contractor must meet Compliance Alternative 3. * Alternative fuels are not a VDECS.</p>							Compliance Alternative	Engine Emission Standard	Emissions Control	1	Tier 2	ARB Level 2 VDECS	2	Tier 2	ARB Level 1 VDECS	3	Tier 2	Alternative Fuel*
Compliance Alternative	Engine Emission Standard	Emissions Control																
1	Tier 2	ARB Level 2 VDECS																
2	Tier 2	ARB Level 1 VDECS																
3	Tier 2	Alternative Fuel*																
<p><i>Construction Emissions Minimization Plan.</i> Before starting on-site construction activities, the Contractor shall submit a Construction Emissions Minimization Plan (Plan) to the ERO for review and approval. The Plan shall state, in reasonable detail, how the contractor will meet the requirements of Section A.</p> <p>1. The Plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed, the description may include: technology type, serial number, make, model, manufacturer, ARB verification number level, and</p>			Project sponsor and sponsor's construction contractor	Prior to issuance of construction permits, project sponsor and construction contractor shall prepare and submit Construction Emissions Minimization Plan for ERO review and approval. Once approved, project sponsor must certify that	Project sponsor's construction contractor shall submit monthly reports to ERO	Considered completed after construction activities are completed and final monitoring report is submitted to ERO												

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MONITORING AND REPORTING PROGRAM				
Adopted Mitigation Measures	Implementation Responsibility	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Actions/ Schedule and Verification of Compliance
<p>installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used.</p> <p>2. The ERO shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall include a certification statement that the contractor agrees to comply fully with the Plan.</p> <p>3. The contractor shall make the Plan available to the public for review on-site during working hours. The contractor shall post at the construction site a legible and visible sign summarizing the Plan. The sign shall also state that the public may ask to inspect the Plan for the project at any time during working hours and shall explain how to request to inspect the Plan. The contractor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right-of-way.</p> <p>D. <i>Monitoring.</i> After start of construction activities, the contractor shall submit quarterly reports to the ERO documenting compliance with the Plan. After completion of construction activities and prior to receiving a final certificate of occupancy, the project sponsor shall submit to the ERO a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the Plan.</p>		applicable requirements have been included into construction specifications, and that the Plan has been posted at the project site as required. Plan to be implemented throughout the construction period		
<p>Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators. The project sponsor shall ensure that the back-up diesel generator meet or exceed one of the following emission standards for particulate matter: (1) Tier 4 certified engine, or (2) Tier 2 or Tier 3 certified engine that is equipped with a California Air</p>	Project sponsor	Prior to and as a condition of building permit issuance	Project sponsor shall submit documentation to the Planning Department verifying best available control	Considered complete upon submittal of documentation

MITIGATION MONITORING AND REPORTING PROGRAM				
MONITORING AND REPORTING PROGRAM				
Adopted Mitigation Measures	Implementation Responsibility	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Actions/ Schedule and Verification of Compliance
Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The project sponsor shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the planning department for review and approval prior to issuance of a permit for a back-up diesel generator from any city agency.			technology for the diesel generator to be installed	
IMPROVEMENT MEASURES				
Transportation and Circulation				
Improvement Measure I-TR-6a: Coordination of Commercial and Passenger Loading Activities. Building tenants and users expecting deliveries, maintenance/contractor visits, and other activities that could require use of the proposed on-street yellow curb commercial loading zone on Stevenson Street or the white curb passenger loading zone also proposed for Stevenson Street shall notify property management of the expected date/time and duration of these activities no less than one day in advance of expected arrival. Property management will maintain a schedule of expected activities and minimize potential conflicts in the zone by avoiding overlap among building tenants/users and/or directing tenants/users and/or freight loading/service vehicle operators to alternative accommodations, including other on-street yellow zones and nearby on- and off-street parking. On rare occasions where large light trucks (SU-30 design vehicle or larger) are expected for such activities, property management will direct building tenants/users and/or freight loading/service vehicle operators to avoid use of Stevenson Street and	Project sponsor/building management	Ongoing during building occupancy.	Project sponsor or building management shall establish a notification protocol for building tenants and users. Project sponsor or building management to manage freight and passenger loading activities.	Ongoing during building occupancy.

MITIGATION MONITORING AND REPORTING PROGRAM

MITIGATION MONITORING AND REPORTING PROGRAM				
	MONITORING AND REPORTING PROGRAM			
Adopted Mitigation Measures	Implementation Responsibility	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Actions/ Schedule and Verification of Compliance
<p>instead use on-street commercial loading bays along Market Street, unless (and until) Angelo’s Alley and Stevenson Street become an open connected thoroughway available for such use to access Mission Street instead of Seventh Street for exit/egress. The property owner and operators for the hotel, office, and retail uses will restrict deliveries and freight truck trips to the project site to occur outside of weekday peak hours (generally 7 to 9 a.m. and 4 to 6 p.m.).</p> <p>In addition, hotel staff (or contractors) assisting with loading operations shall:</p> <ul style="list-style-type: none"> • discourage dwell time from lasting longer than 1.5 minutes for on-street passenger loading; • discourage long-term stopping/parking in the on-street passenger loading and commercial loading zones; • discourage double-parking (e.g., along Stevenson Street); • discourage loading, stopping/parking, and double-parking along Market Street; • encourage passenger loading and commercial loading activities to seek on-street parking in the event that on-street loading areas are full; and, • encourage passengers to enter and exit vehicles on the curb side of the street. 				
<p>Improvement Measure I-TR-6b: Queue Abatement. The property owner and/or operators will ensure that vehicle queues do not regularly occur in the public right-of-way, and will minimize conflicts with other modes at the commercial loading zones, passenger loading zones, and adjacent portions of the public right-of-way (e.g., along Stevenson Street) resulting from the on-street loading. A vehicle</p>	<p>Project sponsor and/or building management; Planning Department</p>	<p>Ongoing during building occupancy</p>	<p>Project sponsor/building management to ensure that recurring vehicle queues do not occur adjacent to the</p>	<p>Ongoing during building occupancy</p>

MITIGATION MONITORING AND REPORTING PROGRAM

MITIGATION MONITORING AND REPORTING PROGRAM				
MONITORING AND REPORTING PROGRAM				
Adopted Mitigation Measures	Implementation Responsibility	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Actions/ Schedule and Verification of Compliance
<p>queue is defined as one or more vehicles (destined to either loading zone) blocking any portion of any public street or alley for a consecutive period of three minutes or longer.</p> <p>If a recurring vehicle queue occurs, the property owner and/or operator will employ abatement methods as needed to abate the queue. Appropriate abatement methods will vary depending on the characteristics and causes of the recurring queue, as well as the characteristics of the loading zones, the adjacent street (Stevenson Street), and the associated land uses. Abatement methods could include but are not limited to the following: redesign of the loading zones to improve vehicle circulation and vehicle loading queue capacity; employment of additional staff to improve active management of the loading zones; and/or travel demand management strategies.</p> <p>If the Planning Director, or his or her designee, suspects that a recurring vehicle queue is present, the Department will notify the property owner in writing. Upon request, the owner/operator will hire a qualified transportation consultant to evaluate the conditions at the site for no less than 7 days. The consultant will prepare a monitoring report to be submitted to the planning department for review. If the city determines that a recurring vehicle queue does exist, the property owner/operator will have 90 days from the date of the written determination to abate the queue.</p>			<p>project site on Stevenson Street at either the commercial loading zone or the passenger loading zone.</p> <p>Planning Department to notify project sponsor or building management in writing if recurring queues are suspected. Project sponsor/building management to hire a qualified transportation consultant to evaluate conditions at the site as specified, prepare and submit a monitoring report to the Planning Department. If monitoring report verifies a recurring queue, building management shall have 90 days to abate.</p>	<p>If a recurring queue is verified by transportation consultant in monitoring report, abatement considered complete when abatement provisions are shown to be in place and operating.</p>

<p>Improvement Measure I-TR-6c: Event-Related Transportation Strategies. When booking or hosting events at the project site with 75 or more attendees, the hotel operator and/or property management will coordinate with event sponsors to identify the expected transportation needs of the event and implement improvement measures to assist with event-related passenger loading. Potential measures could include (but are not limited to) the following:</p> <ul style="list-style-type: none"> • For events that may generate substantial demand for curbside passenger loading in excess of regular (non-event) conditions, manage use of the proposed on-street white curb zone to ensure that sufficient space is provided to accommodate the additional vehicles while maintaining regular (non-event) use of the zone. If additional curbside passenger loading capacity is necessary, apply for (temporary) extended hours for the white curb zone through the San Francisco Municipal Transportation Agency (SFMTA) to better accommodate event-related passenger loading. If additional space is necessary, apply for temporary signage through the SFMTA to convert on-street parking in the immediate vicinity of the project site into additional space for event-related passenger loading. If warranted, implement a temporary curbside valet program or deploy staff to direct and facilitate passenger loading activities to maximize efficient use of the zones and minimize disruptions to traffic, public transit, and bicycle and pedestrian circulation. • Provide general transit information (e.g., directions to/from key transit hubs, routes, schedules, fares) to event sponsors and hosts (i.e., organizations or individuals renting the event space) for distribution to event attendees, and encourage attendees to take transit, bike, or walk when traveling to/from the event. If necessary, provide general information about nearby public parking facilities (e.g., maps, directions, rates, etc.) to event sponsors for distribution to event attendees. 	<p>Project sponsor and/or building management, building event management staff; SFMTA.</p>	<p>Ongoing whenever events are scheduled</p>		<p>Ongoing during building occupancy whenever events are scheduled.</p>
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Draft Motion
September 10, 2020

RECORD NO. 2013.0511CUA/X
1125 Market Street

EXHIBIT D

LAND USE DATA



LAND USE INFORMATION

PROJECT ADDRESS: 1125 MARKET STREET
RECORD NO.: 2013.0511

	EXISTING	PROPOSED	NET NEW
GROSS SQUARE FOOTAGE (GSF)			
Retail/Commercial GSF	-	2,556	2,556
Office GSF	-	9,529	9,529
Visitor GSF	-	99,626	99,626
Public Open Space	-	2,482	2,482
TOTAL GSF	-	111,711	111,711
	EXISTING	NET NEW	TOTALS
PROJECT FEATURES (Units or Amounts)			
Hotel Rooms	-	180	180
Number of Buildings	-	1	1
Number of Stories	-	12	12
Parking Spaces	-	0	0
Loading Spaces	-	0	0
Bicycle Spaces	-	28	28
Car Share Spaces	-	0	0

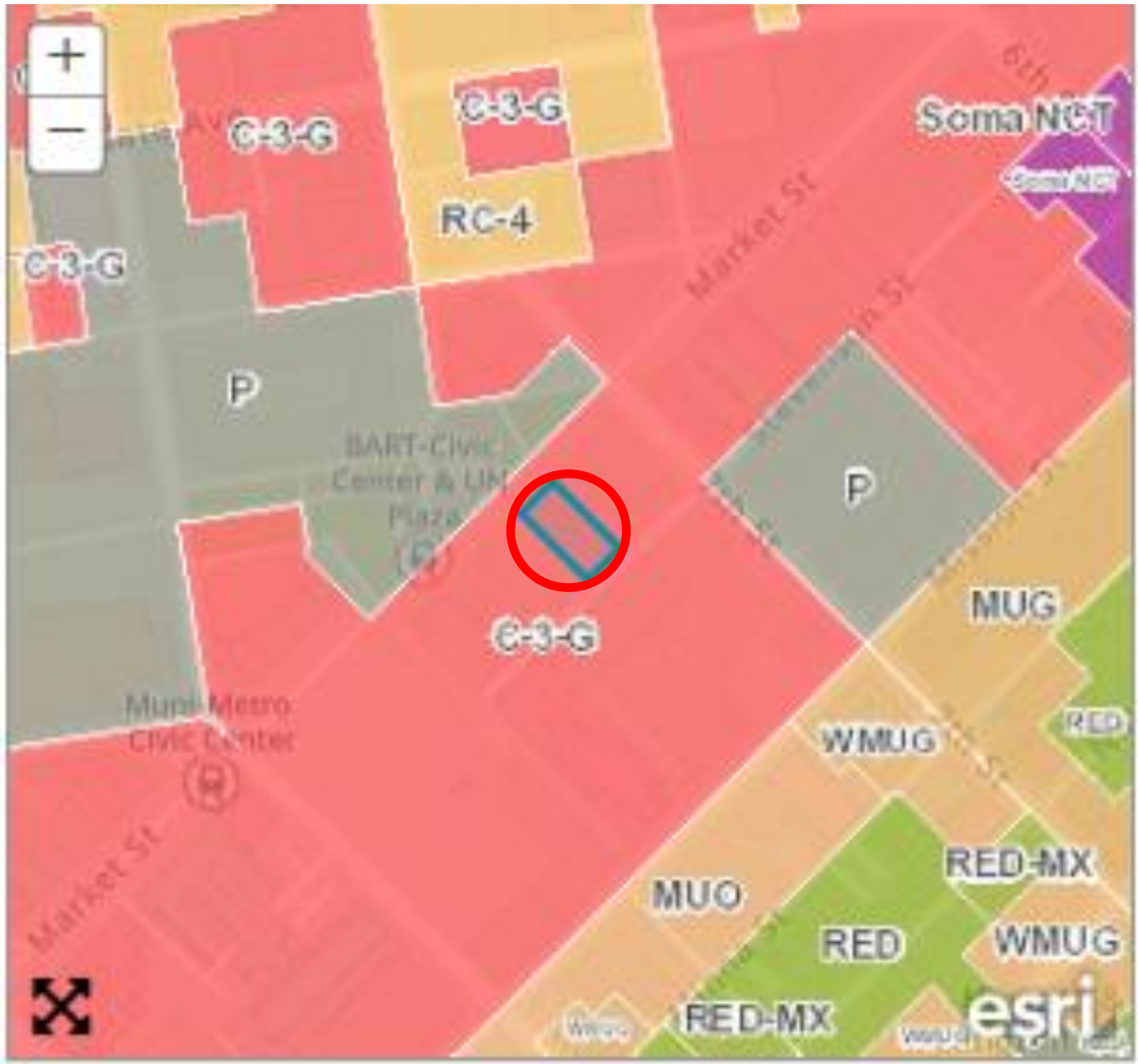
Draft Motion
September 10, 2020

RECORD NO. 2013.0511CUA/X
1125 Market Street

EXHIBIT E

MAPS AND CONTEXT PHOTOS

Zoning Map



CUA/DNX Hearing
Case Number 2013.0511
1125 Market Street

Parcel Map

lot 5 into lots 55&56 for 1999 roll
 lots 37,38,&56 into lots 57 to 60 for 2008 roll

lots	merged into lot #	roll
23	24	1999
10	12	2008
18	23	2008
27	28	2008
30	31	2008
18-19	25-26	2008
17	16	2008
3,28	41 "H23"	2008



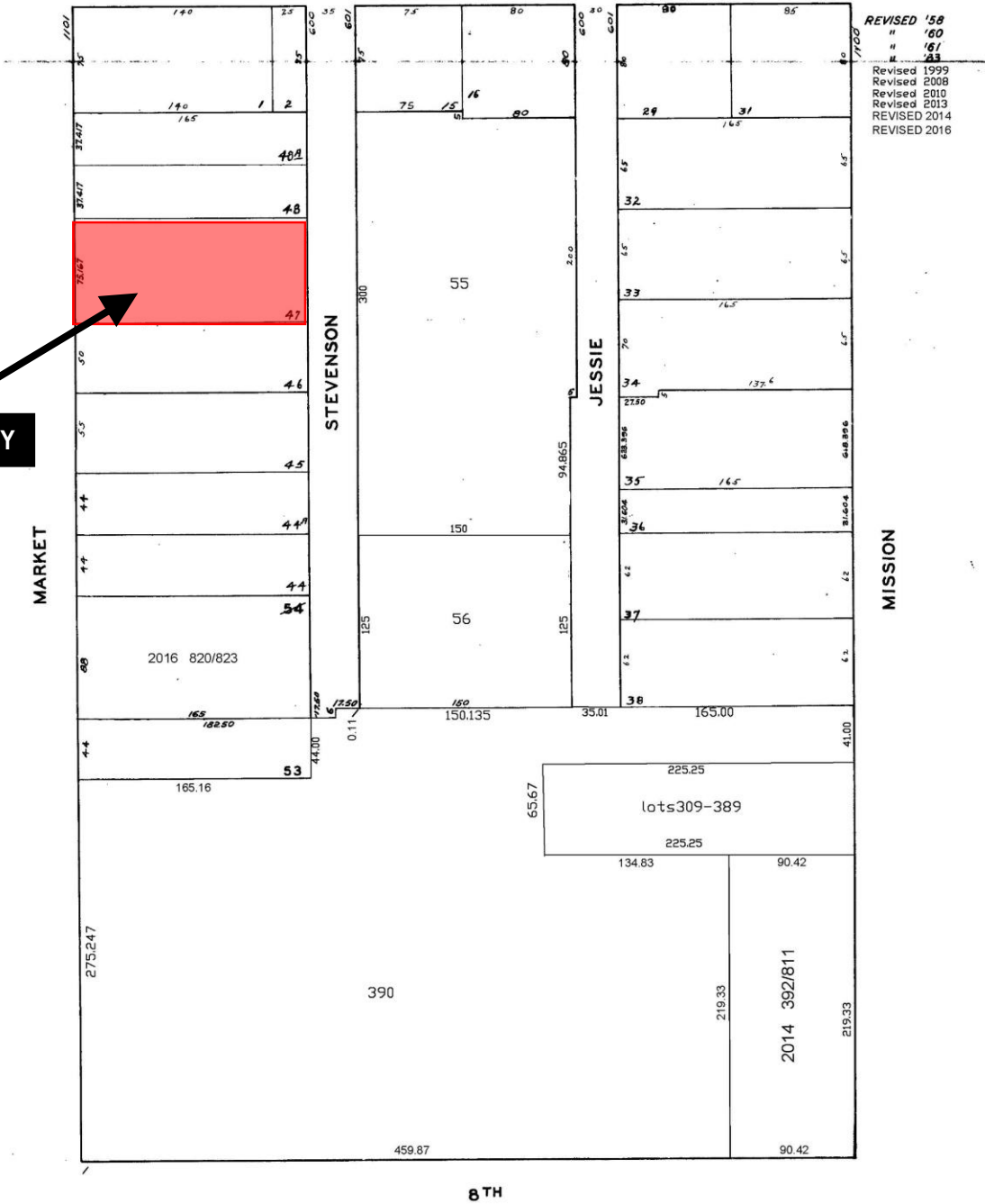
Lot 4 merged into lot 41 - 1991
 lot 39&51&52 into lots 307&308 for 2010 roll
 lot 308 into lots 390&391 for 2013 roll
 Lot 391 into lots 392 to 811 for 2014 roll
 Lot 54 into lots 820 to 823 for 2016 roll

3702

100 VARA BLK. 406

REVISED '58
 " 60
 " 61
 " 63
 Revised 1999
 Revised 2008
 Revised 2010
 Revised 2013
 REVISED 2014
 REVISED 2016

SUBJECT PROPERTY



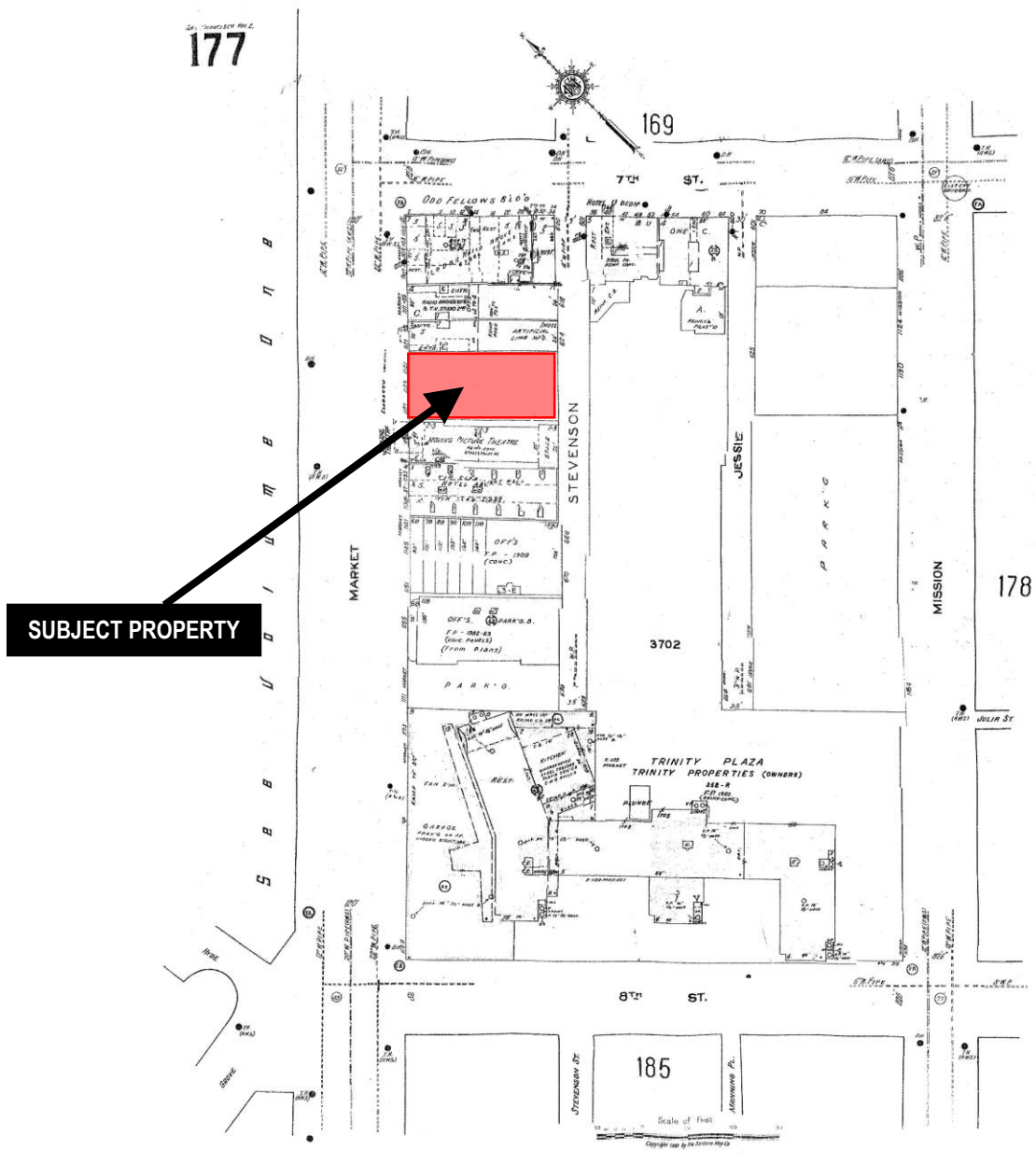
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CUA/DNX Hearing
 Case Number 2013.0511
 1125 Market Street

Sanborn Map*

THESE SANBORN MAPS ARE DATED TO THE MID 1990'S
USE ONLY FOR HISTORICAL CONTEXT

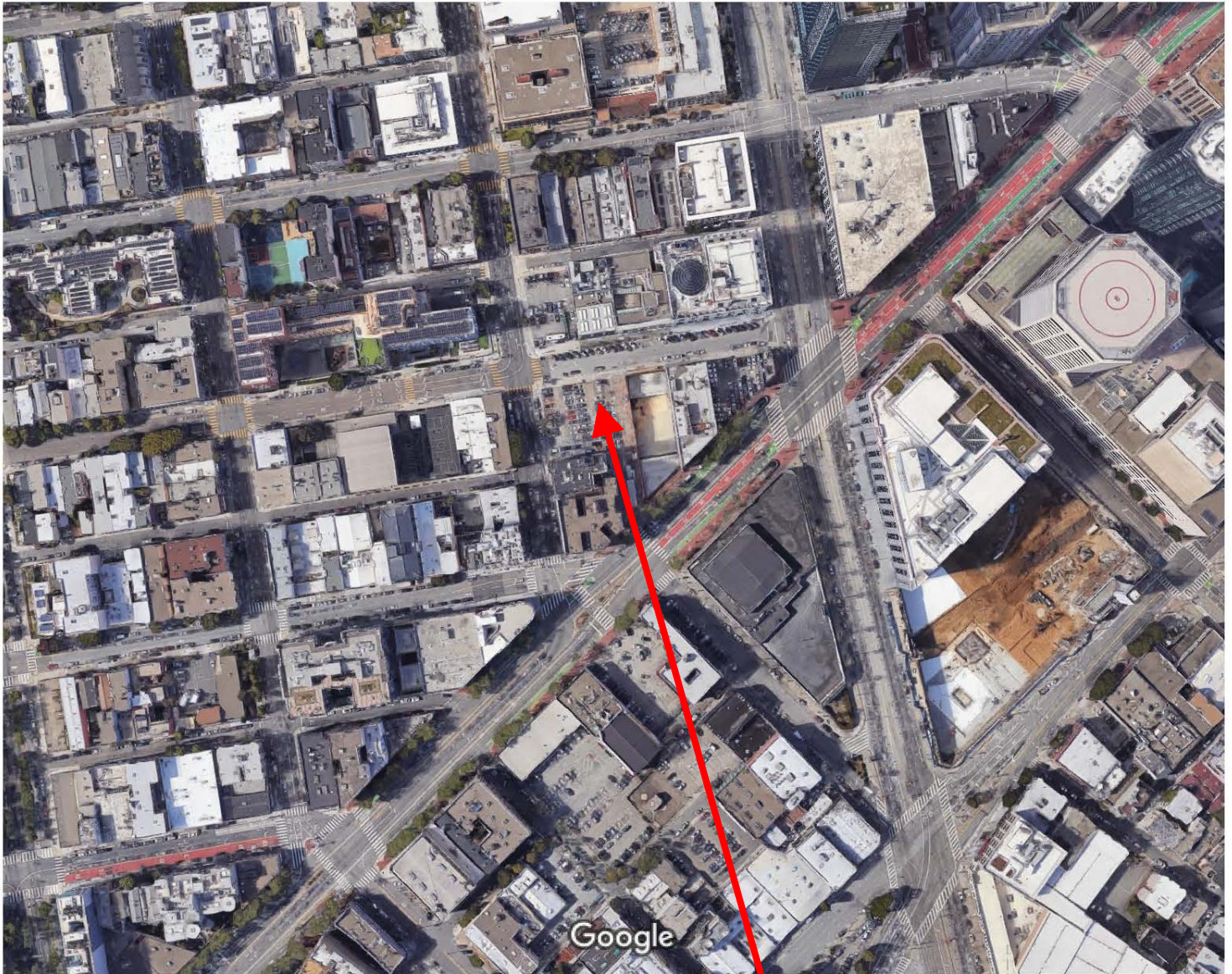


*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



CUA/DNX Hearing
Case Number 2013.0511
1125 Market Street

Aerial Photo



Imagery ©2020 Google, Imagery ©2020 Maxar Technologies, U.S. Geological Survey, USDA Farm Service Agency, Map data ©2020 Google

100 ft 

SUBJECT PROPERTY

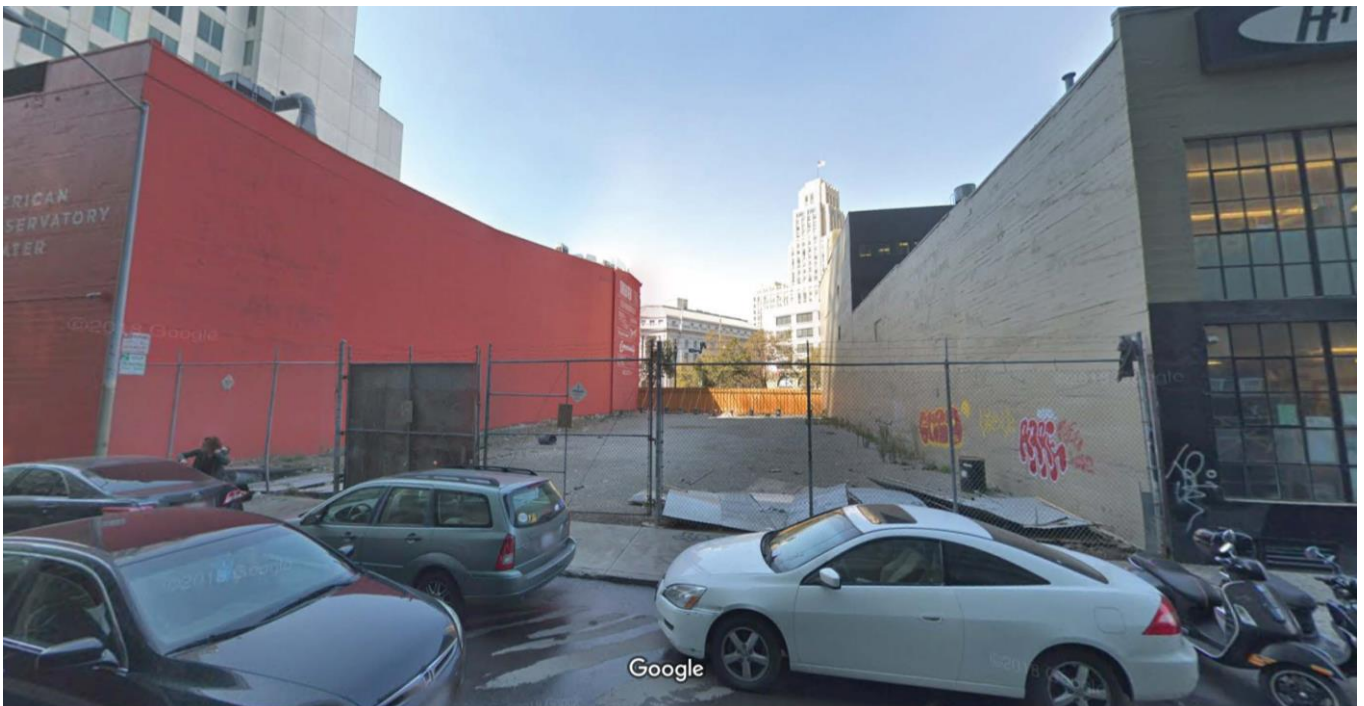


CUA/DNX Hearing
Case Number 2013.0511
1125 Market Street

Site Photos



Market St Frontage



Stevenson St Frontage

CUA/DNX Hearing
Case Number 2013.0511
1125 Market Street

Draft Motion
September 10, 2020

RECORD NO. 2013.0511CUA/X
1125 Market Street

EXHIBIT F

HOTEL MARKET STUDY



July 30, 2020

Ms. Patricia Yeh
Pacific 1125 Market Corporation
201 California St., Suite 500
San Francisco, CA 94111

Re: Study of Potential Market Demand; 180-room Eaton Hotel San Francisco; Dated March 1, 2020

Dear Ms. Yeh:

In early 2020, Great Eagle Holdings Limited ("Great Eagle") and its United States subsidiary, Pacific 1125 Market Corporation ("Pacific 1125 Market") engaged The Hudson Group Hotel Real Estate Consultants, Inc. ("THG") to prepare a study of the potential market support for the proposed 180-room Hotel. Our conclusions relating to the project were summarized in a report dated March 1, 2020. As is standard for studies of this type, the report included three limiting conditions or use restrictions. One of those restrictions is presented in the following paragraph.

"Coronavirus, or COVID-19, emerged in December 2019 in Wuhan, China and as of mid-February 2020 had infected approximately 75,000 individuals primarily in China. The World Health Organization has declared a Public Health Emergency of International Concern and several countries have recommended not traveling to Wuhan, Hubei Province, or China in general. Major airlines have temporarily cancelled flights or reduced frequency to many cities in China and to Hong Kong. At this point, health officials are not clear as to the duration and possible global impact of the virus. Further, it is not possible to estimate potential impact on major US hotel markets except to note that major Pacific gateway cities, such as San Francisco, have experienced declines in occupancy in January and February 2020 due to fewer overseas flights and reduced business travel. Due to the uncertainty of the situation, coronavirus has not been directly factored into this analysis with the exception of moderating growth rates in 2020. Should the virus intensify and become a global pandemic, the estimates included in this report would likely be negatively impacted."

It is our understanding that officials at the City of San Francisco, Planning Department, inquired if THG felt that, given the current conditions relating to COVID-19, the estimates in the report needed to be re-assessed.

The current situation, as of July 30, 2020, is highly fluid, and hotel demand in San Francisco, and worldwide tourism in general, is being impacted by the COVID-19 pandemic including differing public health policies and perceptions, geopolitical issues, and economic forces, among others, on a macro basis. There is currently a lack of information relating to tourism recovery, which makes demand assessment nearly impossible.

The Eaton San Francisco is not expected to open until 2023 (as assumed in THG's 3/1/20 report), or later depending on approvals, material sourcing, and construction costs. At best, the hotel would open approximately two and one-half years from today. The question at hand appears to when and if it would be appropriate to re-address the demand assessment? There are numerous articles, models, and projections relating to when demand for hotel accommodations in the US will return to 2019 levels. Recently, nearly all the models and articles indicate a recovery in 2022-2023 and, in the most stressed cases, 2024. Should market demand recover between 2022 and 2024, as is widely expected, then our forecast of demand assessment for the Eaton would be valid, as the 3/20 report indicated stabilization in 2026. However, what is more likely is that the development of other planned lifestyle hotels in San Francisco will be abandoned or severely delayed as a result of the COVID-19 pandemic, lack of construction financing, economic turmoil, and market demand uncertainty. As such, our forecast of demand assessment for the Eaton could be understated in its stabilized year of operation.

We hope that this letter provides a level of reassurance in a time of limited verifiable data.

Best regards,

The Hudson Group Hotel Real Estate Consultants, Inc.



THE HUDSON GROUP
HREC, INC

2 Embarcadero Center, 8th Floor, San Francisco, CA 94111
O 415-733-8230 C 510.301.3894 www.hoteldiligence.com

Study of Potential Market Demand
180-room Eaton San Francisco
1125 Market Street, San Francisco, CA



Prepared for Pacific 1125 Market Corporation

March 1, 2020

INTRODUCTION

Background

Great Eagle Holdings Limited (“Great Eagle”) and its United States subsidiary, Pacific 1125 Market Corporation (“Pacific 1125 Market”), is evaluating the development of a 12-story hotel at 1125 Market Street in the Mid-Market neighborhood of Downtown San Francisco. As part of the evaluation and development process, Pacific 1125 engaged The Hudson Group Hotel Real Estate Consultants, Inc. to prepare this study of the potential market support for the proposed 180-room hotel. The following report summarizes our conclusions as of March 1, 2020.

The Scope of the Assignment

The scope of the assignment included the following key tasks:

Site Evaluation. A review of the site and location attributes to determine how the location is likely to affect the market appeal of a hotel developed at the site.

Market Area Review. An analysis of the relevant general economic and tourism conditions in the region as they relate to hotel demand at the Proposed Site.

Competitive Hotels. An assessment of the hotels likely to be the primary competitors of the Proposed Hotel.

Supply and Demand Analysis. An analysis and forecast of demand patterns in the defined competitive market, including market segmentation, seasonality, timing and unsatisfied demand. Estimate market occupancy based on forecasting of market supply and demand dynamics.

Market Penetration Analysis. An assessment of the prospective market position of the proposed hotel, including an evaluation of its relative market appeal that would incorporate assumed strategies of brand affiliation, quality of development, room rates, services and amenities.

Estimated Occupancy and Average Rate. A forecast of the occupancy and average daily rate attainable by the Proposed Hotel in its first five years of operation.

Use Restrictions

This report and the contents thereof do not constitute a recommendation that might affect a decision whether or not to finance or invest in the Eaton San Francisco. Any such decision is the sole responsibility of any such financier or investor. Moreover, the scope of the assignment did not include a comprehensive assessment of the feasibility of the project, which would require an analysis of its development costs.

The terms and conditions of our engagement letter apply to this study and the consulting services provided. The timing of the work, the assumptions, and the estimates contained in the study directly affect the findings and conclusions and they are subject to uncertainty and change. Assumptions and estimates are often based on data obtained in interviews with third parties, and such data are not always reliable. Therefore, while the estimates were conscientiously prepared, there is no warranty of any kind that the operating results projected will, in fact, be achieved.

Coronavirus, or COVID-19, emerged in December 2019 in Wuhan, China and as of mid-February 2020 had infected approximately 75,000 individuals primarily in China. The World Health Organization has declared a Public Health Emergency of International Concern and several countries have recommended not traveling to Wuhan, Hubei Province, or China in general. Major airlines have temporarily cancelled flights or reduced frequency to many cities in China and to Hong Kong. At this point, health officials are not clear as to the duration and possible global impact of the virus. Further, it is not possible to estimate potential impact on major US hotel markets except to note that major Pacific gateway cities, such as San Francisco, have experienced declines in occupancy in January and February 2020 due to fewer overseas flights and reduced business travel. Due to the uncertainty of the situation, coronavirus has not been directly factored into this analysis with the exception of moderating growth rates in 2020. Should the virus intensify and become a global pandemic, the estimates included in this report would likely be negatively impacted.

EATON WORKSHOP

Eaton Workshop is a new global brand merging hospitality with progressive social change. Eaton Workshop brings to the international market a hybrid model of a hotel, co-working members club, and wellness center, with extensive content and cultural programming supporting the intersection of arts, consciousness, and impact. The components of Eaton Workshop are briefly described below.

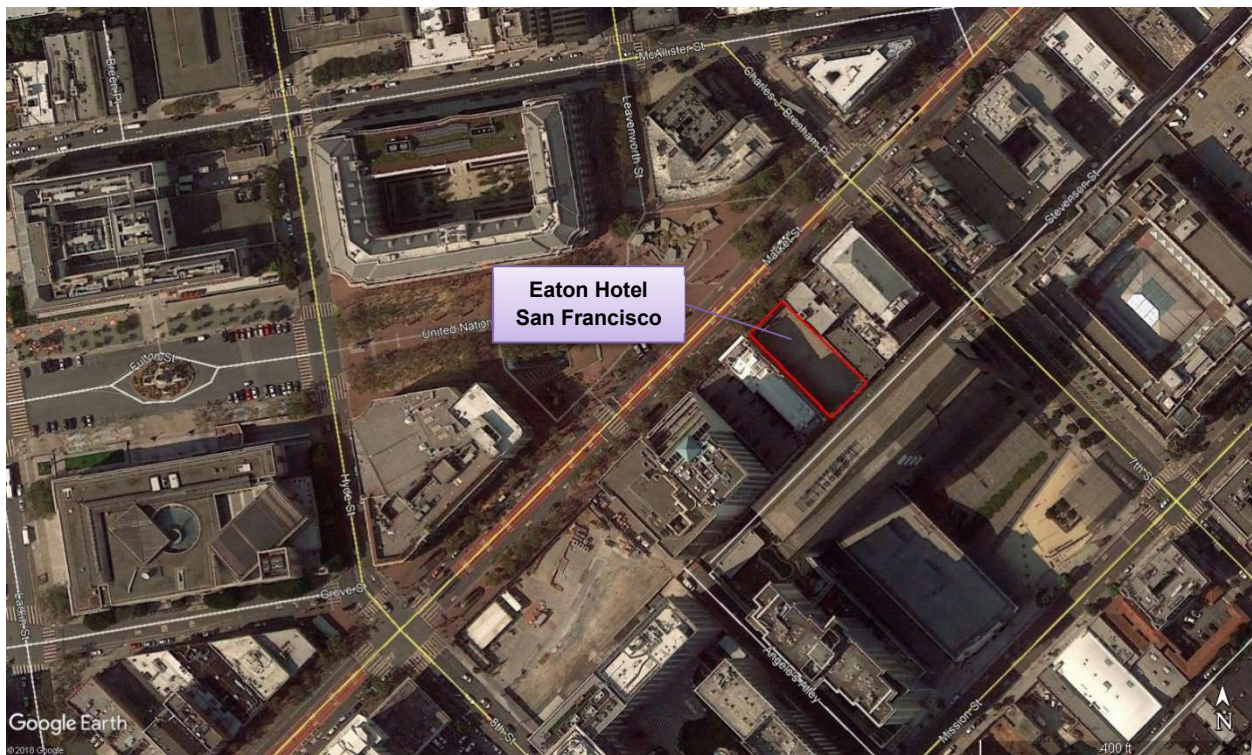
- **Eaton Hotel** is designed for travelers seeking inspiration, innovation, and impact. It sets the stage for guests, locals, and Eaton House members to congregate. Eaton Hotel offers a new approach to food and beverage, wellness, and the arts. Each hotel's ethos and design reflects the city it resides in, resulting in a diverse portfolio of properties aligned by a shared social mission.
- **Eaton House** is a work club for innovators, progressive thinkers, and creatives. Eaton House provides private, shared, and communal workspaces for collaboration. Members have full access to the public offerings at the Eaton Hotel.
- **Eaton Wellness** is inspired by new-age practices that embody a holistic approach focused on the mind-body connection. Eaton offers community-building classes such as yoga and meditation; vegetable-forward and detox food and beverage options, as well as a program of guest speakers and teachers who promote age-old teachings and practices leading to consciousness-expansion.
- **Eaton Media** promotes dialogue and debate, enables forward-thinking change with clear calls to action, and supports artistic endeavors from diverse emerging voices. Live events and programming are distinct to each individual location, with multiple portals for engagement: a radio station, cinemas, artist and activist residencies, recording studios, music venues, speaker auditoriums, commissioned artwork, and more. On its digital platform, Eaton produces, curates and distributes stories that present an honest take on today's trenchant issues, from immigration and women's rights to climate change. Provocative and poetic, spiritual and countercultural, Eaton's content celebrates journeys of self-discovery and personal and political liberation, and imagines a more utopian future.

SITE EVALUATION

Location

The site of the proposed 180-room Eaton San Francisco (“Eaton” or “Hotel”) is located at 1125 Market Street, midway between 7th and 8th Streets, in the Mid-Market district in Downtown San Francisco. The Mid-Market district is a sub-market of the Tenderloin, SOMA (South of Market), and Civic Center markets designated by the City of San Francisco as a redevelopment district. Mid-Market is centered on Market Street and extends from 5th Street to Van Ness Avenue. In 2011, the City approved payroll tax incentives to encourage businesses to move to the area, and has attracted major technology firms such as Twitter, Zendesk, Square, Uber, and Dolby Laboratories. The neighborhood has become a focal point for residential and office development, with several key projects completed, under construction, and in planning. The Eaton San Francisco is centrally located in the Mid-Market district, adjacent to Civic Center / UN Plaza.

The site is a 12,414 square foot parcel (0.285 acres) situated between a four-story office building with ground floor retail to the northeast, and the three-story ACT Strand Theater to the southwest. The site is directly across Market Street from the United Nations Plaza, the 50 UN Plaza Federal office building, and the Asian Art Museum of San Francisco. The San Francisco Federal office building, an award-winning, 17-story building designed by Morphosis, is located across Stevenson Street behind the site. One of the largest new housing projects in the City, Trinity Place, located on the south end of the block, will complete construction in mid-2021.



Market Street was designed as the central thoroughfare in the City of San Francisco in the 1880's. Its diagonal design is a feeder from many neighborhoods in the south and west to the central core of Downtown San Francisco in the north and east. Market Street was last updated in the 1970's, and is currently undergoing transformation that addresses streetscapes, transportation, safety, and economic growth to create the premier cultural, civic and economic center in San Francisco. In January 2020, the City of San Francisco approved a measure that would remove private passenger automobile traffic from Market Street: eastbound between Tenth and Main Streets; westbound between Van Ness Avenue and Steuart Street. Licensed taxis, public transportation options and commercial vehicle traffic would be permitted. Private vehicles, including Uber and Lyft, would be prohibited, creating a safer and more pedestrian friendly zone. The City envisions the Mid-Market area as a destination where people live, work, play, and visit.



Already known for federal, state and local government offices and courts, Mid-Market has become the preferred neighborhood for technology companies including Microsoft, Square, Uber, NerdWallet, Twitter, Dolby Laboratories, Zendesk, Nextdoor, Thumbtack, and Zoosk. In the adjacent Yerba Buena and SOMA neighborhoods notable tenants include Capital One, Slack, Yelp, Macy’s, Lever, Adobe, Airbnb, Yahoo, Pinterest, and Zynga. As illustrated in the table below, the Mid-Market/Civic Center sub-market houses 6.4 million square feet of office space of which 6.1 million is occupied, resulting in one of the lowest vacancy rates in the market. Yerba Buena and SOMA East and West sub-markets comprise an additional 14 million square feet of occupied office space, placing the proposed Eaton San Francisco in the midst of San Francisco’s largest concentrations of office space outside of the Financial District.

Office Market Statistics - 4th Quarter 2019							
Civic Center and select adjoining markets							
Market	Total Inventory S.F.	Total Vacancy	Total Vacant S.F.	YTD Net Absorption	Under Construction	Proposed	
Civic Center/Mid-Market	6,385,741	3.7%	238,757	(62,298)	460,000	0	
Yerba Buena	4,663,528	2.2%	101,070	135,503	108,500	1,410,000	
SOMA East	6,160,990	4.6%	281,462	53,321	266,053	1,739,725	
SOMA West	3,774,330	2.2%	84,071	45,120	0	3,245,578	
Sub-Total	20,984,589	3.4%	705,360	171,646	834,553	6,395,303	
North/South Financial District	56,882,983	4.7%	2,645,270	1,246,548	1,034,967	288,677	
Other San Francisco	16,921,421	5.3%	903,983	592,273	1,646,449	4,064,352	
Total San Francisco	94,788,993	4.5%	4,254,613	2,010,467	3,515,969	10,748,332	

Source: Colliers International

Developers and investors have been attracted to this neighborhood due to its urban appeal, proximity to transit, emphasis on the arts, and expanding corporate base. Spurred in part by City of San Francisco payroll tax reductions, high-tech companies such as Twitter, Zendesk, Uber, Pinterest, Airbnb, Yelp, BitTorrent, Square, and Slack located in the area. Twitter lead the market, taking space in the rehabilitated 1.1 million square foot Western Furniture Exchange and Merchandise Mart at 1355 Market Street in 2012.

Colliers International reports the office development pipeline in San Francisco remains strong. The table below illustrates notable projects recently completed or underway, delivering 8.6 million square feet of office space, or an

average of 1.4 million square feet per year over six years. These projects are largely located south of the Financial District, in the SOMA and Mission Bay neighborhoods.

Office Development Pipeline				
Recently Completed and Under Construction, As of December 2019				
Project	Size (s.f.)	Developer	Delivery	Status
SalesForce Tower	1,400,000	BP / Hines	2018	Completed
The Exchange	736,000	Kilroy Realty Corp	2018	Completed
350 Bush	447,000	Lincoln / Gemdale	2018	Completed
181 Fremont	432,000	Jay Paul	2018	Completed
100 Hooper	314,400	Kilroy Realty Corp	2018	Completed
510 Townsend	268,600	Alexandria	2018	Completed
505 Brannan, Phase 1	150,000	Alexandria / TMG	2018	Completed
250 Howard Park Tower	755,900	John Buck / Metlife	2019	Completed
1655 & 1725 Third Street Chase Center	590,000	Alexandria	2020	U/C
1500 Mission	460,000	Related	2020	U/C
1455-1515 Third Street	423,000	Alexandria / Uber	2020	U/C
Mission Bay Block 33	340,000	UCSF	2020	U/C
633 Folsom	268,000	Swig	2020	U/C
1 De Haro	116,100	SKS	2020	U/C
5M	640,000	Brookfield	2022	U/C
Pier 70, Phase 1 (1)	300,000	Brookfield	2022	U/C
50 First Street	1,000,000	Oceanwide	2023	U/C
Total	8,641,000			

(1) First phase of total of 1,810,000 s.f.
Source: Colliers International

The outlook for continued growth in office space remains optimistic. Colliers reports an additional 9.7 million square feet of office space is proposed for development.

Office Development Pipeline				
Large Office Projects 2023 and Beyond, As of December 2019				
Project	Size (s.f.)	Developer	Delivery	Status
Flower Mart (1)	2,032,000	Kilroy Realty	2023	Pending Construction
598 Brannan (2)	923,000	Tishman Speyer	2023	Pending Construction
88 Bluxome	775,000	Alexandria / TMG	2023	Pending Construction
Mission Rock, Phase 1 (3)	1,300,000	Tishman Speyer	2023	Pending Construction
425 Fourth Street (4)	804,000	Boston Properties	2023	Pending Construction
Power Station (5)	1,200,000	Associate Capital	2025+	Pending Approval
One Vassar	421,000	Cresleigh	TBD	Pending Approval
490 Brannan	338,000	Alexandria / Strada	TBD	Pending Approval
550 Howard Transbay Parcel F	289,000	Hines / Urban Pacific	TBD	Pending Approval
505 Brannan, Phase 2	165,000	Alexandria / TMG	TBD	Pending Approval
Pier 70 (6)	1,510,000	Brookfield	TBD	Pending Approval
Total	9,757,000			

(1) First phase allocation equal to 1,384,578 s.f.
(2) First phase allocation equal to 711,136 s.f.
(3) Visa pre-leased 303,064 s.f.
(4) First phase allocation equal to 505,000 s.f.
(5) Inclusive of 661,000 s.f. office and 501,000 s.f. life science
(6) Remainder of total 1,810,000 s.f.
Source: Colliers International

Mid-Market and Market Street, in particular, is experiencing a resurgence in residential development. One of the largest residential projects is Trinity Place, a four-phase, mixed-use development located on the block delineated by Market, Eighth, and Mission Streets. Designed by Arquitectonica, Trinity Place is considered to be a key centerpiece for the transformation of the Mid-Market neighborhood. Replacing a former dilapidated hotel converted to apartments, Trinity Place has 1,398 subsidized and market-rate apartment units in three buildings that were completed between 2010 and 2017. The project's fourth and final phase is underway and will have 502 apartment units, a 55,000 square foot Whole Foods Market, and 30,000 square feet of supporting retail that are expected to be delivered in mid-2021.

Proposed residential development is robust, with nearly 4,000 units recently completed or under construction.

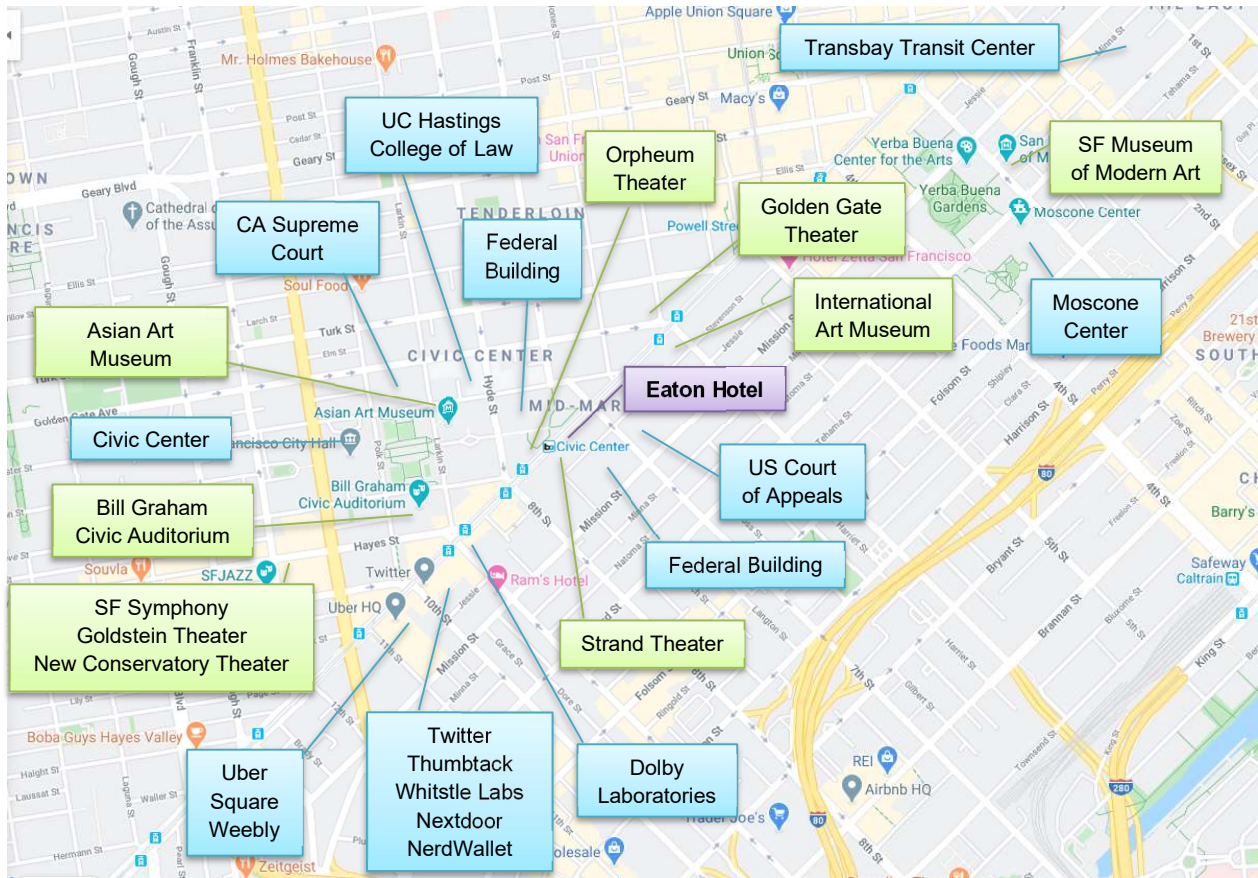
Notable Residential Developments		
Recently Completed and Under Construction, As of December 2019		
Location	Residential	Completion
500 Folsom Street	570	2019
The Avery 400 Folsom Street	548	2019
1500 Mission Street	550	2020
Four Seasons 706 Mission Street	142	2020
Mira 160 Folsom Street	329	2020
Serif 950 Market Street	242	2021
5M 198 Fifth Street	702	2021
Trinity Place	502	2021
1 Steuart Lane	120	2021
Oceanwide Center 50 First Street	156	On-Hold
325 Fremont Street	118	On-Hold
Total	3,979	

Source: City of San Francisco Planning Department

Based on its analysis of large office projects, Colliers International estimates the office space pipeline will generate demand for an additional 20,000 housing units in the near future. This development will likely target the SOMA and Mission Bay neighborhoods.

As Mid-Market continues to transition, non-profits, artists, and cultural organizations have maintained a strong presence in the area, providing a layered and multi-dimensional neighborhood unique to San Francisco. The iconic Strand and Orpheum Theatres and Bill Graham Civic Auditorium are located in Mid-Market, with the San Francisco Symphony, San Francisco Opera and New Conservatory Theatre Center, among others, located along Van Ness Avenue north of Market Street.

The map on the following page illustrates the location of the proposed Eaton Hotel in relation to select points of interest.



Mid-Market is served by an extensive transportation network. The San Francisco Municipal Transit Authority operates multiple stops and stations in the district, including Powell and Civic Center Stations (BART/Muni Metro), a historic street car line, iconic cable car line, and multiple bus lines. As a result, Mid-Market is easily accessible from San Francisco International Airport, Caltrain Station, the Financial District, and high-traffic tourist areas such as Fisherman’s Wharf, Union Square, and Embarcadero. Transportation was enhanced with the August 2018 opening of the new Transbay Transit Center, situated seven blocks from the hotel site. The one million square foot transportation hub opened access to the proposed hotel from eight Bay Area counties and the State of California through 11 transportation systems.

The site is approximately five blocks from the Moscone Convention Center, which recently underwent expansion. Last year, Moscone Center generated nearly 1.2 million room nights for the City’s hotels.

Site Conclusions

The proposed Eaton San Francisco is situated in an excellent location to capture market area demand. The Hotel will be at the center of the dynamic and rapidly revitalizing Mid-Market neighborhood that includes a technology-centric office market, a growing residential neighborhood, a historic cultural arts district, and adjacency to the growing Yerba Buena and South of Market neighborhoods. It is within walking distance, or a short street car/cable car ride, of the Moscone Center, Union Square, the Financial District, the Embarcadero, and Fisherman’s Wharf. The Proposed Hotel will also be next door to The Strand, across the street from The Orpheum, and within walking distance of the Bill Graham Civic Auditorium and various local cultural institutions. The location is also excellent for capturing the future growth of commercial demand in the city. The Mid-Market neighborhood is centrally located for new office and residential development and is a positive factor in supporting future growth in hotel demand.

HOTEL FACILITIES AND AMENITIES

The proposed Eaton San Francisco will be an eclectic lifestyle hotel with 180 guestrooms, reflecting San Francisco's vibrant arts and design community, natural beauty, and diversity. The hotel tower will be a U-shaped structure, with the forward (Market Street) elevation rising nine-stories and the center and rear (Stevenson) elevations rising twelve stories. A central, tree-lined courtyard will be a focal point of the public areas and will introduce an element of California's natural beauty to the lobby.

The table below illustrates building facilities by floor.

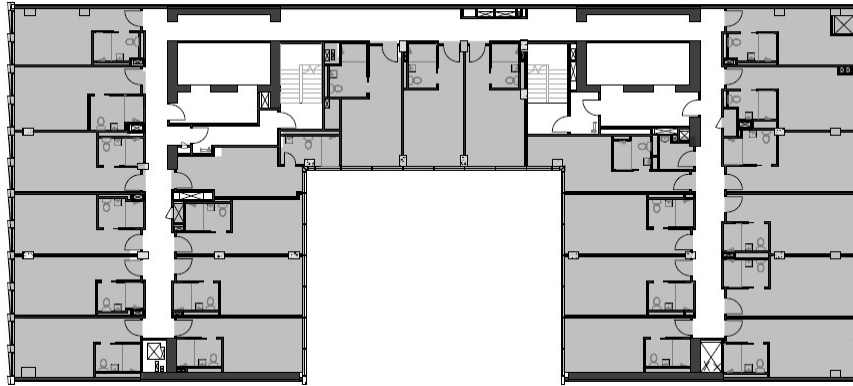
Eaton Workshop San Francisco, CA	
Level	Principle Features
Basement 2	Hotel Back-of-House
Basement 1	Basement Bar, Theater, Hotel Back-of-House
Ground Floor	Hotel Lobby, Restaurant, Bar, POPOS (1), Outdoor Courtyard, Radio Station, Retail Space
Floor 2	Co-working space
Floor 3	Fitness Room, Yoga Studio, Spa, Function Space
Floors 4 through 9	Guest Rooms (23 per floor)
Floor 10	Guest Rooms (10), Function Space with Bar, Outdoor Terrace
Floors 11 and 12	Guest Rooms (14 per floor) and Guest Suites (2 per floor)
(1) Privately Owned Public Open Space	

The following paragraphs highlight the planned facilities and amenities. The Hotel opening date is January 1, 2023.

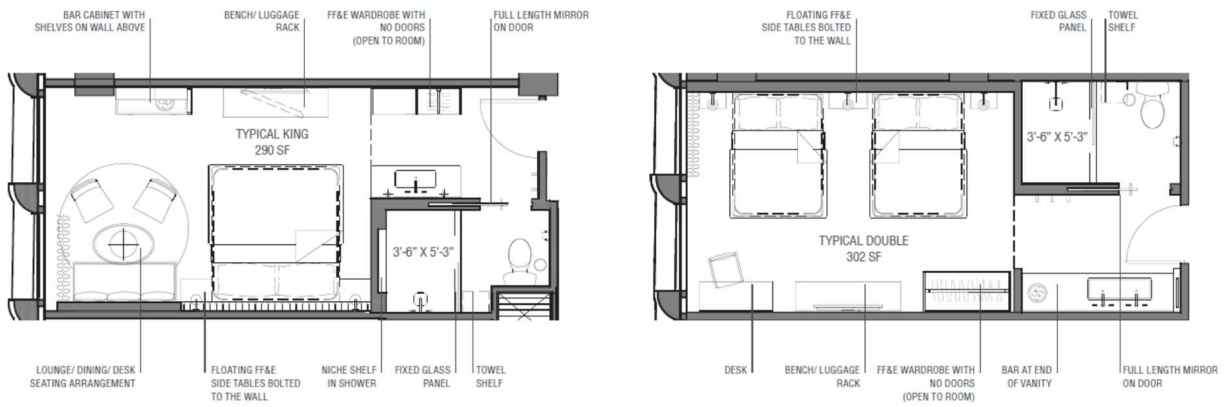
Eaton Brand. The Hotel will adhere to the Eaton design and service standards and will be operated as a creative community-focused boutique hotel. The services and amenities will include a full-service restaurant and lounge with outdoor patio seating, a lobby coffee bar/lounge, a basement bar and theater; approximately 3,000 square feet of meeting space, a yoga studio, fitness center, spa, ground floor retail space, and a ground floor radio station with recording booth. The Eaton will target progressive travelers through offering events programming, collaborations, and wellness.

Guest rooms. The Eaton San Francisco will have 180 guest rooms located on floors 4 – 12. The Hotel's proposed guestroom inventory is highlighted in the following table and illustrated in the renderings on the following page. Details are subject to change pending the completion of the planning process.

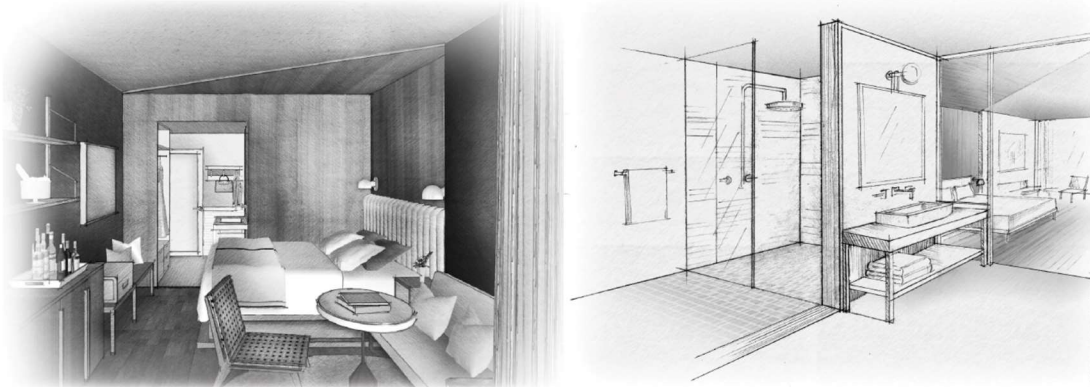
Guestroom Inventory Eaton San Francisco		
Room Type	Number	Net Square Feet
King 1	24	252
King 2	134	273
King 3	2	288
Backpacker	1	273
Double 1	6	303
Double 2	9	329
Artist Suite 1	2	407
Artist Suite 2	2	475
Total	180	



Typical Guest Room Floor (4-9)



Typical King or Double Queen Room



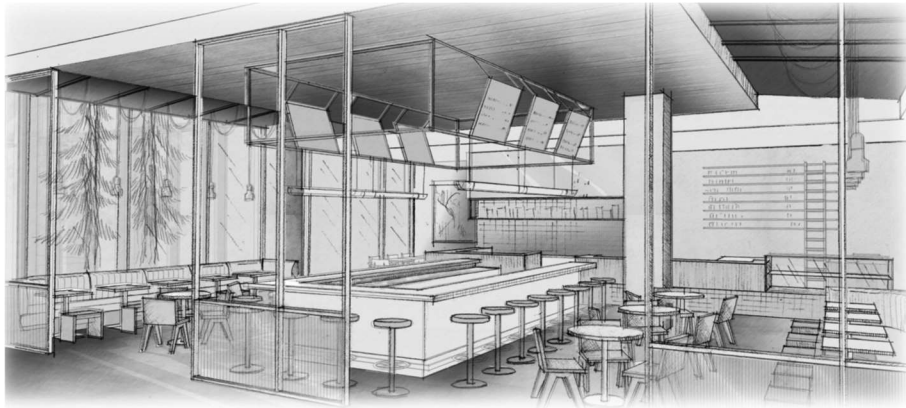
Rendering of King Room and Bathroom

Lobby. The Hotel's street-level lobby will be accessible from either Market or Stevenson Streets. Hotel reception will be near the center of the building, opposite the courtyard. The privately owned public outdoor space (POPOS) is located on the ground floor adjacent to Market Street.



Rendering of Hotel Lobby

Food and Beverage. An 89-seat full-service restaurant and lounge and a 38-seat coffee bar/lounge will flank the outdoor courtyard. Both will have views to the outdoor. The Basement Bar will seat approximately 95 people, and a small theater will accommodate approximately 49 people, both located on the first lower level.



Rendering of Full-Service Restaurant and Bar



Rendering of Lobby Coffee Bar/Lounge

Function Space. The Hotel is to have approximately 3,000 square feet of meeting space. There will be a 2,080 square foot and a 958 square foot meeting room on the third level. In addition, there will be an approximate 1,000 square foot function space with bar and outdoor terrace located on the 10th floor.

Other Facilities. A yoga studio, spa, and fitness center will be located on the third floor. A radio station, small recording booth, and retail space will be located on the lobby level.

Marketing. Eaton Hotels, the management company, will implement a variety of effective pre-opening and ongoing marketing programs, including a productive Internet marketing effort, consumer advertising, community and other public relations, direct sales efforts by management personnel, and other appropriate marketing. The estimates of annual operating revenues and expenses of the Hotel contained herein assume that the aforementioned marketing program will be implemented.

MARKET AREA REVIEW

San Francisco is the cultural and economic center of Northern California. Long considered one of the premier vacation destination cities in the world, San Francisco combines old world charm with California's high technology presence. The combination of scenic beauty, a year-round temperate climate, and premier shopping and dining continues to make San Francisco a tourist favorite. San Francisco has been the #1 rated U.S. tourist city by Conde Nast Traveler readers over 20 times, a testament to its enduring appeal.

In addition to its tourist attractions, San Francisco boasts an active convention center and a strong business base. The fundamental driving force behind the region's economy remains the high technology sector. The confluence of a highly educated workforce, large innovative companies, and Universities and research facilities will continue to propel the dynamic nature of San Francisco and the greater Bay Area. San Francisco and the Bay Area are home to some of the nation's largest companies, including Hewlett-Packard, Intel, Cisco Systems, Apple, Oracle, Salesforce, Google, and Yahoo in the high-tech sector; Chevron Corp. (oil); Safeway (groceries); and the Gap (clothing).

The following sections highlight trends related to tourism and convention-related activities in the Bay Area. Tourism is the largest single sector of the local economy and the key driver for hotels in the market area.

Visitors to Bay Area

According to San Francisco Travel Association, 25.8 million visitors came to San Francisco in 2018, an increase of 1.2% over 2017. In 2018, total visitor spending at local businesses was estimated to be \$10.0 billion, which represented a 2.0% increase over 2017. Visitor spending achieved record levels in 2018 and generated \$771 million in taxes for the City of San Francisco.

Transportation

San Francisco International Airport (SFO) hosted over 57.3 million passengers in 2019. Since 2003, total passengers have increased year over year, and for the time period 2003-2019, the compounded average annual growth was 4.3%. The growth at the airport, as highlighted in the statistical tables on the following page, is the product of an on-going renovation and expansion of the passenger terminal facilities at SFO, which began with the opening of the new International Terminal in December 2000. Terminal 2, the former International Terminal, was completely renovated and expanded and re-opened April 2011 and is now home to Virgin America/Alaska and American Airlines. Terminal 3, home to United Airlines, completed a significant renovation and re-opened a completely rebuilt finger concourse in 2014. Terminal 1, SFO's last original terminal, began its \$2.4 billion redevelopment in June 2016 and will be completed in phases with a completion scheduled in 2024. A 351-room Grand Hyatt opened at SFO in October 2019.

Airport Statistics - San Francisco International Airport				
Year	International Passengers	Chg.	Total Passengers	Chg.
2003	6,695,151	-8.0%	29,313,271	-6.8%
2004	7,562,076	12.9%	32,744,186	11.7%
2005	8,053,759	6.5%	33,394,225	2.0%
2006	8,488,758	5.4%	33,581,412	0.6%
2007	8,962,965	5.6%	35,790,746	6.6%
2008	8,963,784	0.0%	37,402,541	4.5%
2009	8,321,146	-7.2%	37,453,634	0.1%
2010	8,848,588	6.3%	39,391,234	5.2%
2011	9,013,253	1.9%	41,045,431	4.2%
2012	9,546,145	5.9%	44,477,209	8.4%
2013	9,743,762	2.1%	45,011,764	1.2%
2014	10,269,701	5.4%	47,155,100	4.8%
2015	11,243,035	9.5%	50,067,094	6.2%
2016	12,366,312	10.0%	53,106,505	6.1%
2017	13,425,328	8.6%	55,814,096	5.1%
2018	14,218,828	5.9%	57,700,433	3.4%
2019	15,240,135	7.2%	57,349,125	-0.6%

Source: SFO International Airport

Total passenger movements at SFO decreased 0.6 percent in 2019, the first decrease since 2003. The decrease was the result of multiple factors include grounding of the Boeing 737 Max fleet beginning in March 2019, airport runway construction in September 2019 which resulted in mandatory flight reductions ordered by the FAA, and downsizing of Virgin America's hub by new owner, Alaska Airlines. In its 2019 Annual Report (TTM June 2019), SFO reports its market share of domestic travelers was 62 percent, a decrease from 64 percent in the previous year. Chronic flight delays combined with the availability of low-cost carriers in Oakland and San Jose may be a contributing factor to the shift in domestic passengers from SFO to other Bay Area airports.

SFO's top domestic departure destinations measured by percentage of total domestic seats include Los Angeles, New York, Chicago, Seattle-Tacoma and Las Vegas. Top international destinations reflect the diversity of the Bay Area and its appeal to both Asian and European customers. The top 5 international departure destinations measured by percentage of total international seats are London, Taipei, Hong Kong, Vancouver, and Seoul.

Convention Center

The Moscone Center covers more than 20 acres on three adjacent blocks in San Francisco's South of Market (SOMA) / Yerba Buena district. Surrounded by Yerba Buena Gardens, The Moscone Center is the centerpiece of a vibrant neighborhood that includes major hotels, numerous cultural venues, restaurants, galleries, and parks. More than two-thirds of the city's 34,000 hotel rooms are within walking distance of The Moscone Center.

The convention center is comprised of three main buildings, Moscone North and Moscone South, which are connected underground, and Moscone West, a free-standing building. Locations of the buildings are illustrated on the map on the following page.



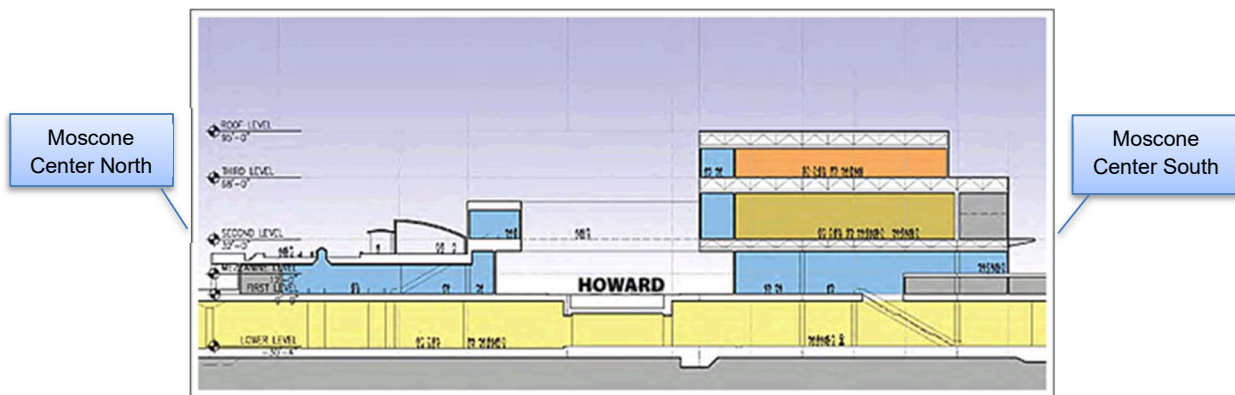
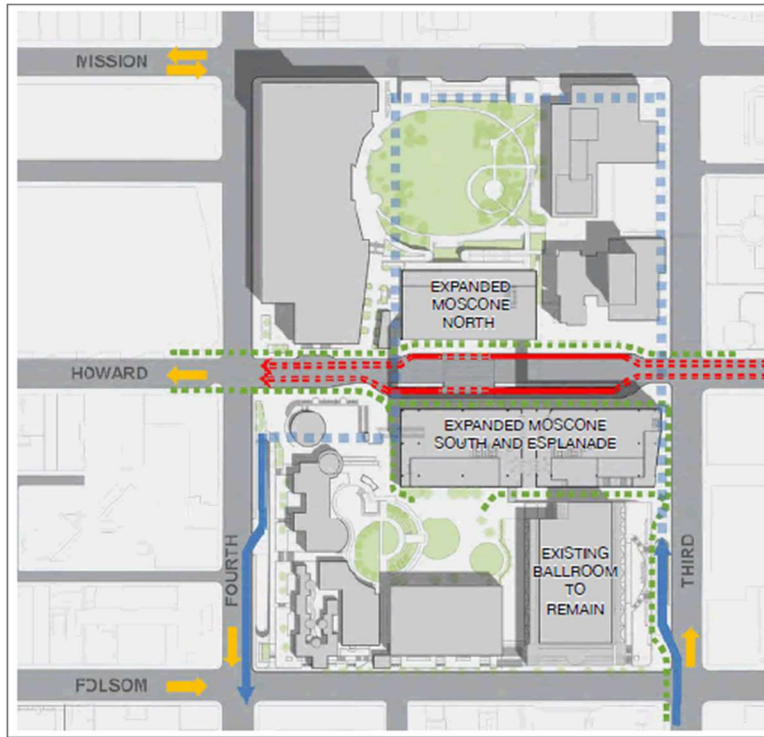
Moscone South opened in 1981 and consists of 260,600 sq. ft. of exhibit space in Halls A, B and C. Moscone North opened in 1992, adding 181,400 sq. ft. of exhibit space in Halls D and E. Moscone North and South are connected via underground corridors and meeting space. Moscone West, a standalone building which opened in 2003, is located one-half block to the west of the other two buildings. Moscone West features 96,700 sq. ft. of exhibit space on the first level and was designed to operate independently from Moscone North/South. Moscone West was designed with the intention of mitigating the impact of move-in/move-out days at Moscone North/South on hotel occupancy by catering to smaller self-contained meetings. Nonetheless, Moscone West's space is required to accommodate the largest citywide conventions.

In late 2018, a four-year, \$551 million expansion of Moscone North and South was completed. The expansion increased the gross square footage of Moscone Center by approximately 20%, from 1.2 million square feet to 1.5 million square feet and resulted in a 42% increase in functional space from 625,600 square feet to 883,300 square feet. Highlights of the project include:

- Demolished the existing Esplanade Ballroom support building at 3rd and Howard Streets in favor of a new 4-level building including a replacement kitchen on the lower level, and a lobby, multipurpose space, meeting rooms, ballroom and associated pre-function, circulation and support spaces above grade;
- Retrofitted the existing Gateway Ballroom below the Moscone South lobby into exhibition space and removed an existing approximately 60' by 250' unexcavated area under Howard Street to create new exhibition space;
- Replaced the existing South Lobby with a new 3-story building including an enlarged south lobby, ballroom and associated pre-function, circulation and support spaces;
- Converted the existing Hall E beneath the Moscone North lobby into exhibition space and create a new, above grade Moscone North lobby to match the renovated street presence of Moscone South and add two new levels above with additional meeting spaces;
- Reconfigured of existing Howard Street bus pick-up/drop-off zones and constructed two pedestrian bridges across Howard Street:
 - The East Bridge connecting the upper levels of Moscone North and Moscone South,

- The West Bridge, a public access bridge, connecting the Yerba Buena Gardens on either side of Howard Street.

The following illustrations depict the expansion project.



The Moscone Center is owned by the City and County of San Francisco. Convention business for the center is booked by San Francisco Travel¹, which serves as the city's convention and visitors' bureau. Unlike many other convention centers, Moscone Center does not hold any public shows (gate shows) at the facility, except the San Francisco International Auto Show, which is held during Thanksgiving week.

¹ "San Francisco Travel is a private, not-for-profit, 501(c) 6 membership organization, headed by a Board of Directors made up of 45 business leaders from various companies, elected by the membership. About 23 percent of its \$34.8 million 2017-2018 operating budget comes from the private sector in the form of membership dues, advertising, e-commerce and program revenues. 68 percent of the budget comes from a small portion of the revenue generated by the assessment on San Francisco hotel rooms and the balance comes through contracts with Grants for the Arts and the San Francisco International Airport.

Moscone Center is highly successful and prior to expansion typically operated at or near its maximum capacity, which experts indicate to be approximately 75% occupancy. Meeting planners, in a survey prepared for the expansion of the facility, indicated a number of strengths including the quality of Convention Sales and Convention Services provided by San Francisco Travel and that conventions in San Francisco often achieve record-breaking attendance records, due to allure of the destination. Further, conventions in San Francisco generally draw higher participation from spouses/significant others than in other cities, boosting the appeal to organizations and associations. Disadvantages included the high cost of accommodations in San Francisco, lack of available space at the Convention Center and local hotels, and the City's homeless problem. Despite the high cost, meeting planners point to the availability of approximately 25,000 hotel rooms within walking distance of the convention center as an advantage, and also as a reduction in associated transportation costs.

The following table illustrates the total events and associated room nights in Downtown San Francisco as well as citywide convention activity associated with events at Moscone Convention Center between 2009 and 2019. In addition, the table provides information on the current pace of bookings for all events in San Francisco as well as those associated with Moscone Convention Center from 2020 to 2028. Self-contained meetings represent those meetings accommodated solely in one or more convention-oriented hotels such as the Marriott Marquis, San Francisco Hilton, Hyatt Regency Embarcadero, Westin St. Francis, and the Fairmont, while Moscone Convention Center represents those meetings held within the Center.

Historical and Future Booking Pace - City of San Francisco and Moscone Convention Center											
Self-Contained Meetings - San Francisco				Moscone Convention Center				Total San Francisco			
Year	Events	Room Nights	% Change	Year	Events	Room Nights	% Change	Year	Events	Room Nights	% Change
2009	873	682,136	-	2009	52	853,755	-	2009	925	1,535,891	-
2010	971	601,006	-11.9%	2010	57	778,004	-8.9%	2010	1,028	1,379,010	-10.2%
2011	1,129	734,608	22.2%	2011	60	834,646	7.3%	2011	1,189	1,569,254	13.8%
2012	1,115	709,777	-3.4%	2012	53	892,181	6.9%	2012	1,168	1,601,958	2.1%
2013	1,324	976,268	37.5%	2013	51	937,209	5.0%	2013	1,375	1,913,477	19.4%
2014	1,151	928,225	-4.9%	2014	59	1,021,630	9.0%	2014	1,210	1,949,855	1.9%
2015	1,291	575,903	-38.0%	2015	54	881,539	-13.7%	2015	1,345	1,457,442	-25.3%
2016	1,298	537,532	-6.7%	2016	46	931,686	5.7%	2016	1,344	1,469,218	0.8%
2017	1,475	534,508	-0.6%	2017	39	612,308	-34.3%	2017	1,514	1,146,816	-21.9%
2018	1,563	510,163	-4.6%	2018	41	694,272	13.4%	2018	1,604	1,204,435	5.0%
2019	1,576	510,226	0.0%	2019	49	1,191,586	71.6%	2019	1,625	1,701,812	41.3%
CAG 09-19			-2.9%	CAG 09-19			3.4%	CAG 09-19			1.0%
Pace as of December 31, 2019				Pace as of December 31, 2019				Pace as of December 31, 2019			
Pace - Self-Contained Meetings - San Francisco				Pace - Moscone Convention Center				Pace - Total San Francisco			
Year	Events	Definite Room Nights	Pace %	Year	Events	Definite Room Nights	Pace %	Year	Events	Definite Room Nights	Pace %
2020	591	392,255	109%	2020	42	850,332	79%	2020	633	1,242,587	86%
2021	125	161,499	78%	2021	33	815,250	79%	2021	158	976,749	79%
2022	49	88,191	64%	2022	31	752,659	80%	2022	80	840,850	78%
2023	30	59,619	63%	2023	25	746,850	87%	2023	55	806,469	85%
2024	15	53,557	83%	2024	19	586,738	73%	2024	34	640,295	74%
2025	6	45,235	107%	2025	19	663,541	91%	2025	25	708,776	92%
2026	4	11,603	43%	2026	14	432,641	67%	2026	18	444,244	66%
2027	0	-	0%	2027	14	523,974	97%	2027	14	523,974	94%
2028	0	-	0%	2028	11	377,703	85%	2028	11	377,703	83%

Source: Pace Report as of 12/31/19; San Francisco Travel, Inc.

As presented above, total San Francisco room nights peaked in 2013 and 2014 with over 1.9 million room nights. For the years 2009-2014, self-contained room nights included room nights generated by airline crew contracts. Beginning in 2015, and in future years following, SF Travel no longer included airline crew room nights as part of total self-contained meetings. As a result of this change in methodology, there was a 38% year-over-year decrease in 2015 room nights for the self-contained meetings. In 2015, while the total number of events for San Francisco increased over 2014 levels, total room nights decreased primarily due to the aforementioned change in calculating self-contained meetings, in addition to a weaker convention year at Moscone. In 2016, total events and room nights in San Francisco remained relatively unchanged, while construction impact was greatest in 2017 and 2018. The number of events, average group size, and room nights generated decreased significantly as a result of the construction at Moscone and

remained suppressed through 2018. In 2019, the first year after the expansion, room nights generated by Moscone Center increased 71.6 percent to a record 1.19 million.

Oracle announced in late 2019 that its' annual 5-day OpenWorld convention would move to Las Vegas from Moscone Center for the years 2020 through 2022. The loss of OpenWorld and certain other conventions has reduced booking pace statistics for Moscone Center to the 80% of expected pace range for the next three years. However, with a highly desirable 5-day booking window available in a peak convention month, SF Travel may be able to reduce the impact in future years by back-filling with new convention demand. Self-contained meetings booking pace for 2020 is 109% of expectation, and 78% of expectation in 2021. Analyzing self-contained meeting future booking pace beyond 2021 is not meaningful as few self-contained corporate meetings book more than two years in advance.

Total San Francisco Hotel Market Performance

As reported by Smith Travel Research, Inc. ("STR"), the table below illustrates the performance of the San Francisco–San Mateo MSA lodging market which in 2019 included 53,481 hotel rooms. The table also includes the Lodging Forecast for the San Francisco-San Mateo MSA for 2020 and 2021 presented by San Francisco Travel.

San Francisco - San Mateo MSA Historical Lodging Statistics									
Year	Supply	Change	Demand	Change	Occupancy	Average Rate	Change	RevPAR	Change
2001	18,071,515	-	11,712,335	-	64.8%	\$143.63	-	\$93	-
2002	18,558,425	2.7%	11,344,183	-3.1%	61.1%	\$123.90	-13.7%	\$76	-18.6%
2003	18,638,360	0.4%	11,707,648	3.2%	62.8%	\$117.19	-5.4%	\$74	-2.8%
2004	18,596,385	-0.2%	12,643,418	8.0%	68.0%	\$118.43	1.1%	\$81	9.4%
2005	18,251,095	-1.9%	13,065,481	3.3%	71.6%	\$125.60	6.1%	\$90	11.7%
2006	18,332,490	0.4%	13,379,417	2.4%	73.0%	\$138.56	10.3%	\$101	12.5%
2007	18,365,705	0.2%	13,802,579	3.2%	75.2%	\$148.78	7.4%	\$112	10.6%
2008	18,668,290	1.6%	14,003,827	1.5%	75.0%	\$156.58	5.2%	\$117	5.0%
2009	18,885,465	1.2%	13,517,846	-3.5%	71.6%	\$133.48	-14.8%	\$96	-18.7%
2010	18,952,260	0.4%	14,263,410	5.5%	75.3%	\$136.07	1.9%	\$102	7.2%
2011	18,818,670	-0.7%	14,865,046	4.2%	79.0%	\$154.95	13.9%	\$122	19.5%
2012	18,662,815	-0.8%	14,986,240	0.8%	80.3%	\$171.64	10.8%	\$138	12.6%
2013	18,690,555	0.1%	15,475,780	3.3%	82.8%	\$187.45	9.2%	\$155	12.6%
2014	18,738,735	0.3%	15,759,276	1.8%	84.1%	\$208.21	11.1%	\$175	12.8%
2015	18,723,040	-0.1%	15,802,246	0.3%	84.4%	\$222.19	6.7%	\$188	7.1%
2016	18,891,547	0.9%	15,925,574	0.8%	84.3%	\$230.80	3.9%	\$195	3.8%
2017	18,967,114	0.4%	15,704,770	-1.4%	82.8%	\$229.24	-0.7%	\$190	-2.4%
2018	19,346,456	2.0%	15,846,113	0.9%	81.9%	\$241.30	5.3%	\$198	4.1%
2019	19,520,574	0.9%	16,004,574	1.0%	82.0%	\$251.24	4.1%	\$206	4.2%
CAG 01-19		0.4%		1.7%			3.2%		4.5%
F 2020	19,800,000	1.4%	16,200,000	1.2%	81.8%	\$254.78	1.4%	\$208	1.2%
F 2021	20,100,000	1.5%	16,500,000	1.9%	81.9%	\$259.76	2.0%	\$213	2.1%

F = Forecast Data as of November 2019
Source: STR, Inc. & San Francisco Travel

As outlined in the table, the San Francisco MSA has experienced a negligible change in the hotel rooms supply over the past 19 years; a 1.7% compound average annual increase in demand; a 3.2% compound average annual increase in average room rate; and a 4.5% compound average annual increase in RevPAR (Revenue per Available Room). Occupancy during the period 2001 - 2019 averaged 75.8% and ranged from a low of 61.1% in 2002 to a high of 84.4% in 2015.

Overall, demand decreased slightly in 2001-2002 due to the dot.com implosion and the recession subsequent to the terrorist attacks on September 11th, 2001 and again in 2009 due to the recession. Unlike other major US hotel markets, the demand decline in 2001-2002 was much more pronounced than the recession in 2008-2009, and the market began rapidly recovering in 2010. Since 2012, market occupancy has been at or exceeded 80%, the highest levels of occupancy during this 19-year period. The combination of strong growth in the technology sector, robust domestic and international tourism, and strong convention center attendance has resulted in these extraordinarily high occupancy levels.

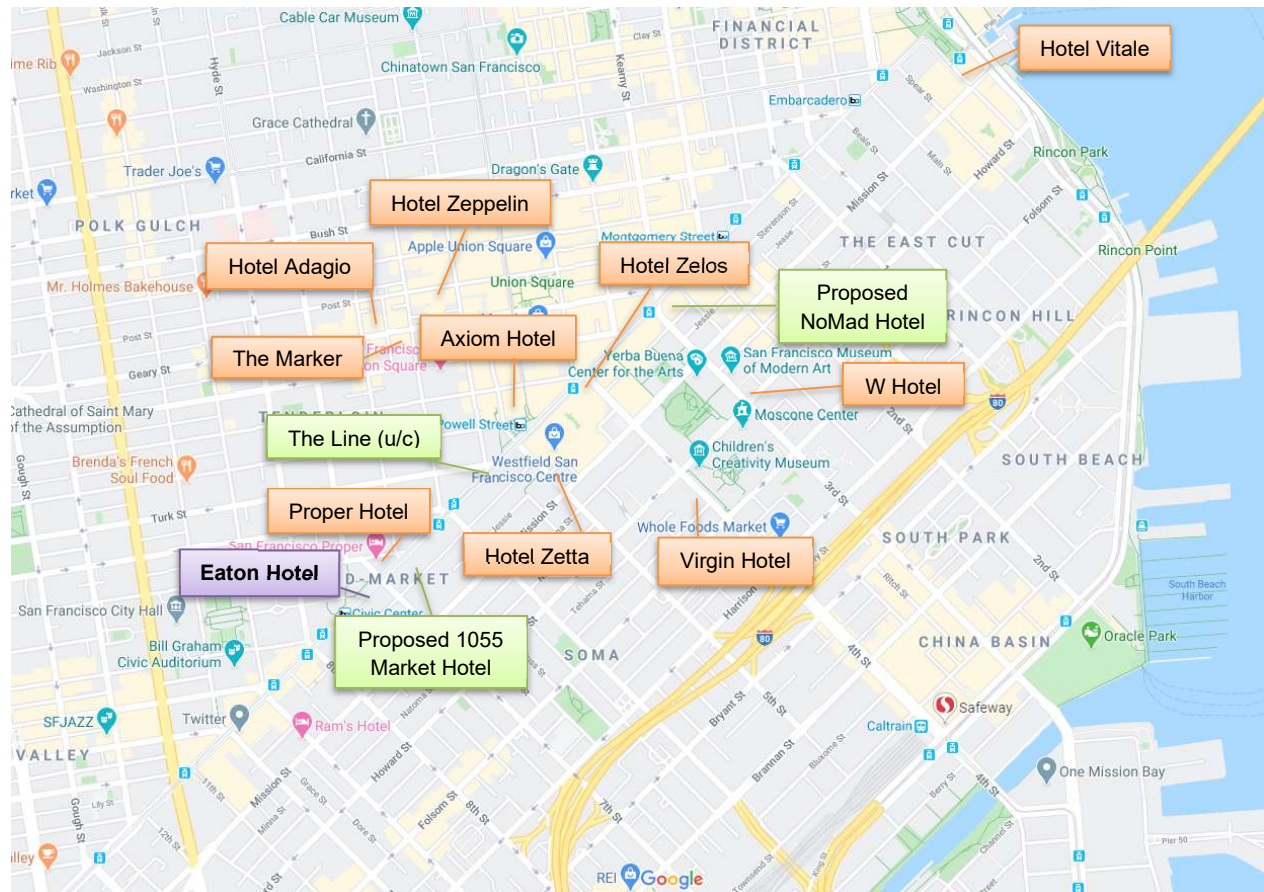
Average rate hit a low point in 2003 and 2004, when it was \$117.19 and \$118.43, respectively. The decrease in average room rate during these years was a direct result of the dot.com implosion, the aftermath of the events of September 11th, 2001, and SARS in 2002; the average room rate did not fully recover until 2007, when it reached \$148.78. In the recession of 2008-2009, average rates decreased 14.8%, from \$156.58 in 2008 to \$133.48 in 2009. Beginning in 2011 when market occupancy hit 79%, growth in market ADR has been considered robust, typically ranging between 3.9% and 13.9% per annum; however, weak convention demand in 2017 contributed to a 0.7% loss in ADR that year. ADR growth was 5.3% and 4.1% in 2018 and 2019, respectively, due to strong demand and limited additions to supply.

COMPETITIVE HOTELS

The San Francisco lodging market is comprised of several sub-markets, determined by location, size, market orientation and price point. The proposed Eaton San Francisco is expected to be competitive within the upscale/luxury class of the City's boutique hotels. The following table summarizes the selected competitive set.

Competitive Hotels Downtown San Francisco					
Hotel	Distance to Site	Year Open	Meeting Space (1)	Rooms	TripAdvisor Rating (2)
Primary Competitive Set					
Hotel Zetta	0.4 miles	2013	3,138	116	45
Hotel Zelos	0.6 miles	2015	4,493	202	62
Hotel Zeppelin	0.6 miles	2016	2,497	196	96
The Marker	0.5 miles	2016	11,646	208	72
Axiom Hotel	0.4 miles	2016	765	152	48
Hotel Vitale	1.5 miles	2005	5,900	200	75
Proper Hotel	0.1 miles	2017	970	131	37
Virgin Hotel	0.9 miles	2019	2,670	194	32
W Hotel	0.9 miles	1999	17,246	401	83
Hotel Adagio	0.5 miles	2013	3,836	171	80
Total				1,971	
(1) Net Square Footage of meeting space and ballrooms excluding pre-function areas					
(2) Of 231 hotels as of 1/22/20					

The map below illustrates the location of the proposed Eaton San Francisco relative to the competitive set and select points of interest.



Description of Competitive Hotel Market

The competitive supply includes ten hotels with 1,971 available rooms. The hotels are located in the Mid-Market, Union Square, Moscone Center, and Financial District areas. Lodging demand in the competitive set parallels the overall San Francisco market, relatively balanced between individual commercial travelers, group/convention business, and leisure demand. In 2019, 39% of the competitive set demand was from commercial travelers, 28% from groups, and 33% from leisure customers.

The following paragraphs provide detailed descriptions of each hotel in the selected luxury competitive set.

The 116-room **Hotel Zetta**, the former Hotel Milano, is located near Moscone Center on the north side of Fifth Street between Market and Mission Streets, approximately 0.4 miles northeast of the Hotel site. The Hotel Milano was acquired by Pebblebrook Hotel Trust in early 2012, was closed later that year, and re-opened as the Hotel Zetta in February 2013 after undergoing a \$12 million renovation. It is operated by Viceroy Hotels Group. The Hotel Zetta is adjacent to the Westfield Shopping Center and is within walking distance of Moscone Center and Union Square. The stylish hotel has standard guest rooms ranging in size between 250 and 300 square feet, with 16 suites ranging between 360 and 800 square feet. The Zetta has approximately 3,138 square feet of meeting space, including a 1,672 square foot Playroom featuring a pool table, shuffleboard, and video games. The property offers the 135-seat Cavalier restaurant and bar, operated by a well-regarded local restaurant operator. A full spa is located in the Westfield Shopping Center (signing privileges) and provides in-room spa services for the Hotel Zetta. The hotel also features a state-of-the-art fitness center and valet parking.

The 202-room **Hotel Zelos** is located on the southwest corner of Market and Fourth Streets, one block from the Moscone Center, and approximately 0.6 miles northeast of the Hotel site. The hotel opened as the Hotel Palomar in the historic Pacific Building in 1999. The hotel was created from office space on floors 5 through 9, with ground floor retail below and offices above the hotel. Pebblebrook Hotel Trust purchased the leasehold interest in the hotel in October 2012 and rebranded the property the Hotel Zelos in July 2015. The property was completely renovated in late 2018 and is operated by Viceroy Hotels Group. Guest rooms are spacious, ranging between 300 and 400 square feet, with 625 square foot suites. Spa rooms and all suites feature Fuji soaking tubs and separate showers. The Zelos has 4,493 square feet of dedicated meeting and/or private dining space, and a 1,690 square foot outdoor patio. The 5,020 square foot Dirty Habit restaurant serves breakfast and dinner, focusing on sharable seasonal cuisine.

The 196-room **Hotel Zeppelin** is the former Prescott Hotel and is located on the south side of Post Street between Mason and Taylor Streets near Union Square, approximately 0.6 miles north of the Hotel site. Pebblebrook Hotel Trust acquired the combination fee-simple and leasehold interest in the Prescott Hotel in May 2014. The hotel closed in November 2015 for a full renovation, re-opening in March 2016 as the Hotel Zeppelin, operated by Viceroy Hotels Group. Designed as an homage to San Francisco's counter-culture heritage, the Hotel Zeppelin features a playful 1,993 square foot gathering and game space in two rooms named Peace and Love, available as public space or for event use. The property has an additional 504 square feet of meeting space. Guest rooms range in size from 200 to 250 square feet, suites range between 320 and 430 square feet, with one 1,800 square foot suite. All feature an oversized John Boos workspace, vintage turntables, and a modern 55" LED television. The Rambler offers breakfast, lunch and dinner daily. In addition, there is a small bar within the hotel's lobby.

The 208-room **The Marker**, formerly Hotel Monaco, is located on the south side of Geary Street between Taylor and Jones Streets near Union Square, 0.5 miles north of the Hotel site. Purchased by LaSalle Hotel Properties in 2010, The Marker was re-named in January 2016 when management was shifted from Kimpton to Two Roads. Pebblebrook Hotel Trust acquired the hotel in late November 2018 through its merger with LaSalle Hotel Properties and shifted management to Access Hotels and Resorts. The Marker features 11,646 square feet of meeting space. Most of the property's guest rooms range between 250 and 380 square feet, with suites ranging from 525 to 625 square feet. Amenities include in-room spa services and evening social hour, along with the hotel's Tratto Restaurant and Bar. The Marker was renovated in 2018-2019.

The 152-room **Axiom Hotel**, the former Powell Hotel, is located near Union Square on the east side of Cyril Magnin Street between Ellis and Eddy Streets, approximately 0.4 miles northeast of the Hotel site. The Powell Hotel was acquired by Host Hotels and Resorts in early 2014, was closed in January 2015, and re-opened as the Axiom Hotel

in January 2016 following a complete renovation. It is operated by Sightline Hospitality. A contemporary hotel inspired by the iconic cable car system and the digital influence of the nearby tech corridor in Mid-Market, the Axiom Hotel is a modern facility featuring the Turn Café (breakfast, lunch and dinner), honoring the famous Powell cable car turntable located adjacent to the hotel's Powell Street entrance. The Axiom Hotel has two meeting rooms with a combined 765 square feet of space, a fitness center, and offers classic video games and foos ball tables for entertainment. The Axiom's compact guest rooms feature wood flooring and mobile task desks, and either a Queen, King, or two Queen configurations.

The 200-room **Hotel Vitale** was the first new-build hotel developed by San Francisco boutique operator, Joie de Vivre. Developed on land leased from the San Francisco Municipal Transportation Agency, the hotel enjoys a prime setting at the intersection of Mission Street and the Embarcadero, across from the waterfront and approximately 1.5 miles east of the Hotel site. The location is convenient for the corporate travel market and very attractive to the leisure market due to the hotel's waterfront setting. Hotel Vitale was purchased by Pebblebrook Hotel Trust in late November 2018 through its acquisition of LaSalle Hotel Properties and is currently operated by CoralTree Hospitality. The hotel, eight stories at its highest level, includes eight suites and six studios. Hotel Vitale is a part of the city's Embarcadero redevelopment, an ambitious waterfront revival that has seen the highly successful transformation of San Francisco's Ferry Building into a thriving hub of artisan food shops, restaurants, and thrice-weekly Farmer's Market. Hotel Vitale features Americano, a restaurant which is popular with locals and tourists alike, particularly for its outside patio overlooking the waterfront. The hotel offers approximately 5,900 square feet of meeting space with its largest room being 1,700 square feet. In addition, the hotel has several outdoor terraces that can be used for events. Hotel Vitale also features a small spa with three treatment rooms with water views and outdoor deep soaking tubs. Hotel Vitale's guestrooms range in size from 310 to 395 square feet. The guestroom bathrooms offer either tub/shower combinations, soaking tubs, or stall showers. In February 2020, owner Pebblebrook Lodging Trust announced that the Vitale will be completely renovated in 2020/2021 at a cost of \$25 million, or \$125,000/key. Subsequent to the renovation, the hotel will be renamed the 1 Hotel San Francisco and will be managed by SH Hotels & Resorts, a subsidiary of Starwood Capital Group.

The 131-room **Proper Hotel** is situated in a landmark flatiron building located on Market Street at the intersection of Jones and McAllister Streets, one block northeast of the Hotel site. The Proper Hotel was developed by The KOR Group and is operated by Proper Hospitality. Through its affiliation with Design Hotels, The Proper participates in the Marriott BonVoy frequent guest program. Due to the Proper's proximity to the Civic Center, it appears first in the list of available Marriott affiliated hotels listed in San Francisco. KOR purchased the former Renoir Hotel in 2013, closing it in May 2013. The Proper's renovation was delayed by a fire and the new hotel opened September 2017. The building's glamorous history is mixed with modern design to present a contemporary esthetic with classical European elements. The hotel features three food and beverage outlets: Villon, the hotel's main restaurant; Charmaine's, a rooftop bar and lounge with outdoor space; and La Bande, a street-level classic café opened in 2020. The Proper also offers a fitness center and complimentary internet access. Typical guest rooms range in size between 200 and 275 square feet and suites range between 300 and 630 square feet.

Virgin Hotels opened its second US location in February 2019 with the 194-room **Virgin Hotel** San Francisco, located across the street from the Moscone Center at the corner of Fourth and Clementina Streets, approximately 0.9 miles east of the subject site. It was developed by Paradigm Hotel Group and is operated by Virgin Hotels. Construction began in 2016, but the project experienced significant delays. The Virgin Hotel pays homage to San Francisco's Victorian era by merging the 1960's rock n' roll appropriation of Victorian styling with a 19th century British feel. The off-beat, high-energy hotel includes Commons Club, the brand's flagship full-service restaurant and bar; Everdene, a 12th floor rooftop bar and special event space; and the Funny Library, a coffee shop. The property has 2,670 square feet of meeting and event space and a fitness center.

The 401-room **W San Francisco** is located at Third and Howard Streets adjacent to SFMOMA and was built in 1999. It was purchased by Keck Seng Investments in 2009 from Starwood Hotels & Resorts and is subject to a long-term management agreement with Marriott. The W completed a comprehensive guest room and public space renovation in late 2019, reflecting a modern twist on the region's gold rush era and iconic landmarks. As a result, the hotel room count was reduced from 404 to 401 rooms. A significant number of rooms were out-of-order during the renovation, resulting in substantial short-term loss of business that was displaced to other hotels. Ten guest rooms will be added to the hotel by January 2021, replacing the former Bliss Spa. Already the largest hotel in the competitive market, with 411 rooms in 2021 the W will represent roughly 20% of supply.

Management reports that the property's previous renovation was not well received. As the recent renovation is more luxurious, management anticipates greater growth in average rate. The W has 17,246 square feet of meeting space and is located directly across from Moscone Center and thus benefits from convention business. The W has a popular restaurant and bar, TRACE and Living Room, and a private event space, Upstairs Bar. The W Hotel offers an indoor swimming pool and expansive fitness center. Guestrooms at the W range from 300 to 400 square feet.

The 171-room **Hotel Adagio** is located at Geary and Shannon Streets two blocks west of Union Square, approximately 0.5 miles north of the subject site. Owned by Park Hotels and Resorts and managed by Evolution Hospitality, the Hotel Adagio affiliated with Autograph Collection by Marriott in 2013. The Hotel underwent a comprehensive renovation in 2012 and completed a rooms renovation in 2019. The modern interior design compliments the Spanish Revival building through the use of rich wood tones and neutral layered textiles punctuated with pops of color. The Hotel Adagio features 3,836 square feet of meeting space, a fitness center, The Green Room for breakfast, and Mortimer's for appetizers, drinks and dinner. Guest room size range between 350 and 421 square feet, with two suites at 875 and 900 square feet.

A profile of the competitive properties is presented on pages 24 and 25.

PROFILE OF COMPETITIVE FACILITIES

Property Name	Hotel Zetta	Hotel Zelos	Hotel Zeppelin	The Marker	Axiom Hotel
Address	55 Fifth Street San Francisco, CA	12 Fourth Street San Francisco, CA	545 Post Street San Francisco, CA	501 Geary Street San Francisco, CA	28 Cyril Magnin Street San Francisco, CA
Distance to Subject	0.4 miles	0.6 miles	0.6 miles	0.5 miles	0.4 miles
Opening Year	2013	2015	2016	2016	2016
Ownership	Pebblebrook Hotel Trust	Pebblebrook Hotel Trust	Pebblebrook Hotel Trust	Pebblebrook Hotel Trust	Host Hotels & Resorts
Operator	Viceroy Hotels Group	Viceroy Hotel Group	Viceroy Hotel Group	Access Hotels & Resorts	Sightline Hospitality
Last Renovation	2013	2018	2016	2018	2016
Renovation Scope	Full Renovation	Full Guestroom	Full Renovation	Meeting & Public Space	Full Renovation
Total Number of Rooms:	116	202	196	208	152
Number of Suites	15	7	20	42	0
Percent Suites Total Rooms	13%	3%	10%	20%	0%
Trip Advisor Rating of 231 hotels	45	62	96	72	48
Food and Beverage					
Restaurant or Bar, Type	The Cavalier	Dirty Habit	Rambler	Tratto	The Turn Café
Service Available	B L & D	B & D	B L & D	B L & D	B L & D
Restaurant or Bar, Type	S & R Lounge		The Mantel Bar		
Service Available					
Restaurant or Bar, Type	Marianne's				
Service Available					
Restaurant or Bar, Type					
Meeting Space					
Total Square Feet	3,138	4,493	2,497	11,646	765
Largest Room Sq. Ft.	1,672	1,374	1,993	2,300	765
Meeting Space/ # rooms	27	22	13	56	5
Recreational Amenities					
Swimming Pool	No	No	No	No	No
Fitness	Yes	Yes	Yes	Yes	Yes
Spa	In-Room Services	No	No	In-Room Services	No
Guest Amenity Fee	\$29	\$29	\$29	\$30	\$30

PROFILE OF COMPETITIVE FACILITIES

Property Name	Hotel Vitale	Proper Hotel	Virgin Hotel	W Hotel	Hotel Adagio
Address	8 Mission Street San Francisco, CA	1100 Market Street San Francisco, CA	250 Fourth Street San Francisco, CA	181 Thrid Street San Francisco, CA	550 Geary Street San Francisco, CA
Distance to Subject	1.5 miles	0.1 miles	0.9 miles	0.9 miles	0.5 miles
Opening Year	2005	2017	2019	1999	2013
Ownership Operator	Pebblebrook Hotel Trust CoralTree Hospitality	The KOR Group Proper Hospitality	Paradigm Hotel Group Virgin Hotels	Keck Seng Marriott	Park Hotels & Resorts Evolution Hospitality
Last Renovation	2013	n/a	n/a	2019	2019
Renovation Scope	Soft Renovation			Full Renovation	Room Renovation
Total Number of Rooms:	200	131	194	401	171
Number of Suites	8	6	2	12	2
Percent Suites Total Rooms	4%	5%	1%	3%	1%
Trip Advisor Rating of 231 hotels	75	37	32	83	80
Food and Beverage					
Restaurant or Bar, Type	Americano Restaurant & Bar	Villon	Commons Club	Trace	The Green Room
Service Available	B L & D	B L & D	B L & D	B L & D	B
Restaurant or Bar, Type		Charmaine's	Everdene	Living Room Bar	The Mortimer
Service Available		(indoor/outdoor rooftop bar)	rooftop bar		D
Restaurant or Bar, Type		La Bande	Funny Library	Upstairs Bar	
Service Available		B & L	coffee shop		
Restaurant or Bar, Type					
Meeting Space					
Total Square Feet	5,900	970	2,670	17,246	3,836
Largest Room Sq. Ft.	1,700	700	2,124	3,430	998
Meeting Space/ # rooms	30	7	14	43	22
Recreational Amenities					
Swimming Pool	No	No	No	No	No
Fitness	Yes	Yes	Yes	Yes	Yes
Spa	Yes	No	No	No	No
Guest Amenity Fee	\$35	\$30	None	None	None

Proposed Hotels

There are three hotels with 674 rooms currently under construction in Downtown San Francisco. Based on an assessment of location, market positioning, programming, branding and quality level, only The Line Hotel is expected to be directly competitive with the hotels comprising the competitive set.

There are an additional 30 proposed hotels with 5,493 rooms (including the proposed 180-room Eaton San Francisco) located throughout San Francisco in various stages of the planning process. Most of these hotels are in the pre-planning stages and no firm timetables for their completions have been identified. The proposed hotels are listed in the following table.

Proposed Hotels as of January 2020 San Francisco, CA					
Hotel	Address	Developer	Rooms	Opening Year	Status
Hotels Under Construction					
The Line	950 Market St	Group i Mid Market Center LLC	232	2021	Construction
Marriott	1000 Channel Street	Lawrence Lui	250	2021	Construction
CitizenM	72 Ellis Street	Citizen M	192	2022	Construction
	Subtotal		674		
Hotels in Planning					
1055 Market Hotel	1055 Market Street	Paradigm Hotels Group	155	2023	Planning Approved
Eaton San Francisco	1125 Market Street	Pacific 1125 Market Corporation	180	2023	Planning Filed
GSW Hotel	99 Warriors Way	GSW Hotel LLC	142	2023	Planning Filed
Langham Hotel	555 Howard Street	Pacific Eagle Holdings, Inc.	401	2024	BP Issued
400 Second Street Hotel	400 Second Street	Lawrence Lui Cresleigh Development	469	2024	Planning Filed
Hearst Building NoMad Hotel	5 Third Street	Bespoke Hospitality JMA Ventures	170	2024	Planning Filed
Luxury Hotel	Transbay Parcel F	F4 Transbay Partners LLC	220	2024	Planning Filed
Bay Street Hotel	400 Bay Street	425 North Point Street LLC	13	n/a	BP Issued
Waldorf Astoria	88 First Street	affiliate of SPF Capital Intenational LTD	168	n/a	BP Issued / On-Hold
Harrison Street Hotel	744 Harrison Street	744 Harrison LLC	55	n/a	BP Filed
Candlestick Point Hotel	Candlestick Point	n/a	220	n/a	Planning Approved
Treasure Island Hotel	Treasure Island	n/a	500	n/a	Planning Approved
Hotel Caza Addition	1300 Columbus	Westbrook Partners	174	n/a	Planning Filed
1025 Howard Hotel	1025 Howard St	COGAC LLC	181	n/a	Planning Filed
399 5th Street Hotel	399 Fifth Street	5th Street Investor SF, LLC	197	n/a	Planning Filed
Castro Hotel	4230 18th Street	Postcard Capital	12	n/a	Planning Filed
433 Mason Street Hotel	433 Mason Street	CS Mason Project LLC	211	n/a	Planning Filed
Equinox Hotel	425 Washington Street	EQX Jackson SQ Holdco LLC	200	n/a	Planning Filed
Cort Furniture Building	447 Battery	447 Partners LLC	198	n/a	Planning Filed
36 Tehama Street Hotel	36 Tehama Street	J Street Development	185	n/a	Planning Filed
655 Fourth Street Hotel	655 Fourth Street	Tishman Speyer	38	n/a	Planning Filed
CitizenM	816 Folsom Street	OSIB 816 Folsom Street Properties LLC	218	n/a	Planning Filed
996 Mission Street Hotel	996 Mission Street	996 Mission Street LLC	105	n/a	Planning Filed
Mark Hopkins Hotel Addition	999 California Street	Leadwell Global Property LLC	20	n/a	Planning Filed
AC Hotel/Teatro ZinZanni	Seawall Lots 323 & 324	TZK Broadway, LLC	192	n/a	Planning Filed
570 Market Street Hotel	570 Market Street	Frontier Group LLC/229 Ellis Holdings LLC	240	n/a	Planning Filed
1310 Mission Street Hotel	1310 Mission Street	1310 Mission Street LLC/RPSRRS LLC	162	n/a	Planning Filed
Hilton Garden Inn	350 Second Street	KCG Hotel LLC	297	n/a	Planning Filed
420 Sutter Street Hotel	420 Sutter Street	420 Sutter LLC	165	n/a	Planning Filed
Kimpton Alton Hotel Addition	495 Beach Street	DiNapoli Capital Partners	5	n/a	n/a
	Subtotal		5,493		
	Total		6,167		

The supply and demand analysis used as the basis for the forecasts herein, assumes four hotels will be developed and be competitive within the competitive set, plus the 10-room addition at the W Hotel. The new hotels include the 232-room The Line (July 2021), 155-room 1055 Market Hotel (January 2023), 180-room Eaton San Francisco (January 2023), and 170-room NoMad Hotel (January 2024), as highlighted in the supply growth table below. Of the four hotels, one is under construction (The Line), and the remainder have made filings with City Planning. Given the time associated with the City Planning process, high development costs, and the challenging construction financing market, it is difficult to estimate opening dates or chances of completion. Should the number of hotel rooms that are built exceed the estimates contained herein, then the forecasts of occupancy and average room rate that are presented in this study would likely be lower.

180-room Eaton San Francisco
Estimated Growth in Average Daily Room Supply
Market Area: San Francisco

Existing Competitive Supply	Opening Date	Total Rooms	Rooms Available																		
			2019	2020	2021	2022	2023	2024	2025	2026	2027	2028									
Hotel Zetta		116	116																		
Hotel Zelos		202	202																		
Hotel Zeppelin		196	196																		
The Marker		208	208																		
Axiom Hotel		152	152																		
Hotel Vitale		200	200																		
Proper Hotel		131	131																		
Virgin Hotel	Feb-19	194	178	16																	
W Hotel		411	402	-1	10																
Hotel Adagio		171	171																		
Proposed Additions to Supply																					
The Line	Jul-21	232			117	115															
1055 Market Hotel	Jan-23	155						155													
Eaton San Francisco	Jan-23	180						180													
NoMad Hotel	Jan-24	170							170												
Change in Supply				15	127	115	335	170	0	0	0	0	0	0	0	0	0	0	0	0	0
AVERAGE DAILY ROOMS AVAILABLE		2,728	1,956	1,971	2,098	2,213	2,548	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718	2,718
% Change in Supply				0.8%	6.4%	5.5%	15.1%	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ANNUAL SUPPLY (ROOM NIGHTS)			713,854	719,415	765,753	807,745	930,020	992,070	992,070	992,070	992,070	992,070	992,070	992,070	992,070	992,070	992,070	992,070	992,070	992,070	992,070

Hotel Market Trends

Recent Market Results. The aggregate occupancy, ADR, and RevPAR performance for the Competitive Set and the larger City of San Francisco as provided by STR is provided in the table below. The total San Francisco market includes 219 hotels with 33,847 available rooms.

Competitive Market Performance - Competitive Set (1)							
Year	2013	2014	2015	2016	2017	2018	2019
Occupancy	85.0%	87.1%	87.6%	85.6%	85.7%	82.9%	80.7%
ADR	\$ 259.12	\$ 283.18	\$308.77	\$296.69	\$292.11	\$309.45	\$316.95
RevPAR	\$ 220.35	\$ 246.65	\$ 270.50	\$ 254.05	\$ 250.35	\$ 256.44	\$ 255.78
Change in Occ %	-	2.5%	0.6%	-2.3%	0.1%	-3.3%	-2.7%
Change in ADR	-	9.3%	9.0%	-3.9%	-1.5%	5.9%	2.4%
Change in RevPAR	-	11.9%	9.7%	-6.1%	-1.5%	2.4%	-0.3%
(1) Includes ten hotels encompassing 1,971 rooms: Hotel Zetta, Hotel Zelos, Hotel Zeppelin, The Marker, Axiom Hotel, Hotel Vitale, Proper Hotel, Virgin Hotel, W Hotel, and Hotel Adagio.							
Competitive Market Performance - City of San Francisco Market (2)							
Year	2013	2014	2015	2016	2017	2018	2019
Occupancy	83.9%	84.9%	84.8%	85.4%	83.3%	82.2%	82.9%
ADR	209.34	\$232.15	\$246.45	\$253.20	\$249.49	\$264.53	\$276.92
RevPAR	175.56	\$ 197.20	\$ 208.95	\$ 216.35	\$207.83	\$217.44	\$229.57
Change in Occ %	-	1.2%	-0.1%	0.7%	-2.5%	-1.3%	0.9%
Change in ADR	-	10.9%	6.2%	2.7%	-1.5%	6.0%	4.7%
Change in RevPAR	-	12.3%	6.0%	3.5%	-3.9%	4.6%	5.6%
(2) Includes 219 hotels with 33,847 rooms. All hotels are located within the City of San Francisco.							

As indicated in the previous table, over the seven-year timeframe, the Competitive Set achieved premiums in average room rates, ranging from \$40 to \$62, when compared with the City of San Francisco Market ("Total Market"). Hotels in the Total Market and Competitive Set achieved occupancies within two points of each other between 2013 and 2019. The resulting RevPAR premium comparing the Competitive Set with the Total Market ranged between \$26 and \$62.

The table below presents a detailed outline of changes in supply, demand, average rate and RevPAR in the competitive set.

Competitive Set Historical Lodging Statistics									
Year	Supply	Change	Demand	Change	Occupancy	Average Rate	Change	RevPAR	Change
2013	575,659	-	489,527	-	85.0%	\$259.12	-	\$220.35	-
2014	579,988	0.8%	505,186	3.2%	87.1%	\$283.18	9.3%	\$246.65	11.9%
2015	524,032	-9.6%	459,073	-9.1%	87.6%	\$308.77	9.0%	\$270.50	9.7%
2016	590,321	12.6%	505,496	10.1%	85.6%	\$296.69	-3.9%	\$254.05	-6.1%
2017	617,867	4.7%	529,536	4.8%	85.7%	\$292.11	-1.5%	\$250.35	-1.5%
2018	649,700	5.2%	538,392	1.7%	82.9%	\$309.45	5.9%	\$256.44	2.4%
2019	713,854	9.9%	576,091	7.0%	80.7%	\$316.95	2.4%	\$255.78	-0.3%
CAG13-19		3.7%		2.8%			3.4%		2.5%
Source: STR, Inc.									

As highlighted in the previous table, during the period 2013 through 2019, demand increased at an average annual rate of 2.8% per year while supply increased at an annual rate of 3.7% per year, resulting in decreases in occupancy

from 85.0% in 2013 to 80.7% in 2019. Occupancy peaked in 2014 and 2015, in part due to strong convention demand and a reduction in supply as certain hotels closed for renovations. When the renovated hotels re-opened in 2016, supply increased 12.6%, with a corresponding 10.1% increase in demand. Supply increased again between 2017 and 2019, with the mid-year openings of The Proper and Virgin Hotels in 2017 and 2019, respectively. Corresponding increases in demand in 2017 and 2018 were low due to the impact of the Moscone Center expansion, but demand rebounded with 7.0% growth in 2019. Demand growth was also artificially understated in 2018 and 2019 by substantial renovations occurring at hotels in the competitive set that removed guest rooms from inventory. Major renovations occurred at the Zelos (2018-2019), Marker (2018-2019), W (2019), and the Adagio (2019). As a result, 2018 and more notably, 2019 occupancies were suppressed by out-of-order rooms being included in calculation of occupancy.

Growth in average rate and RevPAR have increased at an annual rate of 3.4% and 2.5% per year between 2013 and 2019, respectively. Rate growth, and subsequently RevPAR, decreased in 2016 and 2017 due to the decreased demand from Moscone Center. Average rate increased 5.9% in 2018 and 2.4% in 2019, again tempered by renovations underway at key competitors.

Seasonality. Hotel occupancy patterns among the competitive set are consistent with a market that has healthy corporate, group meeting, and leisure travel. The busiest months are in the summer and fall when corporate demand is supplemented by leisure and convention travel. The slowest months are January (72.6%), February (73.9%), and December (74.8%). The difference between the average occupancy during the market’s peak month of October (89.3%) and its lowest month January is nearly 17 points.

Day of Week Pattern. The competitive set achieved the highest average occupancies mid-week on Tuesdays and Wednesdays in the Trailing Twelve Months (“TTM”) ended December 2019, highlighting the strength of corporate demand in the area. Occupancy peaked on Tuesday and Wednesday (85.7%), followed by Thursday (82.5%), Monday (81.7%), and Saturday (80.4%). Sunday was the weakest night of the week (71.2%). Average room rate was considerably higher during the mid-week corporate travel peak with the highest ADR (\$395.92) on Tuesday, trailed by Wednesday (\$390.46), and Monday (\$366.02); in contrast, the lowest ADR was on Saturday (\$234.36). Evidence of these market characteristics is presented in the table below, which contains the occupancies, average rates, and RevPAR’s of the competitive set hotels by day of week for the TTM ended December 2019.

Competitive Market By Day of Week			
Day	Average		
	Occupancy	Room Rate	RevPAR
Sunday	71.2%	\$272.40	\$193.95
Monday	81.7%	\$366.02	\$298.92
Tuesday	85.7%	\$395.92	\$339.46
Wednesday	85.7%	\$390.46	\$334.49
Thursday	82.5%	\$303.80	\$250.76
Friday	77.6%	\$235.96	\$183.04
Saturday	<u>80.4%</u>	<u>\$234.36</u>	<u>\$188.54</u>
TTM December 2019	80.7%	\$316.95	\$255.78

Market Segmentation

Hotel customers are classified into three major classifications or segments including: commercial, group, and leisure. The competitive set derives the majority of its overall demand from the commercial segment at 39% of the total demand; with groups and leisure represented at 28% and 33% of total demand, respectively.

The market characteristics and prospects of each of the market segments are discussed hereinafter.

Commercial: This market segment contributed an estimated 39 percent of the occupied rooms of the competitive hotels in 2019. It consists mostly of individual corporate travelers visiting companies in Downtown San Francisco including Twitter, Dolby Laboratories, Square, Nextdoor, NerdWallet, Microsoft, Uber, Zendesk, Pinterest, and Yahoo in the high-tech corridor in Mid-Market; lawyers visiting the state and federal courts; government visitors; and salespeople and other professionals. Service companies, such as international accounting and consulting firms that

support the technology, finance, healthcare, and retail sectors, also generate substantial corporate travel in the market. An additional source of demand classified by hotels as corporate demand are corporate customers attending conventions or conferences and booking outside the room block. Most hotel customers visiting local companies prefer to stay at a hotel close to their place of business and proximate to neighborhood amenities including restaurants, retail and entertainment. In general, the hotel stays of commercial travelers are paid by their companies or clients, which contribute to the higher room rates of local hotels in mid-week periods.

Based on historical demand patterns and the future economic outlook, commercial demand is forecasted to increase at a base annual growth rate of 1.0% to 3.0% during the projection period. Growth in demand is weakest in 2020 due to weaker convention demand and reduced travel relating to coronavirus. There appears to be significant unsatisfied corporate demand in San Francisco on Monday through Thursday nights as evidenced by market occupancies ranging from 81.7% - 85.7% and average rates ranging from \$303.80 - \$395.92 during the weekdays. With unsatisfied demand supplementing the increases in base growth in demand and both new hotel rooms and office space available in future years, overall commercial demand is forecast to increase at 4.2 on a compound annual basis between 2019 and 2028. Commercial demand, as a percentage of total demand, is expected to represent 39% of demand in the market.

Groups: The group market segment accounted for an estimated 28 percent of the room nights in 2019. This segment is comprised of corporate groups that hold meetings and other functions at hotels, guests attending conventions at Moscone Center, corporate training groups on project assignments that typically do not meet in hotels, and tour groups which often stay over weekends. Generally, group demand is more prevalent in the City's larger hotels that offer abundant meeting space and provide large room blocks to the conventions held at the Moscone Convention Center, such as the Marriott Marquis, the San Francisco Hilton, and the Westin St. Francis; however, hotels in the competitive set are proximate to Moscone Center and benefit from their unique style and programming.

Group demand fluctuates with the Moscone Center activity and increases or declines are largely based on the convention calendar. The number of room nights associated with Moscone Center events in 2019 were at record level, as the center was in its first full year of operation subsequent to its partial closure, renovation, and expansion. The 2020-2022 booking pace is in the vicinity of 80%, due to the cancellation of the Oracle OpenWorld convention and loss of certain other conventions. The slowdown in group demand in 2020 is further exacerbated by the effects of coronavirus. As a result of the above, the forecast is for negative growth of 2.0% in group room nights in 2020. Base group demand growth is forecast to be 2.0% to 3.0% through the remainder of the projection period, reflecting the perennial strength of the convention center and the city as a convention destination. Supplementing base demand growth is the ability of the new hotels to accommodate previously unsatisfied demand and to induce new groups into the market as the result of their meeting space and/or marketing efforts. Overall, group demand is forecast to increase at 4.6% on a compound annual basis between 2019 and 2028. Group demand, as a percentage of total demand, is expected to represent 29% of demand in the market.

Leisure: This market segment accounted for an estimated 33 percent of the competitive set's occupied rooms in 2019. The leisure segment includes visitors to San Francisco for sporting events, shopping, sightseeing, special events, and visiting friends and relatives. San Francisco has a strong and well-diversified leisure base due to the popularity of the destination. Of particular note is that San Francisco's leisure base is a blend of domestic, Asian, and European visitors. This diversity helps off-set shifts in demand caused by currency exchange rates or other world events and makes this market segment less volatile. Overall leisure demand is forecast to increase at 3.8% on a compound annual basis between 2019 and 2028, comprised of base growth of -1.0% in 2020, followed by 2.0% to 3.0% growth per year in subsequent periods, as well as the impact of previously unsatisfied demand entering the market due to the availability of new rooms. Future growth in the leisure segment could potentially be impacted by the coronavirus and current federal administration's border policies.

Reconciliation of Supply and Demand

A forecast of the supply of and demand for hotel rooms is presented on the next page. This analysis yields a market occupancy, which aggregates the occupancies of the competitive set.

180-room Eaton San Francisco Estimated Growth In Lodging Supply and Demand Market Area: San Francisco											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Compound Annual Growth (2019-2028)
Commercial		1.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	2.0%	2.0%	
Gross Demand	302,100	305,100	311,200	320,500	330,100	340,000	350,200	360,700	367,900	375,300	
Less: Unsatisfied Demand	79,200	71,500	66,100	64,700	51,600	44,000	44,300	45,600	46,500	52,400	
Net Demonstrated Demand	222,900	233,600	245,100	255,800	278,500	296,000	305,900	315,100	321,400	322,900	
Plus: Induced Demand		0	0	0	0	0	0	0	0	0	
Subtotal Demand	222,900	233,600	245,100	255,800	278,500	296,000	305,900	315,100	321,400	322,900	4.2%
Growth over Previous Year		4.8%	4.9%	4.4%	8.9%	6.3%	3.3%	3.0%	2.0%	0.5%	
% of Total Market Demand	39%	39%	39%	39%	39%	39%	39%	39%	39%	39%	
Group		-2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	2.0%	2.0%	
Gross Demand	230,600	226,000	230,500	237,400	244,500	251,800	259,400	267,200	272,500	278,000	
Less: Unsatisfied Demand	70,400	58,500	53,900	52,100	39,700	31,800	31,800	32,800	33,500	38,200	
Net Demonstrated Demand	160,200	167,500	176,600	185,300	204,800	220,000	227,600	234,400	239,000	239,800	
Plus: Induced Demand		0	0	0	0	0	0	0	0	0	
Subtotal Demand	160,200	167,500	176,600	185,300	204,800	220,000	227,600	234,400	239,000	239,800	4.6%
Growth over Previous Year		4.6%	5.4%	4.9%	10.5%	7.4%	3.5%	3.0%	2.0%	0.3%	
% of Total Market Demand	28%	28%	28%	28%	29%	29%	29%	29%	29%	29%	
Leisure		-1.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	2.0%	2.0%	
Gross Demand	251,800	249,300	254,300	261,900	269,800	277,900	286,200	294,800	300,700	306,700	
Less: Unsatisfied Demand	58,700	52,700	48,500	47,100	38,900	32,700	33,700	34,700	35,400	36,100	
Net Demonstrated Demand	193,100	196,600	205,800	214,800	230,900	245,200	252,500	260,100	265,300	270,600	
Plus: Induced Demand		0	0	0	0	0	0	0	0	0	
Subtotal Demand	193,100	196,600	205,800	214,800	230,900	245,200	252,500	260,100	265,300	270,600	3.8%
Growth over Previous Year		1.8%	4.7%	4.4%	7.5%	6.2%	3.0%	3.0%	2.0%	2.0%	
% of Total Market Demand	33%	33%	33%	33%	32%	32%	32%	32%	32%	32%	
Total Market Demand											
Total Gross Demand	784,500	780,400	796,000	819,800	844,400	869,700	895,800	922,700	941,100	960,000	
Less: Unsatisfied Demand	208,300	182,700	168,500	163,900	130,200	108,500	109,800	113,100	115,400	126,700	
Total Net Demonstrated Demand	576,200	597,700	627,500	655,900	714,200	761,200	786,000	809,600	825,700	833,300	
Plus: Induced Demand	0	0	0	0	0	0	0	0	0	0	
Total Market Demand	576,200	597,700	627,500	655,900	714,200	761,200	786,000	809,600	825,700	833,300	4.2%
Growth over Previous Year		3.7%	5.0%	4.5%	8.9%	6.6%	3.3%	3.0%	2.0%	0.9%	
ANNUAL SUPPLY (ROOM NIGHTS)	713,854	719,415	765,753	807,745	930,020	992,070	992,070	992,070	992,070	992,070	3.7%
Growth over Previous Year		9.9%	0.8%	6.4%	5.5%	15.1%	6.7%	0.0%	0.0%	0.0%	
MARKET OCCUPANCY	81%	83%	82%	81%	77%	77%	79%	82%	83%	84%	

Accommodated demand in 2020 is expected to increase 3.7%, and supply is expected to increase 0.8% as the remaining rooms from the addition of the Virgin Hotel are added to the market. Growth in demand is in large part the result of the completed W renovation. As the largest hotel in the competitive market, activity at the W Hotel can have an exponential impact on performance of the competitive market as a whole. With many of the W Hotel's guest rooms out-of-order in 2019, market demand was artificially suppressed; now fully operation, performance at the W is expected to lift occupancy in the market as a whole as the hotel will operate with a full complement of available rooms for the first time in over a year. However, growth in the commercial and leisure segments is slower than typical due to estimated impact from the coronavirus. Future occupancy will fluctuate with the addition of new hotels. The availability of new product and rooms will be absorbed through natural growth and re-capture of previously unsatisfied demand. Occupancy is expected to decrease to 77 percent in 2023 and 2024, years when supply increases 15.1% and 6.7%, respectively. Occupancy is projected to recover in later years as demand continues to increase without new supply. Market occupancy is expected to stabilize at 84% beginning in 2028, above current levels but somewhat lower than historical levels (2013-2017) and reflective of the large room base in the market.

Between 2019 and 2028, market supply and demand are estimated to increase 3.7% and 4.2% on an average annual basis, respectively. Growth in demand reflects the strength of the local hotel market, historical trends, expected growth in corporate demand generated from new office buildings (under construction and proposed), and the accommodation of demand previously turned away due to the lack of hotel rooms in the area. The addition of new supply (The Line, Eaton

San Francisco, 1055 Market Hotel, and NoMad Hotel) should be rapidly absorbed with only minor short-term disruption to the competitive market occupancy, barring unforeseen circumstances.

MARKET PENETRATION AND AVERAGE ROOM RATE OF THE PROPOSED EATON SAN FRANCISCO

Market Penetration Analysis

A quantitative analysis that yields forecasts of the occupancy of the proposed hotel is presented in the table on the following page. These forecasts assume that the Eaton San Francisco would be built as described herein, that it would be operated competently, and that an aggressive pre-opening marketing and training program would be implemented. The rationale for the estimates follows.

Methodology

This analysis uses the concept of fair share and market penetration. In this analysis technique, a hotel is evaluated compared to its competition, and its potential market share is calculated on the basis of its relative appeal. A hotel's "fair share" of market demand is said to be equal to its share of supply, i.e., a 100-room hotel in a market of 1,000 rooms would have a fair share equal to 10%. A market penetration of 100% indicates a property is capturing its fair share. Market penetration in excess of 100% indicates a hotel is performing better than the weighted average of the competition, and the converse applies to a hotel realizing a lower penetration rate.

Commercial. The Eaton San Francisco would appeal to business travelers due to its location in the thriving Mid-Market neighborhood and Civic Center District, its newness, and its lifestyle brand affiliation. When the hotel opens, scheduled for January 1, 2023, it will be located proximate to the 6 million square feet of office space that presently exists in the Civic Center/Mid-Market area, and proximate to an additional 14 million square feet of space in the Yerba Buena and SOMA East and West markets. Furthermore, an additional 4.1 million square feet of space is under construction and an additional 9.7 million proposed in the vicinity. The Eaton will be located within easy walking distance of key technology firms including Dolby, Twitter, Zendesk, and Microsoft, among others. Given the hotel's location on Market Street, direct proximity to transportation, and aforementioned facilities and service offerings, the market penetration in this segment was estimated to be 102 percent of fair share in a stabilized year. This penetration indicates that commercial guests would contribute 41 percent of the occupied room nights of the Proposed Hotel upon the stabilization of operations.

Group. The Eaton San Francisco will have approximately 3,000 square feet of meeting space and a 1,000 square foot tenth floor function room with bar and outdoor terrace. The amount of available function space is on par with many of its competitors; however, a large component of group demand in the market is driven by Moscone Center and corporations hosting their own meetings. Given the hotel's distance to Moscone Center relative to its competitive set, the Eaton San Francisco is expected to penetrate the group segment at 93 percent in a stabilized year. This estimate indicates that groups would provide 27 percent of the Eaton San Francisco's occupied rooms in a stabilized year.

Leisure. The Eaton San Francisco should capture close to its fair share in the leisure market segment due largely to its newness, its location proximate to cultural attractions and retail shopping districts, proximity to transportation, and lifestyle brand affiliation and offerings. The hotel's penetration in this market segment is estimated to be 96 percent of fair share upon stabilization. This penetration estimate indicates that leisure guests would provide 32 percent of its occupied rooms in the stabilized year.

180-room Eaton San Francisco						
Penetration Analysis						
Market Area: San Francisco						
	2023 *	2024	2025	2026	2027	2028
ANNUAL SUPPLY (ROOM NIGHTS)	930,020	992,070	992,070	992,070	992,070	992,070
PROPERTY SIZE	180	180	180	180	180	180
FAIR SHARE (SUPPLY)	7.1%	6.6%	6.6%	6.6%	6.6%	6.6%
Commercial						
Total Demand	278,500	296,000	305,900	315,100	321,400	322,900
Fair Share of Demand	19,674	19,603	20,258	20,868	21,285	21,384
Penetration Rate	<u>100%</u>	<u>105%</u>	<u>105%</u>	<u>105%</u>	<u>103%</u>	<u>102%</u>
Demand Captured	19,700	20,600	21,300	21,900	21,900	21,900
% of Total Demand Captured	40%	41%	41%	41%	41%	41%
Group						
Total Demand	204,800	220,000	227,600	234,400	239,000	239,800
Fair Share of Demand	14,468	14,570	15,073	15,523	15,828	15,881
Penetration Rate	<u>91%</u>	<u>93%</u>	<u>95%</u>	<u>95%</u>	<u>93%</u>	<u>93%</u>
Demand Captured	13,200	13,500	14,300	14,700	14,700	14,700
% of Total Demand Captured	27%	27%	27%	27%	27%	27%
Leisure						
Total Demand	230,900	245,200	252,500	260,100	265,300	270,600
Fair Share of Demand	16,312	16,238	16,722	17,225	17,570	17,921
Penetration Rate	<u>97%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>98%</u>	<u>96%</u>
Demand Captured	15,800	16,200	16,700	17,200	17,200	17,200
% of Total Demand Captured	32%	32%	32%	32%	32%	32%
TOTAL MARKET DEMAND						
Total Demand	714,200	761,200	786,000	809,600	825,700	833,300
Fair Share of Demand	50,454	50,411	52,053	53,616	54,682	55,185
Penetration Rate	<u>97%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>98%</u>	<u>97%</u>
Demand Captured	48,700	50,300	52,300	53,800	53,800	53,800
ESTIMATED OCCUPANCY	74%	77%	80%	82%	82%	82%
MARKET OCCUPANCY	77%	77%	79%	82%	83%	84%
* Assumes an January 1, 2023 Opening Date						

Estimated Occupancy

The foregoing analyses of market penetration by segment are summarized in the following table.

Market Penetration			
Year	Market Occupancy	Penetration	Eaton Occupancy
2023 *	77%	97%	74%
2024	77%	100%	77%
2025	79%	100%	80%
2026	82%	100%	82%
2027	83%	98%	82%
2028	84%	97%	82%

*Eaton San Francisco opens 1/1/2023

As with most new hotels, the occupancy of the Eaton San Francisco was forecast to be lower in the initial years of operation as a result of the time and marketing efforts required to establish a market presence. This will be partially offset by its desirable location for the corporate customer, function space, Moscone Center demand, and popularity of San Francisco as an international leisure destination. The hotel's occupancy is estimated to be 82 percent in 2026 when the operation of the hotel is expected to stabilize.

Estimated Average Daily Room Rate

According to the STR data outlined below, the average rates increased 9.3% in 2014 and 9.0% in 2015. In 2016, average rates decreased 3.9%, reflecting the lack of compression as the Moscone Center construction began. Given the continued high market occupancies, management at the competitive hotels were generally able to replace group demand with lower-rated corporate and leisure demand. In 2017, average rate fell another 1.5% as the market continued to react to the decline of Moscone Center group demand and absorbed the addition of The Proper. Average rate rebounded in 2018 with 5.9% growth but only achieved 2.4% growth in 2019 despite the Moscone Center re-opening due to the on-going renovation at the W Hotel and other hotels in the competitive set and opening of the Virgin Hotel.

Competitive Market Performance - Competitive Set (1)							
Year	2013	2014	2015	2016	2017	2018	2019
Occupancy	85.0%	87.1%	87.6%	85.6%	85.7%	82.9%	80.7%
ADR	\$ 259.12	\$ 283.18	\$ 308.77	\$ 296.69	\$ 292.11	\$ 309.45	\$ 316.95
RevPAR	\$ 220.35	\$ 246.65	\$ 270.50	\$ 254.05	\$ 250.35	\$ 256.44	\$ 255.78
Change in Occ %	-	2.5%	0.6%	-2.3%	0.1%	-3.3%	-2.7%
Change in ADR	-	9.3%	9.0%	-3.9%	-1.5%	5.9%	2.4%
Change in RevPAR	-	11.9%	9.7%	-6.1%	-1.5%	2.4%	-0.3%

(1) Includes ten hotels encompassing 1,971 rooms: Hotel Zetta, Hotel Zelos, Hotel Zeppelin, The Marker, Axiom Hotel, Hotel Vitale, Proper Hotel, Virgin Hotel, W Hotel, and Hotel Adagio.

Historically, average rate increased at a compound average annual rate of 4.8% between 2013 and 2019. Future rate growth is expected to be above inflation but lower than the historical level, due in part to the weak convention bookings through 2022. The estimated future room rate growth in the competitive set includes growth of 6.0% in 2020 and 5.0% in 2021, reflecting the completion of renovations at the W Hotel and other hotels in the competitive set as well as the opening of The Line. Growth rates of 4.0% in 2022 and 2023 reflect the opening of the 1055 Market Hotel and Eaton San Francisco. In 2024 and beyond, growth in average rate is assumed to be at an inflationary level of 3.0%. The compound average annual growth rate for market average rate between 2019 and 2028 is 3.8%.

The average rate estimates for the Eaton San Francisco were determined by the overall facilities program provided by the developer, envisioned quality level and market positioning of the Eaton San Francisco, the hotel's location, and the hotel's positioning relative to its competitors.

The estimated average daily rate of \$340 in 2019 value dollars for the Eaton San Francisco would result in a positioning of an approximate 7% premium to the year-end 2019 competitive set average daily rate. The estimated average daily rate in 2019 dollars was adjusted by the future growth rates in the market for the years 2020-2028, as discussed above. In addition, a discount factor was applied to the Proposed Hotel's estimated average daily rate in its first two years of operation (2023 and 2024) which represents typical discounting that occurs in a new hotel as management attempts to quickly attract customers. The hotel's forecasted average daily rate for the period 2023 through 2028 is presented in the table below.

180-room Eaton San Francisco				
Estimated Average Daily Room Rate				
<u>Year</u>	<u>Growth Factor</u>	<u>Future Dollars</u>	<u>Discount Factor</u>	<u>Adjusted Rate</u>
2019		\$340.00		
2020	6.0%	\$360.40		
2021	5.0%	\$378.42		
2022	4.0%	\$393.56		
2023 *	4.0%	\$409.30	4.0%	\$392.93
2024	3.0%	\$421.58	2.0%	\$413.15
2025	3.0%	\$434.23	0.0%	\$434.23
2026	3.0%	\$447.25	0.0%	\$447.25
2027	3.0%	\$460.67	0.0%	\$460.67
2028	3.0%	\$474.49	0.0%	\$474.49

*Eaton San Francisco opens 1/1/2023

Addenda



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Qualifications of the Hudson Group

The Hudson Group is a hospitality industry consulting firm founded in 1993 and located in San Francisco. The Hudson Group provides real estate advisory services to lenders, owners, operators, and developers of hotels and resorts. The Hudson Group has completed assignments in nearly every state in the U.S, with an emphasis on major urban destinations such as Los Angeles, San Francisco, Miami, New York City, Atlanta, Orlando, and New Orleans. In addition, the Hudson Group has experience in overseas destinations as diverse as Canada, Mexico, the Caribbean, and the South Pacific.

The Hudson Group has been retained to work on a variety of different types of assignments including the following:

- Due diligence and underwriting associated with mortgage financing of numerous major portfolios of hotels as well as single assets (over 150,000 rooms and \$30 billion in assets);
- Feasibility analysis associated with the construction of new full-service and limited-service hotels and resorts;
- Market planning and research for a major entertainment company and theme park operator;
- The evaluation of hotel acquisitions for several hotel owners and operators; and,
- Litigation support for hospitality industry cases.

Significant transactions have included diligence associated with the financing of the Ian Schrager Hotel Portfolio, Fairmont Portfolio, Kyo-ya Corporation Sheraton Hawaii Portfolio, RLJ Portfolio, the re-capitalization of Wyndham Hotels and Resorts, and numerous large single asset financings including the Palmer House Hilton, Ritz-Carlton New Orleans, Casa del Mar, J.W. Marriott Desert Ridge, Ritz-Carlton Kapalua, the Hyatt Regency Waikiki, and the Marriott Waikiki.

Stephen Hudson is the principal of the Hudson Group. Prior to founding the Hudson Group, Mr. Hudson was a senior manager in the Los Angeles office of PKF Consulting. At PKF, Mr. Hudson oversaw a team of hospitality consultants working on projects throughout the West and participated in various community and professional organizations on behalf of the firm.

Mr. Hudson's education includes a Masters degree from the School of Hotel Administration at Cornell University and a Bachelor's degree from Oberlin College. Mr. Hudson has an extensive operational background in hotels. Mr. Hudson is a member of the International Society of Hospitality Consultants and the Cornell Hotel Society.

Trend # 1170273_SADIM / Created February 11, 2020



Trend Report - SF Boutique - San Francisco, CA Selected Properties

January 2013 to December 2019 Currency : USD - US Dollar

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Tab 2 - Data by Measure

SF Boutique - San Francisco, CA Selected Properties

Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

Occupancy (%)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2013	70.3	78.2	81.0	89.4	86.7	91.2	90.4	92.3	89.9	89.4	81.9	78.3	85.0	85.0
2014	74.4	83.5	84.3	89.9	86.8	90.6	91.3	95.1	91.4	91.4	82.9	83.4	87.1	87.1
2015	81.7	87.2	87.0	89.2	90.2	92.2	89.0	89.2	89.7	92.1	81.5	81.0	87.6	87.6
2016	79.6	77.9	81.1	86.1	86.9	92.3	86.6	89.4	91.1	92.0	82.6	79.9	85.6	85.6
2017	79.6	87.2	87.7	89.5	89.1	92.0	89.1	92.2	83.9	85.9	79.3	74.5	85.7	85.7
2018	78.3	82.2	86.8	88.3	87.0	90.5	90.0	88.8	86.3	80.1	69.2	67.1	82.9	82.9
2019	72.6	73.9	77.5	82.8	80.6	81.7	80.2	87.4	86.3	89.3	80.2	74.8	80.7	80.7
Avg	76.6	81.2	83.4	87.7	86.5	89.8	87.8	90.5	88.2	88.4	79.5	76.7	84.8	84.8

ADR (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2013	250.53	229.66	236.78	258.20	244.51	257.28	254.84	275.35	295.48	305.03	263.47	223.85	259.12	259.12
2014	273.81	264.21	261.18	263.56	279.07	287.46	280.26	298.36	320.69	333.41	260.33	264.01	283.18	283.18
2015	331.92	275.19	313.13	303.86	298.41	308.53	309.43	312.82	352.86	347.68	298.86	233.94	308.77	308.77
2016	329.41	365.66	303.49	257.91	304.64	318.22	277.30	280.11	317.63	337.98	253.47	227.20	296.69	296.69
2017	368.98	320.13	280.07	257.12	269.76	272.92	285.14	280.93	305.09	331.45	318.68	219.12	292.11	292.11
2018	399.81	263.76	285.84	315.52	292.31	289.60	315.89	290.57	363.36	362.94	290.78	229.49	309.45	309.45
2019	454.88	327.23	323.29	298.38	307.88	293.07	260.94	295.86	340.08	328.35	348.97	247.27	316.95	316.95
Avg	349.04	291.82	286.97	279.76	285.72	289.56	283.28	290.34	328.10	334.95	292.22	235.42	295.70	295.70

RevPAR (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2013	176.08	179.69	191.90	230.80	211.92	234.67	230.35	254.28	265.54	272.71	215.85	175.35	220.35	220.35
2014	203.73	220.57	220.23	236.96	242.27	260.50	255.98	283.80	292.96	304.64	215.86	220.27	246.65	246.65
2015	271.20	239.86	272.38	271.05	269.18	284.31	275.40	278.99	316.48	320.16	243.47	189.47	270.50	270.50
2016	262.10	284.72	246.05	222.00	264.83	293.70	240.15	250.54	289.68	311.00	209.44	181.60	254.05	254.05
2017	293.61	279.13	245.65	230.20	240.40	250.98	254.10	259.13	256.08	284.85	252.69	163.34	250.35	250.35
2018	313.08	216.82	248.01	278.62	254.28	262.08	284.16	257.92	313.51	290.72	201.26	153.89	256.44	256.44
2019	330.30	241.96	250.43	247.01	248.13	239.47	209.31	258.69	293.45	293.13	279.73	184.90	255.78	255.78
Avg	267.31	236.98	239.46	245.37	247.26	260.01	248.86	262.84	289.36	296.17	232.22	180.45	250.62	250.62

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2013	45,601	44,436	49,197	47,610	49,197	47,610	49,197	49,197	47,610	49,197	47,610	49,197	575,659	575,659
2014	49,197	44,436	49,197	47,610	49,228	47,640	49,228	49,228	47,760	49,352	47,760	49,352	579,988	579,988
2015	45,167	40,796	45,198	43,950	45,415	43,950	45,415	45,415	43,950	45,415	39,030	40,331	524,032	524,032
2016	45,043	40,684	51,119	49,470	51,119	49,470	51,119	51,119	49,470	51,119	49,470	51,119	590,321	590,321
2017	51,119	46,172	51,119	49,470	51,119	49,470	51,119	51,119	53,400	55,180	53,400	55,180	617,867	617,867
2018	55,180	49,840	55,180	53,400	55,180	53,400	55,180	55,180	53,400	55,180	53,400	55,180	649,700	649,700
2019	55,180	55,272	61,194	59,220	61,194	59,130	61,101	61,101	59,130	61,101	59,130	61,101	713,854	713,854
Avg	49,498	45,948	51,743	50,104	51,779	50,096	51,766	51,766	50,674	52,363	49,971	51,637	607,346	607,346

Demand														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2013	32,049	34,767	39,872	42,558	42,641	43,427	44,468	45,433	42,786	43,984	39,005	38,537	489,527	489,527
2014	36,605	37,096	41,483	42,805	42,735	43,172	44,963	46,825	43,631	45,093	39,602	41,176	505,186	505,186
2015	36,904	35,558	39,317	39,204	40,967	40,500	40,420	40,504	39,418	41,820	31,797	32,664	459,073	459,073
2016	35,839	31,678	41,443	42,582	44,439	45,658	44,271	45,722	45,089	47,039	40,877	40,859	505,496	505,496
2017	40,677	40,258	44,837	44,290	45,557	45,493	45,553	47,152	44,822	47,422	42,343	41,132	529,536	529,536
2018	43,210	40,971	47,876	47,155	48,000	48,326	49,638	48,980	46,073	44,200	36,960	37,003	538,392	538,392
2019	40,067	40,868	47,403	49,025	49,318	48,315	49,012	53,426	51,022	54,548	47,398	45,689	576,091	576,091
Avg	37,907	37,314	43,176	43,946	44,808	44,984	45,475	46,863	44,692	46,301	39,712	39,580	514,757	514,757

Revenue (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2013	8,029,274	7,984,509	9,440,956	10,988,419	10,426,071	11,172,840	11,332,304	12,509,808	12,642,511	13,416,576	10,276,810	8,626,596	126,846,674	126,846,674
2014	10,022,769	9,801,232	10,834,711	11,281,481	11,926,265	12,410,294	12,601,462	13,970,931	13,991,946	15,034,636	10,309,643	10,870,912	143,056,282	143,056,282
2015	12,249,254	9,785,196	12,311,195	11,912,460	12,224,970	12,495,307	12,507,239	12,670,416	13,909,126	14,540,149	9,502,711	7,641,352	141,749,375	141,749,375
2016	11,805,886	11,583,351	12,577,611	10,982,286	13,537,897	14,529,504	12,276,375	12,807,185	14,330,676	15,898,211	10,361,113	9,283,141	149,973,236	149,973,236
2017	15,009,051	12,887,892	12,557,382	11,387,952	12,289,233	12,415,838	12,989,195	13,246,535	13,674,791	15,718,227	13,493,705	9,013,026	154,682,827	154,682,827
2018	17,275,793	10,806,391	13,685,012	14,878,229	14,030,921	13,995,084	15,679,959	14,231,902	16,741,269	16,042,068	10,747,365	8,491,905	166,605,898	166,605,898
2019	18,225,771	13,373,347	15,325,103	14,627,946	15,183,876	14,159,622	12,789,161	15,806,522	17,351,537	17,910,808	16,540,537	11,297,583	182,591,813	182,591,813
Avg	13,231,114	10,888,845	12,390,281	12,294,110	12,802,748	13,025,498	12,882,242	13,606,186	14,663,122	15,508,668	11,604,555	9,317,788	152,215,158	152,215,158

Tab 3 - Percent Change from Previous Year - Detail by Measure

SF Boutique - San Francisco, CA Selected Properties

Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

Occupancy														Total Year	Dec YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2014	5.9	6.7	4.0	0.6	0.2	-0.6	1.0	3.0	1.7	2.2	1.2	6.5	2.4	2.4	
2015	9.8	4.4	3.2	-0.8	3.9	1.7	-2.6	-6.2	-1.8	0.8	-1.7	-2.9	0.6	0.6	
2016	-2.6	-10.7	-6.8	-3.5	-3.6	0.2	-2.7	0.3	1.6	-0.1	1.4	-1.3	-2.3	-2.3	
2017	0.0	12.0	8.2	4.0	2.5	-0.4	2.9	3.1	-7.9	-6.6	-4.0	-6.7	0.1	0.1	
2018	-1.6	-5.7	-1.1	-1.4	-2.4	-1.6	0.9	-3.8	2.8	-6.8	-12.7	-10.0	-3.3	-3.3	
2019	-7.3	-10.1	-10.7	-6.3	-7.4	-9.7	-10.8	-1.5	0.0	11.5	15.8	11.5	-2.6	-2.6	
Avg	0.7	-0.6	-0.5	-1.2	-1.1	-1.7	-1.9	-0.8	-0.6	0.2	-0.0	-0.5	-0.8	-0.8	

ADR														Total Year	Dec YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2014	9.3	15.0	10.3	2.1	14.1	11.7	10.0	8.4	8.5	9.3	-1.2	17.9	9.3	9.3	
2015	21.2	4.2	19.9	15.3	6.9	7.3	10.4	4.8	10.0	4.3	14.8	-11.4	9.0	9.0	
2016	-0.8	32.9	-3.1	-15.1	2.1	3.1	-10.4	-10.5	-9.9	-2.8	-15.2	-2.9	-3.9	-3.9	
2017	12.0	-12.5	-7.7	-0.3	-11.5	-14.2	2.8	0.3	-4.0	-1.9	25.7	-3.6	-1.5	-1.5	
2018	8.4	-17.6	2.1	22.7	8.4	6.1	10.8	3.4	19.1	9.5	-8.8	4.7	5.9	5.9	
2019	13.8	24.1	13.1	-5.4	5.3	1.2	-17.4	1.8	-6.4	-9.5	20.0	7.7	2.4	2.4	
Avg	10.7	7.7	5.8	3.2	4.2	2.5	1.0	1.4	2.9	1.5	5.9	2.1	3.5	3.5	

RevPAR														Total Year	Dec YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2014	15.7	22.8	14.8	2.7	14.3	11.0	11.1	11.6	10.3	11.7	0.0	25.6	11.9	11.9	
2015	33.1	8.7	23.7	14.4	11.1	9.1	7.6	-1.7	8.0	5.1	12.8	-14.0	9.7	9.7	
2016	-3.4	18.7	-9.7	-18.1	-1.6	3.3	-12.8	-10.2	-8.5	-2.9	-14.0	-4.2	-6.1	-6.1	
2017	12.0	-2.0	-0.2	3.7	-9.2	-14.5	5.8	3.4	-11.6	-8.4	20.6	-10.1	-1.5	-1.5	
2018	6.6	-22.3	1.0	21.0	5.8	4.4	11.8	-0.5	22.4	2.1	-20.4	-5.8	2.4	2.4	
2019	5.5	11.6	1.0	-11.3	-2.4	-8.6	-26.3	0.3	-6.4	0.8	39.0	20.1	-0.3	-0.3	
Avg	11.6	6.3	5.1	2.1	3.0	0.8	-0.5	0.5	2.4	1.4	6.4	2.0	2.7	2.7	

Supply														Total Year	Dec YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2014	7.9	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.8	0.8	
2015	-8.2	-8.2	-8.1	-7.7	-7.7	-7.7	-7.7	-7.7	-8.0	-8.0	-18.3	-18.3	-9.6	-9.6	
2016	-0.3	-0.3	13.1	12.6	12.6	12.6	12.6	12.6	12.6	12.6	26.7	26.7	12.6	12.6	
2017	13.5	13.5	0.0	0.0	0.0	0.0	0.0	0.0	7.9	7.9	7.9	7.9	4.7	4.7	
2018	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	0.0	0.0	0.0	0.0	5.2	5.2	
2019	0.0	10.9	10.9	10.9	10.9	10.7	10.7	10.7	10.7	10.7	10.7	10.7	9.9	9.9	
Avg	3.5	4.0	4.0	4.0	4.0	3.9	3.9	3.9	3.9	3.9	4.6	4.6	3.9	3.9	

Demand														Total Year	Dec YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2014	14.2	6.7	4.0	0.6	0.2	-0.6	1.1	3.1	2.0	2.5	1.5	6.8	3.2	3.2	
2015	0.8	-4.1	-5.2	-8.4	-4.1	-6.2	-10.1	-13.5	-9.7	-7.3	-19.7	-20.7	-9.1	-9.1	
2016	-2.9	-10.9	5.4	8.6	8.5	12.7	9.5	12.9	14.4	12.5	28.6	25.1	10.1	10.1	
2017	13.5	27.1	8.2	4.0	2.5	-0.4	2.9	3.1	-0.6	0.8	3.6	0.7	4.8	4.8	
2018	6.2	1.8	6.8	6.5	5.4	6.2	9.0	3.9	2.8	-6.8	-12.7	-10.0	1.7	1.7	
2019	-7.3	-0.3	-1.0	4.0	2.7	-0.0	-1.3	9.1	10.7	23.4	28.2	23.5	7.0	7.0	
Avg	4.1	3.4	3.0	2.5	2.5	2.0	1.9	3.1	3.3	4.2	4.9	4.2	2.9	2.9	

Revenue														Total Year	Dec YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2014	24.8	22.8	14.8	2.7	14.4	11.1	11.2	11.7	10.7	12.1	0.3	26.0	12.8	12.8	
2015	22.2	-0.2	13.6	5.6	2.5	0.7	-0.7	-9.3	-0.6	-3.3	-7.8	-29.7	-0.9	-0.9	
2016	-3.6	18.4	2.2	-7.8	10.7	16.3	-1.8	1.1	3.0	9.3	9.0	21.5	5.8	5.8	
2017	27.1	11.3	-0.2	3.7	-9.2	-14.5	5.8	3.4	-4.6	-1.1	30.2	-2.9	3.1	3.1	
2018	15.1	-16.2	9.0	30.6	14.2	12.7	20.7	7.4	22.4	2.1	-20.4	-5.8	7.7	7.7	
2019	5.5	23.8	12.0	-1.7	8.2	1.2	-18.4	11.1	3.6	11.6	53.9	33.0	9.6	9.6	
Avg	15.2	10.0	8.6	5.5	6.8	4.6	2.8	4.2	5.8	5.1	10.9	7.0	6.4	6.4	

Tab 4 - Percent Change from Previous Year - Detail by Year

SF Boutique - San Francisco, CA Selected Properties

Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Total Year	Dec YTD
Occ	5.9	6.7	4.0	0.6	0.2	-0.6	1.0	3.0	1.7	2.2	1.2	6.5	2.4	2.4
ADR	9.3	15.0	10.3	2.1	14.1	11.7	10.0	8.4	8.5	9.3	-1.2	17.9	9.3	9.3
RevPAR	15.7	22.8	14.8	2.7	14.3	11.0	11.1	11.6	10.3	11.7	0.0	25.6	11.9	11.9
Supply	7.9	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.8	0.8
Demand	14.2	6.7	4.0	0.6	0.2	-0.6	1.1	3.1	2.0	2.5	1.5	6.8	3.2	3.2
Revenue	24.8	22.8	14.8	2.7	14.4	11.1	11.2	11.7	10.7	12.1	0.3	26.0	12.8	12.8

	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Total Year	Dec YTD
Occ	9.8	4.4	3.2	-0.8	3.9	1.7	-2.6	-6.2	-1.8	0.8	-1.7	-2.9	0.6	0.6
ADR	21.2	4.2	19.9	15.3	6.9	7.3	10.4	4.8	10.0	4.3	14.8	-11.4	9.0	9.0
RevPAR	33.1	8.7	23.7	14.4	11.1	9.1	7.6	-1.7	8.0	5.1	12.8	-14.0	9.7	9.7
Supply	-8.2	-8.2	-8.1	-7.7	-7.7	-7.7	-7.7	-7.7	-8.0	-8.0	-18.3	-18.3	-9.6	-9.6
Demand	0.8	-4.1	-5.2	-8.4	-4.1	-6.2	-10.1	-13.5	-9.7	-7.3	-19.7	-20.7	-9.1	-9.1
Revenue	22.2	-0.2	13.6	5.6	2.5	0.7	-0.7	-9.3	-0.6	-3.3	-7.8	-29.7	-0.9	-0.9

	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Total Year	Dec YTD
Occ	-2.6	-10.7	-6.8	-3.5	-3.6	0.2	-2.7	0.3	1.6	-0.1	1.4	-1.3	-2.3	-2.3
ADR	-0.8	32.9	-3.1	-15.1	2.1	3.1	-10.4	-10.5	-9.9	-2.8	-15.2	-2.9	-3.9	-3.9
RevPAR	-3.4	18.7	-9.7	-18.1	-1.6	3.3	-12.8	-10.2	-8.5	-2.9	-14.0	-4.2	-6.1	-6.1
Supply	-0.3	-0.3	13.1	12.6	12.6	12.6	12.6	12.6	12.6	12.6	26.7	26.7	12.6	12.6
Demand	-2.9	-10.9	5.4	8.6	8.5	12.7	9.5	12.9	14.4	12.5	28.6	25.1	10.1	10.1
Revenue	-3.6	18.4	2.2	-7.8	10.7	16.3	-1.8	1.1	3.0	9.3	9.0	21.5	5.8	5.8

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Total Year	Dec YTD
Occ	0.0	12.0	8.2	4.0	2.5	-0.4	2.9	3.1	-7.9	-6.6	-4.0	-6.7	0.1	0.1
ADR	12.0	-12.5	-7.7	-0.3	-11.5	-14.2	2.8	0.3	-4.0	-1.9	25.7	-3.6	-1.5	-1.5
RevPAR	12.0	-2.0	-0.2	3.7	-9.2	-14.5	5.8	3.4	-11.6	-8.4	20.6	-10.1	-1.5	-1.5
Supply	13.5	13.5	0.0	0.0	0.0	0.0	0.0	0.0	7.9	7.9	7.9	7.9	4.7	4.7
Demand	13.5	27.1	8.2	4.0	2.5	-0.4	2.9	3.1	-0.6	0.8	3.6	0.7	4.8	4.8
Revenue	27.1	11.3	-0.2	3.7	-9.2	-14.5	5.8	3.4	-4.6	-1.1	30.2	-2.9	3.1	3.1

	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Total Year	Dec YTD
Occ	-1.6	-5.7	-1.1	-1.4	-2.4	-1.6	0.9	-3.8	2.8	-6.8	-12.7	-10.0	-3.3	-3.3
ADR	8.4	-17.6	2.1	22.7	8.4	6.1	10.8	3.4	19.1	9.5	-8.8	4.7	5.9	5.9
RevPAR	6.6	-22.3	1.0	21.0	5.8	4.4	11.8	-0.5	22.4	2.1	-20.4	-5.8	2.4	2.4
Supply	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	0.0	0.0	0.0	0.0	5.2	5.2
Demand	6.2	1.8	6.8	6.5	5.4	6.2	9.0	3.9	2.8	-6.8	-12.7	-10.0	1.7	1.7
Revenue	15.1	-16.2	9.0	30.6	14.2	12.7	20.7	7.4	22.4	2.1	-20.4	-5.8	7.7	7.7

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Total Year	Dec YTD
Occ	-7.3	-10.1	-10.7	-6.3	-7.4	-9.7	-10.8	-1.5	0.0	11.5	15.8	11.5	-2.6	-2.6
ADR	13.8	24.1	13.1	-5.4	5.3	1.2	-17.4	1.8	-6.4	-9.5	20.0	7.7	2.4	2.4
RevPAR	5.5	11.6	1.0	-11.3	-2.4	-8.6	-26.3	0.3	-6.4	0.8	39.0	20.1	-0.3	-0.3
Supply	0.0	10.9	10.9	10.9	10.9	10.7	10.7	10.7	10.7	10.7	10.7	10.7	9.9	9.9
Demand	-7.3	-0.3	-1.0	4.0	2.7	-0.0	-1.3	9.1	10.7	23.4	28.2	23.5	7.0	7.0
Revenue	5.5	23.8	12.0	-1.7	8.2	1.2	-18.4	11.1	3.6	11.6	53.9	33.0	9.6	9.6

Tab 5 - Twelve Month Moving Average

SF Boutique - San Francisco, CA Selected Properties

Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

Occupancy (%)												
	January	February	March	April	May	June	July	August	September	October	November	December
2014	85.3	85.7	86.0	86.0	86.0	86.0	86.1	86.3	86.4	86.6	86.7	87.1
2015	87.8	88.1	88.3	88.2	88.5	88.6	88.4	87.9	87.7	87.7	87.7	87.6
2016	87.4	86.7	86.1	85.9	85.6	85.7	85.5	85.6	85.7	85.8	85.8	85.6
2017	85.6	86.2	86.8	87.1	87.2	87.2	87.4	87.7	87.1	86.5	86.2	85.7
2018	85.6	85.2	85.1	85.0	84.9	84.8	84.9	84.6	84.8	84.3	83.5	82.9
2019	82.4	81.7	80.9	80.4	79.9	79.2	78.5	78.4	78.5	79.3	80.1	80.7

ADR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2014	260.77	263.20	265.15	265.61	268.57	271.19	273.46	275.63	277.85	280.46	280.20	283.18
2015	287.41	288.26	292.44	295.83	297.48	299.26	301.85	303.11	305.60	306.67	310.06	308.77
2016	308.52	315.12	314.23	309.90	310.41	311.34	308.31	305.23	302.51	302.06	298.27	296.69
2017	300.15	297.70	295.73	295.54	292.53	288.60	289.25	289.30	288.20	287.65	292.77	292.11
2018	294.98	290.68	291.13	296.06	297.95	299.30	301.98	302.77	307.64	310.04	308.06	309.45
2019	313.04	317.90	321.25	319.66	321.02	321.34	316.33	316.64	314.89	312.39	316.86	316.95

RevPAR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2014	222.42	225.56	227.97	228.47	231.05	233.17	235.35	237.86	240.13	242.86	242.85	246.65
2015	252.25	253.82	258.21	261.00	263.30	265.20	266.86	266.34	268.05	269.09	271.98	270.50
2016	269.72	273.21	270.66	266.13	265.75	266.78	263.61	261.16	259.35	259.14	255.95	254.05
2017	256.84	256.66	256.63	257.30	255.23	251.72	252.90	253.63	250.90	248.94	252.45	250.34
2018	252.36	247.55	247.75	251.72	252.85	253.76	256.33	256.25	260.97	261.46	257.24	256.44
2019	257.90	259.68	259.80	257.15	256.57	254.65	248.22	248.37	247.20	247.78	253.96	255.78

Supply												
	January	February	March	April	May	June	July	August	September	October	November	December
2014	579,255	579,255	579,255	579,255	579,286	579,316	579,347	579,378	579,528	579,683	579,833	579,988
2015	575,958	572,318	568,319	564,659	560,846	557,156	553,343	549,530	545,720	541,783	533,053	524,032
2016	523,908	523,796	529,717	535,237	540,941	546,461	552,165	557,869	563,389	569,093	579,533	590,321
2017	596,397	601,885	601,885	601,885	601,885	601,885	601,885	601,885	605,815	609,876	613,806	617,867
2018	621,928	625,596	629,657	633,587	637,648	641,578	645,639	649,700	649,700	649,700	649,700	649,700
2019	649,700	655,132	661,146	666,966	672,980	678,710	684,631	690,552	696,282	702,203	707,933	713,854

Demand												
	January	February	March	April	May	June	July	August	September	October	November	December
2014	494,083	496,412	498,023	498,270	493,364	498,109	498,604	499,996	500,841	501,950	502,547	505,186
2015	505,485	503,947	501,781	498,180	496,412	493,740	489,197	482,876	478,663	475,390	467,585	459,073
2016	458,008	454,128	456,254	459,632	463,104	468,262	472,113	477,331	483,002	488,221	497,301	505,496
2017	510,334	518,914	522,308	524,016	525,134	524,969	526,251	527,681	527,414	527,797	529,263	529,536
2018	532,069	532,782	535,821	538,686	541,129	543,962	548,047	549,875	551,126	547,904	542,521	538,392
2019	535,249	535,146	534,673	536,543	537,861	537,850	537,224	541,670	546,619	556,967	567,405	576,091

Revenue (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2014	128,840,169	130,656,892	132,050,647	132,343,709	133,843,903	135,081,357	136,350,515	137,811,638	139,161,073	140,779,133	140,811,966	143,056,282
2015	145,282,767	145,266,731	146,743,215	147,374,194	147,672,899	147,757,912	147,663,689	146,363,174	146,280,354	145,785,867	144,978,935	141,749,375
2016	141,306,007	143,104,162	143,370,578	142,440,404	143,753,331	145,787,528	145,556,664	145,693,433	146,114,983	147,473,045	148,331,447	149,973,236
2017	153,176,401	154,480,942	154,460,713	154,866,379	153,617,715	151,504,049	152,216,869	152,656,219	152,000,334	151,820,350	154,952,942	154,682,827
2018	156,949,569	154,868,068	155,995,698	159,485,975	161,227,663	162,806,909	165,497,673	166,483,040	169,549,518	169,873,359	167,127,019	166,605,898
2019	167,555,876	170,122,832	171,762,923	171,512,640	172,665,595	172,830,133	169,939,335	171,513,955	172,124,223	173,992,963	179,786,135	182,591,813

High value is boxed.

Low value is boxed and italicized.

Tab 6 - Twelve Month Moving Average with Percent Change

SF Boutique - San Francisco, CA Selected Properties
 Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 14	85.3		260.77		222.42		579,255		494,083		128,840,169	
Feb 14	85.7		263.20		225.56		579,255		496,412		130,656,892	
Mar 14	86.0		265.15		227.97		579,255		498,023		132,050,647	
Apr 14	86.0		265.61		228.47		579,255		498,270		132,343,709	
May 14	86.0		268.57		231.05		579,286		498,364		133,843,903	
Jun 14	86.0		271.19		233.17		579,316		498,109		135,081,357	
Jul 14	86.1		273.46		235.35		579,347		498,604		136,350,515	
Aug 14	86.3		275.63		237.86		579,378		499,996		137,811,638	
Sep 14	86.4		277.85		240.13		579,528		500,841		139,161,073	
Oct 14	86.6		280.46		242.86		579,683		501,950		140,779,133	
Nov 14	86.7		280.20		242.85		579,833		502,547		140,811,966	
Dec 14	87.1	2.4	283.18	9.3	246.65	11.9	579,988	0.8	505,186	3.2	143,056,282	12.8
Jan 15	87.8	2.9	287.41	10.2	252.25	13.4	575,958	-0.6	505,485	2.3	145,282,767	12.8
Feb 15	88.1	2.7	288.26	9.5	253.82	12.5	572,318	-1.2	503,947	1.5	145,266,731	11.2
Mar 15	88.3	2.7	292.44	10.3	258.21	13.3	568,319	-1.9	501,781	0.8	146,743,215	11.1
Apr 15	88.2	2.6	295.83	11.4	261.00	14.2	564,659	-2.5	498,180	-0.0	147,374,194	11.4
May 15	88.5	2.9	297.48	10.8	263.30	14.0	560,846	-3.2	496,412	-0.4	147,672,899	10.3
Jun 15	88.6	3.1	299.26	10.4	265.20	13.7	557,156	-3.8	493,740	-0.9	147,757,912	9.4
Jul 15	88.4	2.7	301.85	10.4	266.86	13.4	553,343	-4.5	489,197	-1.9	147,663,689	8.3
Aug 15	87.9	1.8	303.11	10.0	266.34	12.0	549,530	-5.2	482,876	-3.4	146,363,174	6.2
Sep 15	87.7	1.5	305.60	10.0	268.05	11.6	545,720	-5.8	478,663	-4.4	146,280,354	5.1
Oct 15	87.7	1.3	306.67	9.3	269.09	10.8	541,783	-6.5	475,390	-5.3	145,785,867	3.6
Nov 15	87.7	1.2	310.06	10.7	271.98	12.0	533,053	-8.1	467,585	-7.0	144,978,935	3.0
Dec 15	87.6	0.6	308.77	9.0	270.50	9.7	524,032	-9.6	459,073	-9.1	141,749,375	-0.9
Jan 16	87.4	-0.4	308.52	7.3	269.72	6.9	523,908	-9.0	458,008	-9.4	141,306,007	-2.7
Feb 16	86.7	-1.5	315.12	9.3	273.21	7.6	523,796	-8.5	454,128	-9.9	143,104,162	-1.5
Mar 16	86.1	-2.4	314.23	7.5	270.66	4.8	529,717	-6.8	456,254	-9.1	143,370,578	-2.3
Apr 16	85.9	-2.7	309.90	4.8	266.13	2.0	535,237	-5.2	459,632	-7.7	142,440,404	-3.3
May 16	85.6	-3.3	310.41	4.3	265.75	0.9	540,941	-3.5	463,104	-6.7	143,753,331	-2.7
Jun 16	85.7	-3.3	311.34	4.0	266.78	0.6	546,461	-1.9	468,262	-5.2	145,787,528	-1.3
Jul 16	85.5	-3.3	308.31	2.1	263.61	-1.2	552,165	-0.2	472,113	-3.5	145,556,664	-1.4
Aug 16	85.6	-2.6	305.23	0.7	261.16	-1.9	557,869	1.5	477,331	-1.1	145,693,433	-0.5
Sep 16	85.7	-2.3	302.51	-1.0	259.35	-3.2	563,389	3.2	483,002	0.9	146,114,983	-0.1
Oct 16	85.8	-2.2	302.06	-1.5	259.14	-3.7	569,093	5.0	488,221	2.7	147,473,045	1.2
Nov 16	85.8	-2.2	298.27	-3.8	255.95	-5.9	579,533	8.7	497,301	6.4	148,331,447	2.3
Dec 16	85.6	-2.3	296.69	-3.9	254.05	-6.1	590,321	12.6	505,496	10.1	149,937,236	5.8
Jan 17	85.6	-2.1	300.15	-2.7	256.84	-4.8	596,397	13.8	510,334	11.4	153,176,401	8.4
Feb 17	86.2	-0.6	297.70	-5.5	256.66	-6.1	601,885	14.9	518,914	14.3	154,480,942	7.9
Mar 17	86.8	0.8	295.73	-5.9	256.63	-5.2	601,885	13.6	522,308	14.5	154,460,713	7.7
Apr 17	87.1	1.4	295.54	-4.6	257.30	-3.3	601,885	12.5	524,016	14.0	154,866,379	8.7
May 17	87.2	1.9	292.53	-5.8	255.23	-4.0	601,885	11.3	525,134	13.4	153,617,715	6.9
Jun 17	87.2	1.8	288.60	-7.3	251.72	-5.6	601,885	10.1	524,969	12.1	151,504,049	3.9
Jul 17	87.4	2.3	289.25	-6.2	252.90	-4.1	601,885	9.0	526,251	11.5	152,216,869	4.6
Aug 17	87.7	2.5	289.30	-5.2	253.63	-2.9	601,885	7.9	527,681	10.5	152,656,219	4.8
Sep 17	87.1	1.5	288.20	-4.7	250.90	-3.3	605,815	7.5	527,414	9.2	152,000,334	4.0
Oct 17	86.5	0.9	287.65	-4.8	248.94	-3.9	609,876	7.2	527,797	8.1	151,820,350	2.9
Nov 17	86.2	0.5	292.77	-1.8	252.45	-1.4	613,806	5.9	529,263	6.4	154,952,942	4.5
Dec 17	85.7	0.1	292.11	-1.5	250.35	-1.5	617,867	4.7	529,536	4.8	154,682,827	3.1
Jan 18	85.6	-0.0	294.98	-1.7	252.36	-1.7	621,928	4.3	532,069	4.3	156,949,569	2.5
Feb 18	85.2	-1.2	290.68	-2.4	247.55	-3.5	625,596	3.9	532,782	2.7	154,868,068	0.3
Mar 18	85.1	-1.9	291.13	-1.6	247.75	-3.5	629,657	4.6	535,821	2.6	155,995,698	1.0
Apr 18	85.0	-2.3	296.06	0.2	251.72	-2.2	633,587	5.3	538,686	2.8	159,485,975	3.0
May 18	84.9	-2.7	297.95	1.9	252.85	-0.9	637,648	5.9	541,129	3.0	161,227,663	5.0
Jun 18	84.8	-2.8	299.30	3.7	253.76	0.8	641,578	6.6	543,962	3.6	162,806,909	7.5
Jul 18	84.9	-2.9	301.98	4.4	256.33	1.4	645,639	7.3	548,047	4.1	165,497,673	8.7
Aug 18	84.6	-3.5	302.77	4.7	256.25	1.0	649,700	7.9	549,875	4.2	166,483,040	9.1
Sep 18	84.8	-2.6	307.64	6.7	260.97	4.0	649,700	7.2	551,126	4.5	169,549,518	11.5
Oct 18	84.3	-2.6	310.04	7.8	261.46	5.0	649,700	6.5	547,904	3.8	169,873,359	11.9
Nov 18	83.5	-3.2	308.06	5.2	257.24	1.9	649,700	5.8	542,521	2.5	167,127,019	7.9
Dec 18	82.9	-3.3	309.45	5.9	256.44	2.4	649,700	5.2	538,392	1.7	166,605,898	7.7
Jan 19	82.4	-3.7	313.04	6.1	257.90	2.2	649,700	4.5	535,249	0.6	167,555,876	6.8
Feb 19	81.7	-4.1	317.90	9.4	259.68	4.9	655,132	4.7	535,146	0.4	170,122,832	9.9
Mar 19	80.9	-5.0	321.25	10.3	259.80	4.9	661,146	5.0	534,673	-0.2	171,762,923	10.1
Apr 19	80.4	-5.4	319.66	8.0	257.15	2.2	666,966	5.3	536,543	-0.4	171,512,640	7.5
May 19	79.9	-5.8	321.02	7.7	256.57	1.5	672,980	5.5	537,861	-0.6	172,665,595	7.1
Jun 19	79.2	-6.5	321.34	7.4	254.65	0.3	678,710	5.8	537,850	-1.1	172,830,133	6.2
Jul 19	78.5	-7.6	316.33	4.8	248.22	-3.2	684,631	6.0	537,224	-2.0	169,939,335	2.7
Aug 19	78.4	-7.3	316.64	4.6	248.37	-3.1	690,552	6.3	541,670	-1.5	171,513,955	3.0
Sep 19	78.5	-7.5	314.89	2.4	247.20	-5.3	696,282	7.2	546,619	-0.8	172,124,223	1.5
Oct 19	79.3	-5.9	312.39	0.8	247.78	-5.2	702,203	8.1	556,967	1.7	173,992,963	2.4
Nov 19	80.1	-4.0	316.86	2.9	253.96	-1.3	707,933	9.0	567,405	4.6	179,786,135	7.6
Dec 19	80.7	-2.6	316.95	2.4	255.78	-0.3	713,854	9.9	576,091	7.0	182,591,813	9.6

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Tab 7 - Day of Week Analysis

SF Boutique - San Francisco, CA Selected Properties

Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

Occupancy (%)								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Jan - 19	70.0	81.9	76.5	77.4	70.2	63.4	67.1	72.6
Feb - 19	64.9	77.4	82.9	82.6	79.0	63.7	67.0	73.9
Mar - 19	67.3	83.8	88.9	88.0	80.5	67.7	72.2	77.5
Apr - 19	69.8	84.6	87.4	87.3	83.9	82.7	82.1	82.8
May - 19	70.4	75.8	87.5	88.7	82.1	78.4	79.5	80.6
Jun - 19	67.6	82.4	89.0	88.7	87.1	80.4	80.6	81.7
Jul - 19	71.6	78.4	81.3	81.8	84.0	81.9	82.3	80.2
Aug - 19	80.4	92.2	95.2	92.9	83.5	80.8	89.2	87.4
Sep - 19	78.4	81.3	87.7	94.2	91.7	86.9	87.0	86.3
Oct - 19	81.3	91.9	93.1	90.8	89.4	86.2	90.9	89.3
Nov - 19	70.9	81.1	82.2	81.9	83.1	80.3	81.3	80.2
Dec - 19	63.6	72.0	78.8	73.6	75.7	77.7	84.4	74.8
Total Year	71.2	81.7	85.7	85.7	82.5	77.6	80.4	80.7

Three Year Occupancy (%)								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Jan 17 - Dec 17	73.6	84.2	90.0	91.6	87.7	84.7	88.3	85.7
Jan 18 - Dec 18	71.8	82.3	87.8	88.8	85.2	80.7	83.4	82.9
Jan 19 - Dec 19	71.2	81.7	85.7	85.7	82.5	77.6	80.4	80.7
Total 3 Yr	72.2	82.7	87.7	88.5	85.0	80.8	83.9	83.0

ADR								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Jan - 19	558.33	579.83	541.32	523.92	333.11	288.39	288.31	454.88
Feb - 19	262.01	371.84	407.02	405.82	319.72	248.19	227.35	327.23
Mar - 19	258.23	404.52	443.37	426.88	320.00	208.44	199.81	323.29
Apr - 19	226.85	362.01	384.83	388.94	262.05	200.59	201.54	298.38
May - 19	243.43	348.78	401.26	383.64	294.89	223.69	238.13	307.88
Jun - 19	241.52	330.53	335.69	336.07	296.75	257.47	255.36	293.07
Jul - 19	213.55	288.35	317.23	301.84	241.39	210.39	219.48	260.94
Aug - 19	273.23	349.17	371.60	359.60	262.85	230.33	240.66	295.86
Sep - 19	261.91	345.29	424.03	438.55	353.48	287.98	268.79	340.08
Oct - 19	303.85	372.08	372.53	348.77	311.42	286.73	284.24	328.35
Nov - 19	275.18	417.90	464.65	479.92	411.47	225.36	217.32	348.97
Dec - 19	197.64	273.37	328.12	313.83	241.81	181.74	179.12	247.27
Total Year	272.40	366.02	395.92	390.46	303.80	235.96	234.36	316.95

Three Year ADR								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Jan 17 - Dec 17	270.51	326.09	348.14	342.47	280.37	233.62	236.62	292.11
Jan 18 - Dec 18	279.49	346.65	368.25	364.35	304.55	246.91	243.06	309.45
Jan 19 - Dec 19	272.40	366.02	395.92	390.46	303.80	235.96	234.36	316.95
Total 3 Yr	274.09	347.02	371.72	366.39	296.51	238.78	237.94	306.49

RevPAR								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Jan - 19	390.82	475.11	414.28	405.73	233.93	182.87	193.59	330.30
Feb - 19	170.16	287.80	337.38	335.36	252.46	158.17	152.35	241.96
Mar - 19	173.75	339.05	394.36	375.74	257.75	141.10	144.32	250.43
Apr - 19	158.40	306.13	336.44	339.68	219.85	165.94	165.48	247.01
May - 19	171.33	264.24	351.02	340.22	242.02	175.44	189.31	248.13
Jun - 19	163.19	272.25	298.72	298.20	258.62	206.95	205.82	239.47
Jul - 19	152.94	225.99	258.02	246.76	202.85	172.21	180.70	209.31
Aug - 19	219.60	321.77	353.89	333.94	219.59	186.22	214.74	258.69
Sep - 19	205.36	280.63	371.76	413.08	324.29	250.39	233.84	293.45
Oct - 19	247.02	341.82	346.91	316.79	278.29	247.22	258.25	293.13
Nov - 19	195.16	338.88	381.97	393.12	341.85	180.95	176.66	279.73
Dec - 19	125.79	196.92	258.56	230.89	182.96	141.29	151.27	184.90
Total Year	193.95	298.92	339.46	334.49	250.76	183.04	188.54	255.78

Three Year RevPAR								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Jan 17 - Dec 17	199.21	274.61	313.45	313.70	245.84	197.84	208.97	250.35
Jan 18 - Dec 18	200.78	285.16	323.39	323.57	259.54	199.26	202.80	256.44
Jan 19 - Dec 19	193.95	298.92	339.46	334.49	250.76	183.04	188.54	255.78
Total 3 Yr	197.83	286.82	326.17	324.42	252.11	192.97	199.59	254.30

Tab 8 - Raw Data

SF Boutique - San Francisco, CA Selected Properties
 Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 13	70.3		250.53		176.08		45,601		32,049		8,029,274		7	1,471	100.0
Feb 13	78.2		229.66		179.69		44,436		34,767		7,984,509		8	1,587	92.7
Mar 13	81.0		236.78		191.90		49,197		39,872		9,440,956		8	1,587	100.0
Apr 13	89.4		258.20		230.80		47,610		42,558		10,988,419		8	1,587	100.0
May 13	86.7		244.51		211.92		49,197		42,641		10,426,071		8	1,587	100.0
Jun 13	91.2		257.28		234.67		47,610		43,427		11,172,840		8	1,587	100.0
Jul 13	90.4		254.84		230.35		49,197		44,468		11,332,304		8	1,587	100.0
Aug 13	92.3		275.35		254.28		49,197		45,433		12,509,808		8	1,587	100.0
Sep 13	89.9		295.48		265.54		47,610		42,786		12,642,511		8	1,587	100.0
Oct 13	89.4		305.03		272.71		49,197		43,984		13,416,576		8	1,587	100.0
Nov 13	81.9		263.47		215.85		47,610		39,005		10,276,810		8	1,587	100.0
Dec 13	78.3		223.85		175.35		49,197		38,537		8,626,596		8	1,587	100.0
Jan 14	74.4	5.9	273.81	9.3	203.73	15.7	49,197	7.9	36,605	14.2	10,022,769	24.8	8	1,587	100.0
Feb 14	83.5	6.7	264.21	15.0	220.57	22.8	44,436	0.0	37,096	6.7	9,801,232	22.8	8	1,587	100.0
Mar 14	84.3	4.0	261.18	10.3	220.23	14.8	49,197	0.0	41,483	4.0	10,834,711	14.8	8	1,587	100.0
Apr 14	89.9	0.6	263.56	2.1	236.96	2.7	47,610	0.0	42,805	0.6	11,281,481	2.7	8	1,587	100.0
May 14	86.8	0.2	279.07	14.1	242.27	14.3	49,228	0.1	42,735	0.2	11,926,265	14.4	8	1,588	100.0
Jun 14	90.6	-0.6	287.46	11.7	260.50	11.0	47,640	0.1	43,172	-0.6	12,410,294	11.1	8	1,588	100.0
Jul 14	91.3	1.0	280.26	10.0	255.98	11.1	49,228	0.1	44,963	1.1	12,601,462	11.2	8	1,588	100.0
Aug 14	95.1	3.0	298.36	8.4	283.80	11.6	49,228	0.1	46,825	3.1	13,970,931	11.7	8	1,588	100.0
Sep 14	91.4	1.7	320.69	8.5	292.96	10.3	47,760	0.3	43,631	2.0	13,991,946	10.7	8	1,592	100.0
Oct 14	91.4	2.2	333.41	9.3	304.64	11.7	49,352	0.3	45,093	2.5	15,034,636	12.1	8	1,592	100.0
Nov 14	82.9	1.2	260.33	-1.2	215.86	0.0	47,760	0.3	39,602	1.5	10,309,643	0.3	8	1,592	100.0
Dec 14	83.4	6.5	264.01	17.9	220.27	25.6	49,352	0.3	41,176	6.8	10,870,912	26.0	8	1,592	100.0
Jan 15	81.7	9.8	331.92	21.2	271.20	33.1	45,167	-8.2	36,904	0.8	12,249,254	22.2	7	1,457	100.0
Feb 15	87.2	4.4	275.19	4.2	239.86	8.7	40,796	-8.2	35,558	-4.1	9,785,196	-0.2	7	1,457	100.0
Mar 15	87.0	3.2	313.13	19.9	272.38	23.7	45,198	-8.1	39,317	-5.2	12,311,195	13.6	7	1,458	100.0
Apr 15	89.2	-0.8	303.86	15.3	271.05	14.4	43,950	-7.7	39,204	-8.4	11,912,460	5.6	7	1,465	100.0
May 15	90.2	3.9	298.41	6.9	269.18	11.1	45,415	-7.7	40,967	-4.1	12,224,970	2.5	7	1,465	100.0
Jun 15	92.2	1.7	308.53	7.3	284.31	9.1	43,950	-7.7	40,500	-6.2	12,495,307	0.7	7	1,465	100.0
Jul 15	89.0	-2.6	309.43	10.4	275.40	7.6	45,415	-7.7	40,420	-10.1	12,507,239	-0.7	7	1,465	100.0
Aug 15	89.2	-6.2	312.82	4.8	278.99	-1.7	45,415	-7.7	40,504	-13.5	12,670,416	-9.3	7	1,465	100.0
Sep 15	89.7	-1.8	352.86	10.0	316.48	8.0	43,950	-8.0	39,418	-9.7	13,909,126	-0.6	7	1,465	100.0
Oct 15	92.1	0.8	347.68	4.3	320.16	5.1	45,415	-8.0	41,820	-7.3	14,540,149	-3.3	7	1,465	100.0
Nov 15	81.5	-1.7	298.86	14.8	243.47	12.8	39,030	-18.3	31,797	-19.7	9,502,711	-7.8	6	1,301	100.0
Dec 15	81.0	-2.9	233.94	-11.4	189.47	-14.0	40,331	-18.3	32,664	-20.7	7,641,352	-29.7	6	1,301	100.0
Jan 16	79.6	-2.6	329.41	-0.8	262.10	-3.4	45,043	-0.3	35,839	-2.9	11,805,886	-3.6	7	1,453	89.5
Feb 16	77.9	-10.7	365.66	32.9	284.72	18.7	40,684	-0.3	31,678	-10.9	11,583,351	18.4	7	1,453	100.0
Mar 16	81.1	-6.8	303.49	-3.1	246.05	-9.7	51,119	13.1	41,443	5.4	12,577,611	2.2	8	1,649	100.0
Apr 16	86.1	-3.5	257.91	-15.1	222.00	-18.1	49,470	12.6	42,582	8.6	10,982,286	-7.8	8	1,649	100.0
May 16	86.9	-3.6	304.64	2.1	264.83	-1.6	51,119	12.6	44,439	8.5	13,537,897	10.7	8	1,649	100.0
Jun 16	92.3	0.2	318.22	3.1	293.70	3.3	49,470	12.6	45,658	12.7	14,529,504	16.3	8	1,649	100.0
Jul 16	86.6	-2.7	277.30	-10.4	240.15	-12.8	51,119	12.6	44,271	9.5	12,276,375	-1.8	8	1,649	100.0
Aug 16	89.4	0.3	280.11	-10.5	250.54	-10.2	51,119	12.6	45,722	12.9	12,807,185	1.1	8	1,649	100.0
Sep 16	91.1	1.6	317.83	-9.9	289.68	-8.5	49,470	12.6	45,089	14.4	14,330,676	3.0	8	1,649	100.0
Oct 16	92.0	-0.1	337.98	-2.8	311.00	-2.9	51,119	12.6	47,039	12.5	15,898,211	9.3	8	1,649	100.0
Nov 16	82.6	1.4	253.47	-15.2	209.44	-14.0	49,470	26.7	40,877	28.6	10,361,113	9.0	8	1,649	100.0
Dec 16	79.9	-1.3	227.20	-2.9	181.60	-4.2	51,119	26.7	40,859	25.1	9,283,141	21.5	8	1,649	100.0
Jan 17	79.6	0.0	368.98	12.0	293.61	12.0	51,119	13.5	40,677	13.5	15,009,051	27.1	8	1,649	100.0
Feb 17	87.2	12.0	320.13	-12.5	279.13	-2.0	46,172	13.5	40,258	27.1	12,887,892	11.3	8	1,649	100.0
Mar 17	87.7	8.2	280.07	-7.7	245.65	-0.2	51,119	0.0	44,837	8.2	12,557,382	-0.2	8	1,649	100.0
Apr 17	89.5	4.0	257.12	-0.3	230.20	3.7	49,470	0.0	44,290	4.0	11,387,952	3.7	8	1,649	100.0
May 17	89.1	2.5	269.76	-11.5	240.40	-9.2	51,119	0.0	45,557	2.5	12,289,233	-9.2	8	1,649	100.0
Jun 17	92.0	-0.4	272.92	-14.2	250.98	-14.5	49,470	0.0	45,493	-0.4	12,415,838	-14.5	8	1,649	100.0
Jul 17	89.1	2.9	285.14	2.8	254.10	5.8	51,119	0.0	45,553	2.9	12,989,195	5.8	8	1,649	100.0
Aug 17	92.2	3.1	280.93	0.3	259.13	3.4	51,119	0.0	47,152	3.1	13,246,535	3.4	8	1,649	100.0
Sep 17	83.9	-7.9	305.09	-4.0	256.08	-11.6	53,400	7.9	44,822	-0.6	13,674,791	-4.6	9	1,780	100.0
Oct 17	85.9	-6.6	331.45	-1.9	284.85	-8.4	55,180	7.9	47,422	0.8	15,718,227	-1.1	9	1,780	100.0
Nov 17	79.3	-4.0	318.68	25.7	252.69	20.6	53,400	7.9	42,343	3.6	13,493,705	30.2	9	1,780	100.0
Dec 17	74.5	-6.7	219.12	-3.6	163.34	-10.1	55,180	7.9	41,132	0.7	9,013,026	-2.9	9	1,780	100.0
Jan 18	78.3	-1.6	399.81	8.4	313.08	6.6	55,180	7.9	43,210	6.2	17,275,793	15.1	9	1,780	100.0
Feb 18	82.2	-5.7	263.76	-17.6	216.82	-22.3	49,840	7.9	40,971	1.8	10,806,391	-16.2	9	1,780	100.0
Mar 18	86.8	-1.1	285.84	2.1	248.01	1.0	55,180	7.9	47,876	6.8	13,685,012	9.0	9	1,780	100.0
Apr 18	88.3	-1.4	315.52	22.7	278.62	21.0	53,400	7.9	47,155	6.5	14,878,229	30.6	9	1,780	100.0
May 18	87.0	-2.4	292.31	8.4	254.28	5.8	55,180	7.9	48,000	5.4	14,030,921	14.2	9	1,780	100.0
Jun 18	90.5	-1.6	289.60	6.1	262.08	4.4	53,400	7.9	48,326	6.2	13,995,084	12.7	9	1,780	100.0
Jul 18	90.0	0.9	315.89	10.8	284.16	11.8	55,180	7.9	49,638	9.0	15,679,959	20.7	9	1,780	100.0
Aug 18	88.8	-3.8	290.57	3.4	257.92	-0.5	55,180	7.9	48,980	3.9	14,231,902	7.4	9	1,780	100.0
Sep 18	86.3	2.8	363.36	19.1	313.51	22.4	53,400	0.0	46,073	2.8	16,741,269	22.4	9	1,780	100.0
Oct 18	80.1	-6.8	362.94	9.5	290.72	2.1	55,180	0.0	44,200	-6.8	16,042,068	2.1	9	1,780	100.0
Nov 18	69.2	-12.7	290.78	-8.8	201.26	-20.4	53,400	0.0	36,960	-12.7	10,747,365	-20.4	9	1,780	100.0
Dec 18	67.1	-10.0	229.49	4.7	153.89	-5.8	55,180	0.0	37,003	-10.0	8,491,905	-5.8	9	1,780	100.0
Jan 19	72.6	-7.3	454.88	13.8	330.30	5.5	55,180	0.0	40,067	-7.3	18,225,771	5.5	9	1,780	100.0
Feb 19	73.9	-10.1	327.23	24.1	241.96	11.6	55,272	10.9	40,868	-0.3	13,373,347	23.8	10	1,974	100.0
Mar 19	77.5	-10.7	323.29	13.1	250.43	1.0	61,194	10.9	47,403	-1.0	15,325,103	12.0	10	1,974	100.0
Apr 19	82.8	-6.3	298.38	-5.4	247.01	-11.3	59,220	10.9	49,025	4.0	14,627,946	-1.7	10	1,974	100.0
May 19	80.6	-7.4	307.88	5.3	248.13	-2.4	61,194	10.9	49,318	2.7	15,183,876	8.2	10	1,974	100.0
Jun 19	81.7	-9.7	293.07	1.2	239.47	-8.6	59,130	10.7	48,315	-0.0	14,159,622	1.2	10	1,971	100

Tab 9 - Classic

SF Boutique - San Francisco, CA Selected Properties
 Job Number: 1170273_SADIM Staff: SS Created: February 11, 2020

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 13	70.3		250.53		176.08		45,601		32,049		8,029,274		7	1,471	100.0
Feb 13	78.2		229.66		179.69		44,436		34,767		7,984,509		8	1,587	92.7
Mar 13	81.0		236.78		191.90		49,197		39,872		9,440,956		8	1,587	100.0
Apr 13	89.4		258.20		230.80		47,610		42,558		10,988,419		8	1,587	100.0
May 13	86.7		244.51		211.92		49,197		42,641		10,426,071		8	1,587	100.0
Jun 13	91.2		257.28		234.67		47,610		43,427		11,172,840		8	1,587	100.0
Jul 13	90.4		254.84		230.35		49,197		44,468		11,332,304		8	1,587	100.0
Aug 13	92.3		275.35		254.28		49,197		45,433		12,509,808		8	1,587	100.0
Sep 13	89.9		295.48		265.54		47,610		42,786		12,642,511		8	1,587	100.0
Oct 13	89.4		305.03		272.71		49,197		43,984		13,416,576		8	1,587	100.0
Nov 13	81.9		263.47		215.85		47,610		39,005		10,276,810		8	1,587	100.0
Dec 13	78.3		223.85		175.35		49,197		38,537		8,626,596		8	1,587	100.0
Dec YTD 2013	85.0		259.12		220.35		576,859		489,527		126,846,674				
Total 2013	85.0		259.12		220.35		576,859		489,527		126,846,674				
Jan 14	74.4	5.9	273.81	9.3	203.73	15.7	49,197	7.9	36,605	14.2	10,022,769	24.8	8	1,587	100.0
Feb 14	83.5	6.7	264.21	15.0	220.57	22.8	44,436	0.0	37,096	6.7	9,801,232	22.8	8	1,587	100.0
Mar 14	84.3	4.0	261.18	10.3	220.23	14.8	49,197	0.0	41,483	4.0	10,834,711	14.8	8	1,587	100.0
Apr 14	89.9	0.6	263.56	2.1	236.96	2.7	47,610	0.0	42,805	0.6	11,281,481	2.7	8	1,587	100.0
May 14	86.8	0.2	279.07	14.1	242.27	14.3	49,228	0.1	42,735	0.2	11,926,265	14.4	8	1,588	100.0
Jun 14	90.6	-0.6	287.46	11.7	260.50	11.0	47,640	0.1	43,172	-0.6	12,410,294	11.1	8	1,588	100.0
Jul 14	91.3	1.0	280.26	10.0	255.98	11.1	49,228	0.1	44,963	1.1	12,601,462	11.2	8	1,588	100.0
Aug 14	95.1	3.0	298.36	8.4	283.80	11.6	49,228	0.1	46,825	3.1	13,970,931	11.7	8	1,588	100.0
Sep 14	91.4	1.7	320.69	8.5	292.96	10.3	47,760	0.3	43,631	2.0	13,991,946	10.7	8	1,592	100.0
Oct 14	91.4	2.2	333.41	9.3	304.64	11.7	49,352	0.3	45,093	2.5	15,034,636	12.1	8	1,592	100.0
Nov 14	82.9	1.2	260.33	-1.2	215.86	0.0	47,760	0.3	39,602	1.5	10,309,643	0.3	8	1,592	100.0
Dec 14	83.4	6.5	264.01	17.9	220.27	25.6	49,352	0.3	41,176	6.8	10,870,912	26.0	8	1,592	100.0
Dec YTD 2014	87.1	2.4	283.18	9.3	246.65	11.9	579,988	0.8	505,186	3.2	143,056,282	12.8			
Total 2014	87.1	2.4	283.18	9.3	246.65	11.9	579,988	0.8	505,186	3.2	143,056,282	12.8			
Jan 15	81.7	9.8	331.92	21.2	271.20	33.1	45,167	-8.2	36,904	0.8	12,249,254	22.2	7	1,457	100.0
Feb 15	87.2	4.4	275.19	4.2	239.86	8.7	40,796	-8.2	35,558	-4.1	9,785,196	-0.2	7	1,457	100.0
Mar 15	87.0	3.2	313.13	19.9	272.38	23.7	45,198	-8.1	39,317	-5.2	12,311,195	13.6	7	1,458	100.0
Apr 15	89.2	-0.8	303.86	15.3	271.05	14.4	43,950	-7.7	39,204	-8.4	11,912,460	5.6	7	1,465	100.0
May 15	90.2	3.9	298.41	6.9	269.18	11.1	45,415	-7.7	40,967	-4.1	12,224,970	2.5	7	1,465	100.0
Jun 15	92.2	1.7	308.53	7.3	284.31	9.1	43,950	-7.7	40,500	-6.2	12,495,307	0.7	7	1,465	100.0
Jul 15	89.0	-2.6	309.43	10.4	275.40	7.6	45,415	-7.7	40,420	-10.1	12,507,239	-0.7	7	1,465	100.0
Aug 15	89.2	-6.2	312.82	4.8	278.99	-1.7	45,415	-7.7	40,504	-13.5	12,670,416	-9.3	7	1,465	100.0
Sep 15	89.7	-1.8	352.86	10.0	316.48	8.0	43,950	-8.0	39,418	-9.7	13,909,126	-0.6	7	1,465	100.0
Oct 15	92.1	0.8	347.68	4.3	320.16	5.1	45,415	-8.0	41,820	-7.3	14,540,149	-3.3	7	1,465	100.0
Nov 15	81.5	-1.7	298.86	14.8	243.47	12.8	39,030	-18.3	31,797	-19.7	9,502,711	-7.8	6	1,301	100.0
Dec 15	81.0	-2.9	233.94	-11.4	189.47	-14.0	40,331	-18.3	32,664	-20.7	7,641,352	-29.7	6	1,301	100.0
Dec YTD 2015	87.6	0.6	308.77	9.0	270.50	9.7	524,032	-9.6	459,073	-9.1	141,749,375	-0.9			
Total 2015	87.6	0.6	308.77	9.0	270.50	9.7	524,032	-9.6	459,073	-9.1	141,749,375	-0.9			
Jan 16	79.6	-2.6	329.41	-0.8	262.10	-3.4	45,043	-0.3	35,839	-2.9	11,805,886	-3.6	7	1,453	89.5
Feb 16	77.9	-10.7	365.66	32.9	284.72	18.7	40,684	-0.3	31,678	-10.9	11,583,351	18.4	7	1,453	100.0
Mar 16	81.1	-6.8	303.49	-3.1	246.05	-9.7	51,119	13.1	41,443	5.4	12,577,611	2.2	8	1,649	100.0
Apr 16	86.1	-3.5	257.91	-15.1	222.00	-18.1	49,470	12.6	42,582	8.6	10,982,286	-7.8	8	1,649	100.0
May 16	86.9	-3.6	304.64	2.1	264.83	-1.6	51,119	12.6	44,439	8.5	13,537,897	10.7	8	1,649	100.0
Jun 16	92.3	0.2	318.22	3.1	293.70	3.3	49,470	12.6	45,658	12.7	14,529,504	16.3	8	1,649	100.0
Jul 16	86.6	-2.7	277.30	-10.4	240.15	-12.8	51,119	12.6	44,271	9.5	12,276,375	-1.8	8	1,649	100.0
Aug 16	89.4	0.3	280.11	-10.5	250.54	-10.2	51,119	12.6	45,722	12.9	12,807,185	1.1	8	1,649	100.0
Sep 16	91.1	1.6	317.83	-9.9	289.68	-8.5	49,470	12.6	45,089	14.4	14,330,676	3.0	8	1,649	100.0
Oct 16	92.0	-0.1	337.98	-2.8	311.00	-2.9	51,119	12.6	47,039	12.5	15,898,211	9.3	8	1,649	100.0
Nov 16	82.6	1.4	253.47	-15.2	209.44	-14.0	49,470	26.7	40,877	28.6	10,361,113	9.0	8	1,649	100.0
Dec 16	79.9	-1.3	227.20	-2.9	181.60	-4.2	51,119	26.7	40,859	25.1	9,283,141	21.5	8	1,649	100.0
Dec YTD 2016	85.6	-2.3	296.69	-3.9	254.05	-6.1	590,321	12.6	505,496	10.1	149,973,236	5.8			
Total 2016	85.6	-2.3	296.69	-3.9	254.05	-6.1	590,321	12.6	505,496	10.1	149,973,236	5.8			
Jan 17	79.6	0.0	368.98	12.0	293.61	12.0	51,119	13.5	40,677	13.5	15,009,051	27.1	8	1,649	100.0
Feb 17	87.2	12.0	320.13	-12.5	279.13	-2.0	46,172	13.5	40,258	27.1	12,887,892	11.3	8	1,649	100.0
Mar 17	87.7	8.2	280.07	-7.7	245.65	-0.2	51,119	0.0	44,837	8.2	12,557,382	-0.2	8	1,649	100.0
Apr 17	89.5	4.0	257.12	-0.3	230.20	3.7	49,470	0.0	44,290	4.0	11,387,952	3.7	8	1,649	100.0
May 17	89.1	2.5	269.76	-11.5	240.40	-9.2	51,119	0.0	45,557	2.5	12,289,233	-9.2	8	1,649	100.0
Jun 17	92.0	-0.4	272.92	-14.2	250.98	-14.5	49,470	0.0	45,493	-0.4	12,415,838	-14.5	8	1,649	100.0
Jul 17	89.1	2.9	285.14	2.8	254.10	5.8	51,119	0.0	45,553	2.9	12,989,195	5.8	8	1,649	100.0
Aug 17	92.2	3.1	280.93	0.3	259.13	3.4	51,119	0.0	47,152	3.1	13,246,535	3.4	8	1,649	100.0
Sep 17	83.9	-7.9	305.09	-4.0	256.08	-11.6	53,400	7.9	44,822	-0.6	13,674,791	-4.6	9	1,780	100.0
Oct 17	85.9	-6.6	331.45	-1.9	284.85	-8.4	55,180	7.9	47,422	0.8	15,718,227	-1.1	9	1,780	100.0
Nov 17	79.3	-4.0	318.68	25.7	252.69	20.6	53,400	7.9	42,343	3.6	13,493,705	30.2	9	1,780	100.0
Dec 17	74.5	-6.7	219.12	-3.6	163.34	-10.1	55,180	7.9	41,132	0.7	9,013,026	-2.9	9	1,780	100.0
Dec YTD 2017	85.7	0.1	292.11	-1.5	250.35	-1.5	617,867	4.7	529,536	4.8	154,682,827	3.1			
Total 2017	85.7	0.1	292.11	-1.5	250.35	-1.5	617,867	4.7	529,536	4.8	154,682,827	3.1			
Jan 18	78.3	-1.6	399.81	8.4	313.08	6.6	55,180	7.9	43,210	6.2	17,275,793	15.1	9	1,780	100.0
Feb 18	82.2	-5.7	263.76	-17.6	216.82	-22.3	49,840	7.9	40,971	1.8	10,806,391	-16.2	9	1,780	100.0
Mar 18	86.8	-1.1	285.84	2.1	248.01	1.0	55,180	7.9	47,876	6.8	13,685,012	9.0	9	1,780	100.0
Apr 18	88.3	-1.4	315.52	22.7	278.62	21.0	53,400	7.9	47,155	6.5	14,878,229	30.6	9	1,780	100.0
May 18	87.0	-2.4	292.31	8.4	254.28	5.8	55,180	7.9	48,000	5.4	14,030,921	14.2	9	1,780	100.0
Jun 18	90.5	-1.6	289.60	6.1	262.08	4.4	53,400	7.9	48,326	6.2	13,995,084	12.7	9	1,780	100.0
Jul 18	90.0	0.9	315.89	10.8	284.16	11.8	55,180	7.9	49,638	9.0	15,679,959	20.7	9	1,780	100.0
Aug 18	88.8	-3.8	290.57	3.4	257.92	-0.5	55,180	7.9	48,980	3.9	14,231,902	7.4	9	1,780	100.0
Sep 18	86.3	2.8	363.36	19.1	313.51	22.4	53,400	0.0	46,073	2.8	16,741,269	22.4	9	1,780	

Tab 11 - Terms and Conditions

Before purchasing this product you agreed to the following terms and conditions.

In consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, STR, Inc. ("STR"), STR Global, Ltd. ("STRG"), and the licensee identified elsewhere in this Agreement ("Licensee") agree as follows:

1. LICENSE

1.1 Definitions.

(a) "Agreement" means these Standard Terms and Conditions and any additional terms specifically set out in writing in the document(s) (if any) to which these Standard Terms and Conditions are attached or in which they are incorporated by reference, and, if applicable, any additional terms specifically set out in writing in any Schedule attached hereto.

(b) "Licensed Materials" means the new sletters, reports, databases or other information resources, and all lodging industry data contained therein, provided to Licensee hereunder.

1.2 Grant of License. Subject to the terms and conditions of this Agreement, and except as may be expressly permitted elsewhere in this Agreement, STR hereby grants to Licensee a non-exclusive, non-transferable, indivisible, non-sublicensable license to use, copy, manipulate and extract data from the Licensed Materials for its own INTERNAL business purposes only.

1.3 Copies. Except as expressly permitted elsewhere in this Agreement, Licensee may make and maintain no more than two (2) copies of any Licensed Materials.

1.4 No Service Bureau Use. Licensee is prohibited from using the Licensed Materials in any way in connection with any service bureau or similar services. "Service bureau" means the processing of input data that is supplied by one or more third parties and the generation of output data (in the form of reports, charts, graphs or other pictorial representations, or the like) that is sold or licensed to any third parties.

1.5 No Distribution to Third Parties. Except as expressly permitted in this Agreement, Licensee is prohibited from distributing, republishing or otherwise making the Licensed Materials or any part thereof (including any excerpts of the data and any manipulations of the data) available in any form whatsoever to any third party, other than Licensee's accountants, attorneys, marketing professionals or other professional advisors who are bound by a duty of confidentiality not to disclose such information.

1.6 Security. Licensee shall use commercially reasonable efforts to protect against unauthorized access to the Licensed Materials.

1.7 Reservation of Rights. Licensee has no rights in connection with the Licensed Materials other than those rights expressly enumerated herein. All rights to the Licensed Materials not expressly enumerated herein are reserved to STR.

2. DISCLAIMERS AND LIMITATIONS OF LIABILITY

2.1 Disclaimer of Warranties. The licensed materials are provided to the licensee on an "as is" and "as available" basis. STR makes no representations or warranties of any kind, express or implied, with respect to the licensed materials, the services provided or the results of use thereof. Without limiting the foregoing, STR does not warrant that the licensed materials, the services provided or the use thereof are or will be accurate, error-free or uninterrupted. STR makes no implied warranties, including without limitation, any implied warranty of merchantability, noninfringement or fitness for any particular purpose or arising by usage of trade, course of dealing, course of performance or otherwise.

2.2 Disclaimers. STR shall have no liability with respect to its obligations under this agreement or otherwise for consequential, exemplary, special, incidental, or punitive damages even if STR has been advised of the possibility of such damages. Furthermore, STR shall have no liability whatsoever for any claim relating in any way to any decision made or action taken by licensee in reliance upon the licensed materials.

2.3 Limitation of Liability. STR's total liability to licensee for any reason and upon any cause of action including without limitation, infringement, breach of contract, negligence, strict liability, misrepresentations, and other torts, shall be limited to all fees paid to STR by the licensee during the twelve month period preceding the date on which such cause of action first arose.

3. MISCELLANEOUS

3.1 Liquidated Damages. In the event of a violation of Section 1.5 of these Standard Terms and Conditions, Licensee shall be required to pay STR an amount equal to the sum of (i) the highest aggregate price that STR, in accordance with its then-current published prices, could have charged the unauthorized recipients for the Licensed Materials that are the subject of the violation, and (ii) the full price of the lowest level of republishing rights that Licensee would have been required to purchase from STR in order to have the right to make the unauthorized distribution, regardless of whether Licensee has previously paid for any lower level of republishing rights, and (iii) fifteen percent (15%) of the total of the previous two items. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

3.2 Obligations on Termination. Within thirty (30) days of the termination or expiration of this Agreement for any reason, Licensee shall cease all use of the Licensed Materials and shall return or destroy, at STR's option, all copies of the Licensed Materials and all other information relating thereto in Licensee's possession or control as of the such date. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

3.3 Governing Law; Jurisdiction and Venue. This Agreement shall be governed by the substantive laws of the State of Tennessee, without regard to its or any other jurisdiction's law governing conflicts of law. Any claims or actions regarding or arising out of this Agreement shall be brought exclusively in a court of competent jurisdiction located in Nashville, Tennessee, and the parties expressly consent to personal jurisdiction thereof. The parties also expressly waive any objections to venue.

3.4 Assignment. Licensee is prohibited from assigning this Agreement or delegating any of its duties under this Agreement without the prior written consent of STR.

3.5 Independent Relationship. The relationship between the parties is that of an independent contractor. Nothing in this Agreement shall be deemed to create an employer/employee, principal/agent, partnership or joint venture relationship.

3.6 Notices. All notices required or permitted to be given hereunder shall be in writing and shall be deemed given i) when delivered in person, at the time of such delivery; ii) when delivered by facsimile transmission or e-mail, at the time of transmission (provided, however, that notice delivered by facsimile transmission shall only be effective if such notice is also delivered by hand or deposited in the United States mail, postage prepaid, registered, certified or express mail or by courier service within two (2) business days after its delivery by facsimile transmission); iii) when delivered by a courier service or by express mail, at the time of receipt; or iv) five (5) business days after being deposited in the United States mail, postage prepaid, registered or certified mail, addressed (in any such case) to the addresses listed on the first page of this Agreement or to such other address as either party may notify the other in writing.

3.7 Waiver. No waiver of any breach of this Agreement will be deemed to constitute a waiver of any subsequent breach of the same or any other provision.

3.8 Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the matters described herein, superseding in all respects any and all prior proposals, negotiations, understandings and other agreements, oral or written, between the parties.

3.9 Amendment. This Agreement may be amended only by the written agreement of both parties.

3.10 Recovery of Litigation Costs. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

3.11 Injunctive Relief. The parties agree that, in addition to any other rights or remedies which the other or STR may have, any party alleging breach or threatened breach of this Agreement will be entitled to such equitable and injunctive relief as may be available from any court of competent jurisdiction to restrain the other from breaching or threatening to breach any of the provisions of this Section, without posting bond or other surety.

3.12 Notice of Unauthorized Access. Licensee shall notify STR immediately upon Licensee's becoming aware of any facts indicating that a third party may have obtained or may be about to obtain unauthorized access to the Licensed Materials, and shall fully cooperate with STR in its efforts to mitigate the damages caused by any such breach or potential breach.

3.13 Conflicting Provisions. In the event that any provision of these Standard Terms and Conditions directly conflicts with any other provision of the Agreement, the conflicting terms of such other provision shall control.

3.14 Remedies. In addition to any other rights or remedies that STR may have, in the event of any termination by STR on account of a breach by Licensee, STR may, without refund, immediately terminate and discontinue any right of Licensee to receive additional Licensed Materials from STR.



How can we assist you?

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Draft Motion
September 10, 2020

RECORD NO. 2013.0511CUA/X
1125 Market Street

EXHIBIT F

PROJECT SPONSOR BRIEF



A MEMBER OF GREAT EAGLE GROUP

September 1, 2020

Hon. Joel Koppel,
President San Francisco,
Planning Commission
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Re: 1125 Market Street
Planning Case No. 2014.0800CUADNX

Dear President Koppel:

Pacific Eagle is pleased to present the hotel project located at 1125 Market Street (the “Project”) for your consideration, and respectfully request that you approve the Project.

The proposed project would include the construction of a mixed-use hotel and office, 12-story, 119-foot-tall building on the vacant 1125 Market Street site. The proposed 140,558-gross square-foot (gsf) building would include up to approximately 103,800 gsf of hotel use (180 hotel guest-rooms), 10,500 gsf of office (co-working space), 5,500 gsf of restaurant/retail use, 1,500 gsf of interior privately-owned public open space (POPOS) within the ground floor, and 19,300 gsf of mechanical and building support space. The proposed project would not provide any vehicle parking spaces.

Downtown Plan The Project is located within the Mid-Market portion of the Downtown Plan area. The Downtown Plan recognizes the need to create jobs, especially for San Franciscans, and to continue San Francisco's role as an international center of commerce and services. This project seeks to fulfill this objective at one of the last remaining vacant opportunity sites in the Mid-Market area. The Project is an appropriate location because visitor trade constitutes an important economic base and job source for San Franciscans. It generates substantial revenues in many related economic areas, including transportation, eating and drinking places, other retail trade, personal services, and entertainment and recreation. The Project site has been vacant for many years and is immediately adjacent to ACT’s Strand

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Theater and within walking distance of many Mid-Market office locations, retail services, and visitor attractions located in the Downtown core.

Purpose Driven Design The Sponsor worked collaboratively with Current Planning and City Design Staff. Woods Bagot the Project's Architects, worked closely with the Planning Department's design staff through numerous iterations of the Project design. The project was developed with a renewed Market Street in mind and with the purpose of being the intersection of culture, media, hospitality, wellness, and progressive social change. The project's vision is to create a place on Market Street as a will serve as an incubator for arts and culture, a beacon for sustainability, a hub for impact initiatives, a holistic healing center, and a global media presence. The result is a Project that is not only architecturally distinctive, but is also sensitive to the important position it occupies in the City's larger urban context.

Public Realm In addition to its contribution to the the Mid-Market District, the Project provides active ground floor uses along Market and Stevenson Streets, creating an active and engaging environment for pedestrians. The Project provides Public Open Space (POPOS) with an interior-open air-courtyard that would connect the public right-of-way by an accessible and inviting entrance off both Market and Stevenson Streets. The interplay between the Project and the public realm will make a lasting positive impact on San Francisco and more specifically the Mid-Market area.

Economic Benefits. Aside from the programmatic public benefits described above, the Project will have enormous economic benefits for the City. The Project will create 188 construction jobs and hotel use will result in approximately 150 to 200 permanent jobs on the Project Site. The Project will generate \$3.3 million in impact fees.

Sponsor Worked Closely with Stakeholder Groups. Throughout the years long process, the Sponsor has sought to find thoughtful ways for the Project to benefit the community. The Sponsor has worked pro-actively to conduct broad outreach to stakeholder groups. As a result, the Project has gained the support of a number of community groups, cultural institutions as well as organized labor. Local small businesses and large SF member organizations such as SF Travel, Hotel Council SF and The Chamber of Commerce are also in full support.

The hotel, under the brand, Eaton Workshop, is a new purpose-driven global brand merging hospitality with progressive social change. Eaton Workshop brings to the international market a hybrid model of a hotel, co-working members club, and wellness center, with extensive content and cultural programming supporting the intersection of arts, consciousness, and impact. Its Impact Pillar focuses on supporting

activism and local community groups, environmental, race, justice, gender LGBTQ, immigrant and more. It also adheres to environmental sustainability practiced at all levels from construction materials to food minibar offerings. The hotel is operated under several features:

- Eaton Hotel is designed for travelers seeking inspiration, innovation, and impact. It sets the stage for guests, locals, and Eaton House members to congregate. Eaton Hotel offers a new approach to food and beverage, wellness, and the arts. Each hotel's ethos and design reflects the city it resides in, resulting in a diverse portfolio of properties aligned by a shared social mission.
- Eaton House is a work club for innovators, progressive thinkers, and creatives. Eaton House provides private, shared, and communal workspaces for collaboration. Members have full access to the public offerings at the Eaton Hotel.
- Eaton Wellness is inspired by new-age practices that embody a holistic approach focused on the mind-body connection. Eaton offers community-building classes such as yoga and meditation; vegetable-forward and detox food and beverage options, as well as a program of guest speakers and teachers who promote age-old teachings and practices leading to consciousness-expansion.
- Eaton Media promotes dialogue and debate, enables forward-thinking change with clear calls to action, and supports artistic endeavors from diverse emerging voices. Live events and programming are distinct to each individual location, with multiple portals for engagement: a radio station, cinemas, artist and activist residencies, recording studios, music venues, speaker auditoriums, commissioned artwork, and more. On its digital platform, Eaton produces, curates and distributes stories that present an honest take on today's trenchant issues, from immigration and women's rights to climate change. Provocative and poetic, spiritual and countercultural, Eaton's content celebrates journeys of self-discovery and personal and political liberation, and imagines a more utopian future.

The Hotel will adhere to the Eaton design and service standards and will be operated as a creative community-focused boutique hotel. The services and amenities will include a full-service restaurant and lounge with outdoor patio seating, a lobby coffee bar/lounge, a basement bar and theater; approximately 3,000 square feet of meeting space, a yoga studio, fitness center, spa, ground floor retail space, and a ground floor radio station with recording booth. The Eaton will target progressive travelers through offering events programming, collaborations, and wellness.

Post Covid, numerous articles, economic models and projects indicate a recovery in hotel demand sometime between 2022 and 2024. Given that the Eaton Workshop is not expected to complete construction until 2023 or later, forecast of demand assessment for Eaton would remain valid according to an updated July 30, 2020 market demand study completed by The Hudson Group.

We look forward to the hearing on September 10. Please do not hesitate to contact me prior to the hearing if I or any of the other members of the Project team can provide additional information or answer questions.

Patricia Yeh



Vice President Development West Coast

PEAK Project Management Limited

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