



# SAN FRANCISCO PLANNING DEPARTMENT

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## Executive Summary Large Project Authorization & Conditional Use Authorization

HEARING DATE: SEPTEMBER 22, 2016  
CONTINUED FROM: JULY 7, 2016

*Date:* September 15, 2016  
*Case No.:* **2014-000601CUA/ENX**  
*Project Address:* **2675 FOLSOM STREET**  
*Zoning:* UMU (Urban Mixed Use) Zoning District;  
RH-2 (Residential, House, Two-Family) Zoning District; &  
RH-3 (Residential, House, Three-Family) Zoning District  
40-X Height and Bulk District  
*Block/Lot:* 3639/006, 007 and 024  
*Project Sponsor:* Muhammed Nadhiri, Axis Development Group  
580 California Street, 16<sup>th</sup> Floor  
San Francisco, CA 94104  
*Staff Contact:* Richard Sucre – (415) 575-9108  
[richard.sucre@sfgov.org](mailto:richard.sucre@sfgov.org)

*Recommendation:* **Approval with Conditions**

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### PROJECT DESCRIPTION

The proposed Project includes demolition of the three existing buildings on the project site, and new construction of a four-story, 40-ft tall, residential building (approximately 109,917 square feet (sq ft)) with 117 dwelling units, approximately 5,291 square feet of PDR use, 65 below-grade off-street parking spaces, 1 car-share parking space, 160 Class 1 bicycle parking spaces, and 14 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units. The Project includes 4,775 sq ft of public open space, 5,209 sq ft of common open space via ground floor courtyard and roof deck, and 3,356 square feet of private open space via balconies and terraces. The Project would also include a lot merger of Lots 006, 007 and 024 on Block 3639.

### SITE DESCRIPTION AND PRESENT USE

The Project is located on three lots (with a lot area of approximately 35,734 sq ft), which have approximately 242-ft of frontage along Folsom Street and 40-ft of frontage along Treat Avenue. The project site contains three existing buildings: a two-story industrial building (18,760 sq ft), a one-story industrial building (2,300 sq ft), and a one-story temporary building (440 sq ft). Collectively, these three buildings measure 21,599 square feet. Realizing Our Youth as Leaders, aka "Royal, Inc.", a non-profit

organization, recently vacated the second floor of the two-story industrial building. Currently, the existing buildings are occupied by Charyn Auctions, a reseller of food service equipment.

## **SURROUNDING PROPERTIES AND NEIGHBORHOOD**

The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development to the north, Cesar Chavez Elementary School to the west, a series of one-to-two-story industrial properties to the east across Treat Avenue, and a public park (Parque Ninos Unidos) to the south. Parque Ninos Unidos occupies the entire block face on the north side of 23<sup>rd</sup> Street between Folsom Street and Treat Avenue. The project site is located within the boundaries of the Proposed Calle 24 Special Use District, which was established as part of the interim controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino Cultural District, which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include: P (Public), NC-3 (Neighborhood Commercial-Moderate Scale), and the 24<sup>th</sup>-Mission NCT (Neighborhood Commercial Transit) Zoning District.

## **ENVIRONMENTAL REVIEW**

The Department anticipates publication of a Community Plan Exemption (CPE), per Section 15183 of the CEQA Guidelines, which will become available prior to the public hearing on September 22, 2016.

## **HEARING NOTIFICATION**

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	September 2, 2016	September 2, 2016	20 days
Posted Notice	20 days	September 2, 2016	September 2, 2016	20 days
Mailed Notice	20 days	September 2, 2016	September 2, 2016	20 days

The proposal requires a Section 312 neighborhood notification, which was conducted in conjunction with the required hearing notification for the Large Project Authorization & Conditional Use Authorization.

Since the project has been amended since its first public hearing on July 7, 2016, new hearing notification was completed to reflect the amendments to the project description.

## **PUBLIC COMMENT**

As of September 22, 2016, the Department has received a few public correspondences regarding the proposed project. This correspondence has primarily expressed opposition to the project, though the Department has received a few letters in support.

From Lucia Bogatay, the Department received correspondence expressing positive sentiment for the architecture of the Project.

From Ronald Charyn of Charyn Auctions (existing tenant), the Department received a letter in support of the project. They noted that the Project Sponsor (Axis Development) has provided them with in-kind and financial assistance to relocate the existing business.

From Emily Kuehler, the Department received correspondence questioning the location of the garage entrance on Treat Avenue.

From the Mission Kids Co-Op, the Department received correspondence, which advocated for childcare, rather than a local artist galley, particularly in this location given its proximity to a public park.

From Juliana Sloane, the Department received correspondence expressing concern over parking and traffic.

From Edward Stiel, the Department received correspondence, which requesting a full Environmental Impact Report (EIR) for the Project. This correspondence stated that the Project would cast additional shadow on Parque Ninos Unidos and Cesar Chavez Elementary School, increase traffic and vehicle emissions, and have a wind tunnel effect. In addition, this letter stated that the development would lead to further involuntary displace with increased no fault evictions and landlord harassment.

From J. Scott Weaver on behalf the Calle 24 Latino Cultural District (LCD), the Department received a letter expressing concern over the project and its impact on the existing businesses, residents, and non-profits within the Calle 24 LCD. This letter noted that the proposed market rate housing, along with the other development occurring in the Mission, will affect the neighborhood and create a climate of gentrification. This letter also questions the Community Plan Exemption (CPE) published for the Project, and requests additional environmental review of the project's impacts. Finally, the letter concludes with a request to analyze the project, both individually and cumulatively, with respect to the potential impacts of market rate development on the Calle 24 Latino Cultural District.

In addition, the Department has engaged with on-going dialogue between community members and the Project Sponsors to review the various aspects of the project, including the inclusion of on-site PDR space, the amount of affordable housing, and the project's larger public benefits.

Copies of this correspondence have been included in the Commission packets.

## **ISSUES AND OTHER CONSIDERATIONS**

- Large Project Authorization & Exceptions: Since the Project would construct more than 25,000 gross square feet within an Eastern Neighborhoods Mixed-Use District, the Project requires a Large Project Authorization from the Planning Commission. As part of the Large Project Authorization (LPA), the Commission may grant modifications from certain Planning Code requirements for projects that exhibit outstanding overall design and are complementary to the design and values of the surrounding area. The proposed project requests modifications from: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section 145.1); 4) off-street freight loading (Planning Code Section 152.1); and, 5) horizontal mass reduction (Planning Code Section 270.1). Department staff is

generally in agreement with the most of the proposed modifications given the overall project, its unique lot configuration and outstanding design.

- Conditional Use Authorization: Per Planning Code Sections 209.1 and 303, the Project requires Conditional Use Authorization from the Planning Commission to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area in the RH-3 Zoning District. The project contains one lot in the RH-3 Zoning District, which measures 7,350 square feet. Therefore, the project is requesting Conditional Use Authorization to construct 7 dwelling units in the portion of the project located within the RH-3 Zoning District.

In addition, per the Mission 2016 Interim Zoning Controls adopted in Planning Commission Resolution No. 19548, the Project requires Conditional Use Authorization, since the project includes construction of more than 75 dwelling units (defined as a “Large Project”).

- Inclusionary Affordable Housing: The Project has elected the on-site affordable housing alternative, identified in Planning Code Section 415.6 and 419.3. The project site is located within the UMU Zoning District, and is subject to the Tier A Affordable Housing Program Requirements, which requires 16.4% of the total number of units to be designated as part of the inclusionary affordable housing program. The Project contains 117 units and the Project Sponsor will fulfill this requirement by providing the 19 affordable units on-site, which will be available for rent. As part of the project, the Project Sponsor has entered into a Costa-Hawkins Agreement with the City. A copy of this agreement will be provided at the Planning Commission Hearing.

The Project Sponsor has also publically expressed that the Project would on-site inclusionary affordable housing at a rate higher than 16.4%.

- Project Updates: Since the public hearing on July 7, 2016, the Project Sponsor has updated the Project as follows:
  - *Inclusion of PDR Use*: The Project Sponsor has included approximately 5,291 square feet of PDR use within the basement and on the first floor.
  - *Off-Street Parking Reduction*: The Project Sponsor has reduced the amount of off-street parking from 90 to 66.
  - *Increase in Bicycle Parking*: The Project Sponsor has increased the number of Class 1 bicycle parking spaces from 118 to 160, and the number of Class 2 bicycle parking spaces from 7 to 14.
  - *Increase in Open Space*: The Project Sponsor has increased the amount of open space from 11,600 sq ft to 13,340 sq ft.
  - *Mid-Block Alley*: The Project Sponsor has refined to the design of the mid-block alley by adjusting the landscaping and incorporating a flared entry along Treat Avenue.

## **MISSION INTERIM ZONING CONTROLS**

For “Large Projects,” Planning Commission Resolution No. 19548 requires Conditional Use Authorization from the Planning Commission for any residential or mixed-use project that includes new construction of more than 75,000 gross square feet or 75 dwelling units.



The Project Sponsor provided a summary of compliance with the Mission Interim Zoning Controls (See Attached). Staff has reviewed the Sponsor's submittal, and has spot-checked that selected facts do indeed originate from an independent qualified professional.

As required by the Mission Interim Zoning Controls, the most relevant topics for the Commission's consideration as it relates to this project is the removal of PDR space, displacement of the existing PDR business (auction house), the displacement, demolition or loss of a community use, and the new construction of market-rate housing. The Project Sponsor addresses the displacement of the existing PDR business in their submission and whether the PDR and community use tenants are being provided with relocation assistance.

In the Mission Interim Zoning Controls, the only study that addresses commercial displacement is the UC Berkeley Case Study for the Mission (UC Berkeley's Institute of Governmental Studies), which only addresses retail use. However, the Department has recognized the rapid pace of conversion of PDR in the UMU (Urban Mixed Use) District through analysis of its own data. The conversion of PDR is occurring more rapidly than previously anticipated, which has pointed to the need for a greater response from the City to help with business retention and relocation within San Francisco.

The Project is not displacing current residential uses or tenants. Since it is a new residential project, the Project Sponsor did include a discussion of various studies cited in the Mission Interim Zoning Controls. These studies discuss the need to alleviate the shortage of housing and the role of market-rate housing in affecting price and displacement. Based on these reports, the Project Sponsor's analysis concludes that the Project is contributing to the supply of housing, which is in high demand across the City. Per the cited reports, the Project Sponsor's analysis concludes that it will not impact demographic changes occurring in the Mission or cause direct or indirect displacement in the Mission. Although the Project Sponsor concludes that no demographic changes are occurring as part of the Project, the Controller's Study does state that new market rate housing does tend to cater to upper income households, which may result in demographic changes. The Project provides new market-rate housing, along with on-site BMR units, thus providing for a mix of income levels within the new development.

The Department recognizes that newer studies are underway to study the effect of market-rate housing on affordability. These studies may reach different conclusions, and it is clear that more research is needed to determine the effect with certainty. At the local level, the San Francisco market is very skewed due to the extreme mismatch between demand and supply. The Berkeley Study agrees that while market-rate development does help at the regional level, at a more localized/block level, certain projects may have a catalyzing or hyper-local effect that could exacerbate displacement pressures. While more analysis is needed and being conducted by outside researchers, the Mission Interim Zoning Controls does not expect that each development project will resolve the question or calculate its specific effect, but rather, will provide relevant information for the Commission's consideration, presenting a balance of the project's contributions as well as impacts (direct and potential).

Staff's analysis of the Project Sponsor's submittal against adopted City policies that are relevant to the Mission Interim Zoning Controls (including supporting housing production while retaining neighborhood character, and reducing displacement) is described in the section titled "General Plan Compliance" of the attached Draft Large Project Authorization Motion, and is summarized below.

Although the Project will remove existing PDR space, the Department found that this Project, which includes new market rate and below market rate housing on-site, on balance, complied with the following Objectives and Policies of the General Plan relating to the Mission Interim Zoning Controls:

*General Plan, Housing Element:*

*Objective 1, Policies 1.1, 1.2; Objective 4, Policies 4.1, 4.4; Objective 11, Policies 11.3, 11.4, and Objective 12, Policy 12.2*

*Mission Area Plan:*

*Objective 1.2, Policy 1.2.1; Objective 2.1, Policy 2.1.1; Objective 2.3, Policies 2.3.3 & 2.3.5; Objective 3.1, Policy 3.1.1*

The Project maximizes the allowable building height and provides the required dwelling-unit mix for a total of 117 dwelling units, including 24 studio units, 46 one-bedroom units, 45 two-bedroom units, and 2 three-bedroom units. The Project provides for a range of housing needs, including family-sized housing. Of the 117 units, 19 will be on-site affordable units, bringing new affordable housing into the neighborhood. The Project fully utilizes the controls offered in the Eastern Neighborhoods Area Plan, and appropriately addresses the surrounding neighborhood. Therefore, the Project's housing production is supported by adopted housing policy, per the Objectives and Policies in the Housing Element.

The project site is currently occupied by Charyn Auctions, an assessment management and auction service business, who sells surplus food assets (industrial equipment, fixtures, furniture, etc.); this business is considered a PDR use under the Planning Code. Charyn Auctions will terminate their lease on October 31, 2016, and has accepted relocation assistance from the Project Sponsor.

A previous nonprofit tenant, Realizing Our Youth As Leaders (ROYAL), Inc., an after-school non-profit organization that offers counseling and mentoring services to disadvantaged youth, vacated the second floor of the two-story industrial building in March 2016. ROYAL did not seek to renew their lease, nor was a lease renewal offered to them. No relocation benefits were offered or provided to ROYAL.

The demolition of the PDR use (possessing a community use) represents a loss of an important community service. Many policies in the Mission Area Plan discuss the importance of these uses to the Mission (for a more complete discussion, see Draft LPA Motion). While this Project may be unrelated to the recent vacancy, this nonprofit was the most recent tenant and the Project will demolish this use. The most relevant policy in the Mission Area Plan to this use is Policy 7.2.1 which seeks to "Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods". This General Plan Policy speaks directly to the importance of the stated goal of ROYAL, which is described on their website as nonprofit that provides "a combination of mental health, mentoring, enrichment and academic assistance services to an at-risk and marginalized population of children who have been left behind or forgotten." While the Project Sponsor states that ROYAL is established in SoMa (which is also within EN) and the Excelsior, ROYAL's website lists the 2675 Folsom Street Address as the only business address.

Although the Project results in a loss of PDR and the demolition of a community use, the Project does provide relocation assistance for the PDR tenant and a substantial amount of new rental housing, including new on-site below-market rate units for rent, which is a goal for the City and County of San

Francisco. On balance, the Project is consistent with the Mission Interim Controls for Large Projects, as evidenced through the Project's compliance with the Mission Area Plan Objectives.

## **MISSION ACTION PLAN 2020**

The project site falls within the area of the ongoing Mission Action Plan 2020 (MAP2020). MAP2020 is collaboration, initiated by the community, between community organizations and the City of San Francisco, to create and preserve affordable housing and bring economic stability to the Mission. The goal is to retain and attract low to moderate income residents and community-serving businesses, artists, and nonprofits in order to strengthen and preserve the socioeconomic and cultural diversity of the Mission neighborhood.

Community organizations initiated the plan given the loss and displacement trends of low to moderate income residents, community-serving businesses, artists, and nonprofits affecting the neighborhood due to the affordability crisis. Some of the concerns community representatives involved in MAP2020 and other community organizing efforts, such as the proposed moratoriums earlier this year, have articulated relate to the role market-rate projects could play in exacerbating the direct or indirect displacement and gentrification of this historically working-class neighborhood. Community advocates would like more scrutiny and examination of what these potential effects are, and for market-rate projects to contribute to the solutions, to neighborhood stabilization, and to minimize any potential displacement.

These community concerns gave rise, in part, to the Mission Interim Zoning Controls, while permanent solutions and controls are drafted. Interim zoning controls are intended to provide the Commission with additional information to consider in its deliberation related to a project's contribution to the goals of neighborhood stabilization and whether they are addressing any potential negative effects such as direct displacement of residents or businesses.

A draft Action Plan will be available in the late-Summer of 2016, with potential recommendations for pipeline projects and zoning changes. In the meantime, the interim controls are in effect to help inform the Commissioners in their decision-making process. For more information on the neighborhood trends and the MAP2020 process can be found on:

<http://sf-planning.org/mission-action-plan-2020>

## **REQUIRED COMMISSION ACTION**

In order for the Project to proceed, the Commission must grant a Conditional Use Authorization for a Large Project as described in the Mission 2016 Interim Zoning Controls and to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet within the RH-3 Zoning District, pursuant to Planning Code Sections 209.1 and 303 and Planning Commission Resolution No. 19548, and a Large Project Authorization, pursuant to Planning Code Section 329, to allow the new construction of a four-story (40-ft tall) residential development (with approximately 109,917 square feet) with 117 dwelling units (including 19 on-site BMR units for rent), approximately 5,291 sq ft of PDR use, and 66 off-street parking spaces, and to allow modifications to the requirements for: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section

145.1); 4) off-street freight loading (Planning Code Section 152.1); and, 5) horizontal mass reduction (Planning Code Section 270.1).

## **BASIS FOR RECOMMENDATION**

The Department believes this Project is approvable for the following reasons:

- The Project complies with the applicable requirements of the Planning Code.
- The Project is, on balance, consistent with the Mission Interim Controls and the Objectives and Policies of the General Plan.
- The Project exhibits overall quality design, which relates to the surrounding context and neighborhood.
- The Project is located in zoning districts where residential use is principally permitted.
- The Project produces a new residential development with significant site updates, including a publically-accessible mid-block alley, sidewalk improvements, and private and common open space.
- The Project is consistent with and respects the varied neighborhood character, and provides an appropriate massing and scale for the adjacent contexts.
- The Project complies with the First Source Hiring Program.
- The Project is necessary and desirable, is compatible with the surrounding neighborhood, and would not be detrimental to persons or adjacent properties in the vicinity.
- The Project adds 117 new dwelling units (including 19 on-site BMR units) to the City's housing stock, including 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units.
- The Project would designate 19 dwelling units as on-site, below-market rate, dwelling units for rental.
- The Project will fully utilize the Eastern Neighborhoods Area Plan controls, and will pay the appropriate development impact fees.

<b>RECOMMENDATION:</b> <b>Approval with Conditions</b>
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### **Attachments:**

Draft Motion-Large Project Authorization  
Draft Motion-Conditional Use Authorization  
Parcel Map  
Sanborn Map  
Aerial Photograph  
Zoning Map  
Major Projects within .25 Radius  
Project Sponsor Submittal

- Affordable Housing Affidavit

**Executive Summary**  
**Hearing Date: September 22, 2016**

**CASE NO. 2014-000601CUA/ENX**  
**2675 Folsom Street**

- Costa-Hawkins Agreement (Pending)
- Anti-Discriminatory Housing Affidavit
- First Source Hiring Affidavit
- Architectural Drawings

Public Correspondence

Community Plan Exemption

Attachment Checklist

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Executive Summary             | <input checked="" type="checkbox"/> Project Sponsor Submittal:   |
| <input checked="" type="checkbox"/> Draft Motion                  | Drawings: <u>Existing Conditions</u>   |
| <input checked="" type="checkbox"/> Zoning District Map           | <input checked="" type="checkbox"/> Check for Legibility   |
| <input checked="" type="checkbox"/> Height & Bulk Map             | Drawings: <u>Proposed Project</u>  |
| <input checked="" type="checkbox"/> Parcel Map                    | <input checked="" type="checkbox"/> Check for Legibility   |
| <input checked="" type="checkbox"/> Sanborn Map                   | <input checked="" type="checkbox"/> 3-D Renderings:  |
| <input checked="" type="checkbox"/> Aerial Photo                  | (New Construction or Significant Addition)   |
| <input checked="" type="checkbox"/> Site Photos                   | <input type="checkbox"/> Wireless Telecommunications Materials   |
| <input checked="" type="checkbox"/> Environmental Determination   | <input type="checkbox"/> Health Dept. Review of RF levels  |
| <input checked="" type="checkbox"/> First Source Hiring Affidavit | <input type="checkbox"/> RF Report   |
|   | <input type="checkbox"/> Community Meeting Notice  |
|   | <input checked="" type="checkbox"/> Housing Documents  |
|   | <input checked="" type="checkbox"/> Inclusionary Affordable Housing<br>Program: Affidavit for Compliance |
|   | <input checked="" type="checkbox"/> Anti-Discriminatory Housing Affidavit                                |

Exhibits above marked with an "X" are included in this packet

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RS  
Planner's Initials

RS: G:\Documents\Large Project Authorization\2014-000601ENX 2675 Folsom St\ExecutiveSummary\_2675 Folsom St.doc



# SAN FRANCISCO PLANNING DEPARTMENT

*Subject to: (Select only if applicable)*

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Affordable Housing (Sec. 415) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code)              |
| <input type="checkbox"/> Jobs Housing Linkage Program (Sec. 413)  | <input checked="" type="checkbox"/> Child Care Requirement (Sec. 414A)             |
| <input type="checkbox"/> Downtown Park Fee (Sec. 412)             | <input checked="" type="checkbox"/> Other (EN Impact Fees, Sec 423; TSF, Sec 411A) |

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## Planning Commission Draft Motion

HEARING DATE: SEPTEMBER 22, 2016

*Case No.:* **2014-000601ENX**  
*Project Address:* **2675 FOLSOM STREET**  
*Zoning:* UMU (Urban Mixed Use) Zoning District;  
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San Francisco, CA 94104  
*Staff Contact:* Richard Sucre – (415) 575-9108  
[richard.sucre@sfgov.org](mailto:richard.sucre@sfgov.org)

**ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO 1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, 2) DWELLING UNIT EXPOSURE PURSUANT TO PLANNING CODE 140, 3) STREET FRONTAGE PURSUANT TO PLANNING CODE SECTION 145.1, 4) OFF-STREET LOADING PURSUANT TO PLANNING CODE SECTION 152.1, AND, 5) HORIZONTAL MASS REDUCTION PURSUANT TO PLANNING CODE SECTION 270.1, AND TO ALLOW CONSTRUCTION OF A NEW FOUR-STORY, 40-FT TALL, RESIDENTIAL BUILDING (APPROXIMATELY 109,917 SQUARE FEET) WITH 117 DWELLING UNITS (CONSISTING OF 24 STUDIOS, 46 1-BEDROOM UNITS, 45 2-BEDROOM UNITS, AND 2 3-BEDROOM UNITS) AND 66 OFF-STREET PARKING SPACES, LOCATED AT 2675 FOLSOM STREET, LOTS 006, 007 AND 024 IN ASSESSOR'S BLOCK 3639, WITHIN THE UMU (URBAN MIXED-USE), RH-2 (RESIDENTIAL, HOUSE, TWO-FAMILY), AND RH-3 (RESIDENTIAL, HOUSE, THREE-FAMILY) ZONING DISTRICTS AND A 40-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

### PREAMBLE

On April 30, 2015, Muhammed Nadhiri of Axis Development Group (hereinafter "Project Sponsor") filed Application No. 2014-000601ENX (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct a new four-story, 40-ft tall, residential building with 117 dwelling units at 2675 Folsom Street (Block 3639 Lots 006, 007 and 024) in San Francisco, California.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commissions review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On September XX, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable



to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department Commission Secretary is the custodian of records, located in the File for Case No. 2014-000601ENX at 1650 Mission Street, Fourth Floor, San Francisco, California.

On September 22, 2016, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2014-000601ENX.

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 Large Project Authorization requested in Application No. 2014-000601ENX, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

## **FINDINGS**

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The Project is located on three lots (with a lot area of approximately 35,734 square feet), which have approximately 242-ft of frontage along Folsom Street and 40-ft of frontage along Treat Avenue. The project site contains three existing buildings: a two-story industrial building, a one-story industrial building, and a one-story temporary building. Collectively, these three buildings measure 21,599 square feet. Realizing Our Youth as Leaders, aka "Royal, Inc.", a non-profit organization, recently vacated the second floor of the two-story industrial building. Currently, the existing buildings are occupied by Charyn Auctions, a reseller of food service equipment.
3. **Surrounding Properties and Neighborhood.** The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development to the north, Cesar Chavez Elementary School to the west, a series of one-to-two-story industrial properties to the east across Treat Avenue, and a public park (Parque Ninos Unidos) to the south. Parque Ninos Unidos occupies the entire block face on the north side of 23<sup>rd</sup> Street between Folsom Street and Treat Avenue. The project site is located within the boundaries of the Proposed Calle 24 Special Use District, which was established as part of the interim controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino Cultural District, which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include: P (Public), NC-3

(Neighborhood Commercial-Moderate Scale), and the 24<sup>th</sup>-Mission NCT (Neighborhood Commercial Transit) Zoning District.

4. **Project Description.** The proposed Project includes demolition of the three existing buildings on the project site, and new construction of a four-story, 40-ft tall, residential building (approximately 109,917 gross square feet) with 117 dwelling units, approximately 5,291 square feet of PDR use, 65 below-grade off-street parking spaces, 1 car-share parking space, 160 Class 1 bicycle parking spaces, and 14 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units. The Project includes 4,775 square feet of public open space, 5,209 square feet of common open space via ground floor courtyard and roof deck, and 3,356 square feet of private open space via balconies and terraces. The Project would also include a lot merger of Lots 006, 007 and 024 on Block 3639.
5. **Public Comment.** The Department has received a few public correspondences regarding the proposed project. This correspondence has primarily expressed opposition to the project, though the Department has received a few letters in support.

From Lucia Bogatay, the Department received correspondence expressing positive sentiment for the architecture of the Project.

From Ronald Charyn of Charyn Auctions (existing tenant), the Department received a letter in support of the project. They noted that the Project Sponsor (Axis Development) has provided them with in-kind and financial assistance to relocate the existing business.

From Emily Kuehler, the Department received correspondence questioning the location of the garage entrance on Treat Avenue.

From the Mission Kids Co-Op, the Department received correspondence, which advocated for childcare, rather than a local artist galley, particularly in this location given its proximity to a public park.

From Juliana Sloane, the Department received correspondence expressing concern over parking and traffic.

From Edward Stiel, the Department received correspondence, which requesting a full Environmental Impact Report (EIR) for the Project. This correspondence stated that the Project would cast additional shadow on Parque Ninos Unidos and Cesar Chavez Elementary School, increase traffic and vehicle emissions, and have a wind tunnel effect. In addition, this letter stated that the development would lead to further involuntary displace with increased no fault evictions and landlord harassment.

From J. Scott Weaver on behalf the Calle 24 Latino Cultural District (LCD), the Department received a letter expressing concern over the project and its impact on the existing businesses, residents, and non-profits within the Calle 24 LCD. This letter noted that the proposed market

rate housing, along with the other development occurring in the Mission, will affect the neighborhood and create a climate of gentrification. This letter also questions the Community Plan Exemption (CPE) published for the Project, and requests additional environmental review of the project's impacts. Finally, the letter concludes with a request to analyze the project, both individually and cumulatively, with respect to the potential impacts of market rate development on the Calle 24 Latino Cultural District.

In addition, the Department has engaged with on-going dialogue between community members and the Project Sponsors to review the various aspects of the project, including the inclusion of on-site PDR space, the amount of affordable housing, and the project's larger public benefits.

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. **Permitted Uses in UMU Zoning Districts.** Planning Code Section 843.20 states that residential use is a principally permitted use within the UMU Zoning District.

*The Project would construct new residential use within the UMU Zoning District; therefore, the Project complies with Planning Code Sections 843.20.*

- B. **Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth of the lot to be provided at every residential level. Given the irregular condition of the project site, the required rear yard would measure 9,024 sq ft.

*Currently, the Project is designed to have full lot coverage on the ground floor level and does not provide a rear yard at the lowest level containing a dwelling unit. The Project provides open space through a publically-accessible mid-block alley, an interior courtyard and a roof terrace. The Project provides a total of 13,340 sq ft of Code-complying open space. This amount of open space, which would have been provided through the required rear yard, is thus exceeded. Since the Project does not provide a Code-complying rear yard, the Project is seeking an exception to the rear yard requirement as part of the Large Project Authorization.*

*The Project is located on a block bounded by Treat Avenue, 22<sup>nd</sup>, Folsom and 23<sup>rd</sup> Streets. The subject block does possess a pattern of mid-block open space, since the adjacent buildings to the north are residential. By providing for an interior courtyard, the Project maintains the pattern of mid-block open space on the subject block, and provides sufficient dwelling unit exposure for all dwelling units facing onto this courtyard.*

- C. **Useable Open Space.** Planning Code Section 135 requires a minimum of 80 sq ft of open space per dwelling unit, if not publically accessible, or 54 sq ft of open space per dwelling unit, if publically accessible. Private useable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 sq ft is located on a deck, balcony, porch or roof, and shall have a minimum horizontal dimension of 10 feet and a minimum area of 100 sq ft if located on open ground, a terrace or the surface of an inner or outer court. Common useable open space shall be at least 15 feet in every horizontal dimension and shall be a

minimum are of 300 sq ft. Further, inner courts may be credited as common useable open space if the enclosed space is not less than 20 feet in every horizontal dimension and 400 sq ft in area, and if the height of the walls and projections above the court on at least three sides is such that no point on any such wall or projection is higher than one foot for each foot that such point is horizontally distant from the opposite side of the clear space in the court.

*The Project provides a publically-accessible mid-block alley, which measures 4,775 sq ft; thus, the Project addresses the open space requirement for 88 dwelling units by providing public open space. For the remaining 29 dwelling units, the Project is required to provide 2,320 sq ft of open space. The Project meets and exceeds this open space requirement by providing for an courtyard that measures 5,209 sq ft, as well as private open space (balconies and terraces) collectively measuring 3,356 sq ft. Therefore, the Project complies with Planning Code Section 135.*

- D. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires a streetscape plan, which includes elements from the Better Streets Plan, for new construction on a lot greater than a half-acre in size.

*The Project includes the new construction of a four-story residential building on a lot with approximately 242-ft of frontage along Folsom Street, and 40-ft of frontage along Treat Avenue. Currently, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, and new street trees. Therefore, the Project complies with Planning Code Section 138.1.*

- E. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

*The project site is not located in close proximity to an Urban Bird Refuge. The Project meets the requirements of feature-related standards and does not include any unbroken glazed segments 24-sq ft and larger in size; therefore, the Project complies with Planning Code Section 139.*

- F. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, rear yard or other open area that meets minimum requirements for area and horizontal dimensions. To meet exposure requirements, a public street, public alley at least 20-ft wide, side yard or rear yard must be at least 25 ft in width, or an open area (either an inner court or a space between separate buildings on the same lot) must be no less than 25 ft in every horizontal dimension for the floor at which the dwelling unit is located.

*The Project organizes the dwelling units to have exposure either on one of the public streets (Folsom Street or Treat Avenue), the public mid-block alley, which ranges in width from 24-ft to 27-ft, within Code-complying courtyard or facing the south lot line towards the public park (Parque Ninos Unidos). Since 44 out of 117 dwelling units face the south lot line, the Project is seeking an exception to the dwelling unit exposure requirements as part of the Large Project Authorization.*

- G. **Street Frontage in Mixed Use Districts.** Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential uses have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level.

*The Project meets the requirements of Planning Code Section 145.1. All off-street parking is located below-grade. The Project has only one 12-ft wide garage entrance along Treat Avenue accessed via a 10-ft wide curb cut. The Project features active uses on the ground floor with residential amenities, the entryway to the mid-block alley, and walk-up dwelling units with direct, individual pedestrian access to a public sidewalk. Finally, the Project features appropriate street-facing ground level spaces, as well as the ground level transparency and fenestration requirements.*

*Since the Project includes a non-residential use along Folsom Street, which does not possess a 17-ft ground floor ceiling height for the entirety of the space, the Project is seeking an exception from the street frontage requirements as part of the Large Project Authorization.*

- H. **Off-Street Parking.** Planning Code Section 151 requires one off-street parking space per dwelling unit in the RH-2 & RH-3 Zoning Districts.

Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit in the UMU Zoning District.

*The Project would construct 108 dwelling units in the UMU Zoning District, 7 dwelling units in the RH-3 Zoning District, and 2 dwelling units in the RH-2 Zoning District. Therefore, for the 117 dwelling units, the Project is allowed to have a maximum of 90 off-street parking spaces. Of these 90 off-street parking spaces, the Project provides 54 off-street parking spaces via mechanical lifts, 3 ADA parking spaces, 1 ADA van spaces have been identified, and 8 standard parking spaces (which include five spaces for electrical vehicles). Therefore, the Project complies with Planning Code Section 151.1.*

- I. **Off-Street Freight Loading.** Planning Section 152.1 of the Planning Code requires one off-street freight loading space for apartment use between 100,001 and 200,000 gsf.

*The Project includes approximately 127,081 square feet of residential use; thus, the Project requires at one off-street freight loading space. The Project is proposing one on-street loading space along Folsom Street, and does not possess any off-street freight loading within the below-grade garage. Therefore, the Project is seeking an exception to the off-street freight loading requirement as part of the Large Project Authorization.*

- J. **Bicycle Parking.** For projects with over 100 dwelling units, Planning Code Section 155.2 requires at least 100 Class 1 bicycle parking spaces plus one Class 1 bicycle parking space for every four dwelling units above 100, and one Class 2 bicycle parking spaces for every 20 dwelling units.

*The Project includes 117 dwelling units; therefore, the Project is required to provide 104 Class 1 bicycle parking spaces and 6 Class 2 bicycle parking spaces. The Project will provide 160 Class 1 bicycle parking spaces and 14 Class 2 bicycle parking spaces. Therefore, the Project complies with Planning Code Section 155.2.*

- K. **Car Share Requirements.** Planning Code Section 166 requires one car-share parking space for projects with 50 to 200 residential units.

*Since the Project includes 117 dwelling units, it is required to provide a minimum of one car-share parking space. The Project provides one car-share parking space. Therefore, the Project complies with Planning Code Section 166.*

- L. **Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

*The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project meets this requirement.*

- M. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40 percent of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30 percent of the total number of proposed dwelling units contain at least three bedrooms.

*For the 117 dwelling units, the Project is required to provide at least 47 two-bedroom units or 36 three-bedroom units. The Project provides 24 studios, 46 one-bedroom units and 45 two-bedroom units, and 2 three-bedroom units. Therefore, the Project meets the requirements for dwelling unit mix.*

- N. **Horizontal Mass Reduction.** Planning Code Section 270.1 outlines the requirements for horizontal mass reduction on large lots within the Eastern Neighborhoods Mixed Use Districts. For projects with street frontage greater than 200-ft in length, one or more mass reduction breaks must be incorporated to reduce the horizontal scale of the building into discrete sections not more than 200-ft in length. Specifically, the mass reduction must 1) be not less than 30-ft in width; 2) be not less than 60-ft in depth from the street-facing building façade; 3) extend up to the sky from a level not higher than 25-ft above grade or the third story, whichever is lower; and, 4) result in discrete building sections with a maximum plan length along the street frontage not greater than 200-ft.

*Since the overall frontage is 242-ft along Folsom Street, the Project is required to provide a single horizontal mass break along Bryant and Florida Streets, which is not less than 30-ft wide by 60-ft deep, and extends from the third-story up to the sky. Per the Planning Code, this mass break must result in discrete building sections along the street frontage of not greater than 200-ft.*

*The Project uses the publically-accessible mid-block alley to provide for horizontal mass reduction. Along Treat Avenue, the Project incorporates a mass break, which measures 25-ft wide by 42-ft long by 40-ft tall at the ground floor and extending upward on all levels. Since the provided horizontal mass reduction does not meet the dimensional requirements of the Planning Code, the Project is seeking an exception to the horizontal mass reduction requirements as part of the Large Project Authorization.*

- O. **Mid-Block Alley.** Planning Code Section 270.2 outlines the requirements for mid-block alleys on large lots within the Eastern Neighborhoods Mixed Use Districts. This requirement applies to all new construction on parcels that have one or more street frontages of over 200 linear feet on a block face longer than 400-ft between intersections.

*The Project provides a publically-accessible mid-block alley from Folsom Street to Treat Avenue, which measures 25-ft along Folsom Street and 11-ft along Treat Avenue. This mid-block alley meets the design and performance standards of Planning Code Section 270.2(e), since it is: located as close to the middle portion of the subject block face as possible; is perpendicular to the subject frontage; provides pedestrian access and no vehicular access; has a minimum width of 20-ft from building face to building face; provides a minimum clear walking width of 10-ft free of any obstructions; is at least 60% open to the sky; and, features appropriate paving, furniture, and amenities. Therefore, the Project complies with Planning Code Section 270.2.*

- P. **Transportation Sustainability Fee.** Planning Code Section 411A is applicable to new development that results in more than twenty dwelling units.

*The Project includes approximately 92,072 gsf of new residential use. This square footage shall be subject to the Transportation Sustainability Fee, as outlined in Planning Code Section 411A. The Project shall receive a prior use credit for the 21,060 sq ft of existing PDR space.*

- Q. **Residential Child-Care Impact Fee.** Planning Code Section 414A is applicable to new development that results in at least one net new residential unit.

*The Project includes approximately 92,072 gsf of new residential use associated with the new construction of 117 dwelling units. This square footage shall be subject to the Residential Child-Care Impact Fee, as outlined in Planning Code Section 411A.*

- R. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements apply to projects that consist of 10 or more units. The applicable percentage is dependent on the number of units in the project, the zoning of the property, and the date that the project submitted a complete Environmental

Evaluation Application. A complete Environmental Evaluation Application was submitted on January 10, 2015; therefore, pursuant to Planning Code Section 415.3 the Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 16.4% of the proposed dwelling units as affordable.

*The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project or submit to the Department a contract demonstrating that the project's on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. and submits an Affidavit of such to the Department. All such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Mayor's Office Housing and Community Development and the City Attorney's Office. The Project Sponsor has indicated the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions provided by the City and approved herein. The Project Sponsor submitted such Affidavit on XXXX. The applicable percentage is dependent on the total number of units in the project, the zoning of the property, and the date that the project submitted a complete Environmental Evaluation Application. A complete Environmental Evaluation Application was submitted on January 10, 2015; therefore, pursuant to Planning Code Section 415.3 the Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 16.4% of the total proposed dwelling units as affordable. 19 units (4 studios, 8, one-bedroom, 7 two-bedroom) of the total 117 units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable.*

- S. **Eastern Neighborhood Infrastructure Impact Fees.** Planning Code Section 423 is applicable to any development project within the MUO (Mixed Use Office) Zoning District that results in the addition of gross square feet of non-residential space.

*The Project includes approximately 109,917 square feet of new development consisting of approximately 92,072 sq ft of residential use, 5,291 sq ft of PDR use, and 12,554 sq ft of garage space. Excluding the square footage dedicated to the garage, the other uses are subject to Eastern Neighborhood Infrastructure Impact Fees, as outlined in Planning Code Section 423. These fees must be paid prior to the issuance of the building permit application.*



7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

A. Overall building mass and scale.

*The Project is designed as a four-story, 40-ft tall, residential development, which incorporates sunken residential entryways along Folsom Street, as well as massing setbacks. This massing is appropriate given the larger neighborhood context, which includes one-and-two-story industrial buildings, and two-and-three-story residential buildings. The surrounding neighborhood is extremely varied with many examples of smaller-scale residential properties along Folsom Street and larger-scale industrial properties to the east of Treat Avenue. The Project's overall mass and scale are further refined by the building modulation, which incorporates projecting bays and sunken entryways. In addition, the Project incorporates a 25-ft wide publically-accessible mid-block alley, which provides an appropriate mass break and entry court. Overall, these features provide variety in the building design and scale, while providing for features that strongly complement the neighborhood context. Thus, the Project is appropriate and consistent with the mass and scale of the surrounding neighborhood.*

B. Architectural treatments, facade design and building materials:

*The Project's architectural treatments, façade design and building materials include a fiber cement board horizontal lap siding in two tones, metal siding, aluminum storefront, iron railings and gates, and dark bronze frame aluminum windows. The Project is distinctly contemporary in its character. The Project incorporates a simple, yet elegant, architectural language that is accentuated by contrasts in the exterior materials. Overall, the Project offers a high quality architectural treatment, which provides for unique and expressive architectural design that is consistent and compatible with the surrounding neighborhood.*

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access;

*The Project incorporates a courtyard, which assists in continuing the pattern of mid-block open space evident on the subject block. Along the lower floors, the Project provides for a publically-accessible mid-block alley, residential amenities (entry lobby, leasing office/art gallery, and resident lounge/kitchen), and walk-up dwelling units with individual pedestrian access on Folsom Street. These dwelling units and amenities will provide for activity on the street level. The Project minimizes the impact to pedestrian by providing one 12-ft wide garage entrance on Treat Avenue. In addition, off-street parking is located below grade.*

D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site;

*The Project provides exceeds the open space requirement by constructing a publically-accessible mid-block, a ground floor courtyard, a roof terrace, and private balconies/terraces.*

- E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2;

*The Project provides a code-complying mid-block alley, which meets the criteria of Planning Code Section 270.2.*

- F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

*In compliance with Planning Code Section 138.1, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, and new street trees. These improvements would vastly improve the public realm and surrounding streetscape.*

- G. Circulation, including streets, alleys and mid-block pedestrian pathways;

*The Project provides ample circulation in and around the project site through the streetscape improvement and construction of a publically-accessible mid-block alley. Automobile access is limited to the one entry/exit on Treat Avenue. An off-street loading zone is provided along Folsom Street. The Project incorporates an interior courtyard, which is accessible to residents.*

- H. Bulk limits;

*The Project is within an 'X' Bulk District, which does not restrict bulk.*

- I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan;

*The Project, on balance, meets the Objectives and Policies of the General Plan. See Below.*

8. **Large Project Authorization Exceptions.** Proposed Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts:

- A. Rear Yard: Exception for rear yards, pursuant to the requirements of Section 134(f);

Modification of Requirements in the Eastern Neighborhoods Mixed Use Districts. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified or waived by the Planning Commission pursuant to Section 329...provided that:

- (1) A comparable, but not necessarily equal amount of square footage as would be created in a code conforming rear yard is provided elsewhere within the development;

*The Project provides for a comparable amount of open space, in lieu of the required rear yard. Overall, the Project will be located on a lot measuring 35,734 sq ft in size, and would be required to provide a*

*rear yard measuring 9,024 sq ft. The Project provides common open space for the 117 dwelling units through a publically-accessible mid-block alley, a ground floor courtyard, a roof terrace, and a series of private balconies and terraces. In total, the Project provides approximately 13,340 sq ft of Code-complying open space, thus exceeding the amount of space, which would have been provided in a code-conforming rear yard.*

(2) The proposed new or expanding structure will not significantly impede the access to light and air from adjacent properties or adversely affect the interior block open space formed by the rear yards of adjacent properties; and

*The Project does not impede access to light and air for the adjacent properties. To the south, the Project abuts a public park. To the north, the Project incorporates a courtyard, which extends the pattern of mid-block open space for the subject block. Therefore, the Project continues the pattern of rear yards, which are evident within the properties to the north.*

(3) The modification request is not combined with any other residential open space modification or exposure variance for the project, except exposure modifications in designated landmark buildings under Section 307(h)(1).

*The Project is seeking an exception to dwelling unit exposure requirements, since the Project includes dwelling units, which face onto the south lot line. Given the overall quality of the Project and its design, the Commission supports the exception to the rear yard requirement, since the proposed units would not be afforded undue access to light and air. Overall, the Project meets the intent of exposure and open space requirements defined in Planning Code Sections 135 and 140; therefore, the modification of the rear yard is deemed acceptable.*

- B. Off-Street Loading: Exception from satisfaction of loading requirements per Section [152.1](#) pursuant to the criteria contained therein.

For projects in the Eastern Neighborhoods Mixed Use Districts that are subject to Section 329, the Planning Commission may waive these requirements per the procedures of Section 329 if it finds that the design of the project, particularly ground floor frontages, would be improved and that such loading could be sufficiently accommodated on adjacent streets and alleys.

*The Project would provide one on-street loading parking spaces on Folsom Street. The on-street loading would meet the residential loading needs of the Project. By providing on-street loading, the Project is able to limit the access to the below-grade garage through one entry/exit measuring 12-ft wide, which is located on Treat Avenue. Overall, the Project's proposed loading assists in improving the ground floor street frontage and would improve character of the streets.*

- C. Horizontal Mass Reduction: Modification of the horizontal massing breaks required by Section 270.1 in light of any equivalent reduction of horizontal scale, equivalent volume of reduction, and unique and superior architectural design, pursuant to the criteria of Section 270.1(d).

The Planning Commission may modify or waive this requirement through the process set forth in Section 329. When considering any such application, the Commission shall consider the following criteria:

- 1) no more than 50% of the required mass is reduced unless special circumstances are evident;

*The Project incorporates a horizontal mass break from the ground floor up to the sky, which is 25-ft in width and 42-ft deep. Therefore, the Project exceeds the required amount of mass that would have been reduced under a Code-complying mass reduction.*

- 2) the depth of any mass reduction breaks provided is not less than 15 feet from the front facade, unless special circumstances are evident;

*The Project incorporates a mass break, which is more than 15-ft deep from the front façade.*

- 3) the proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

*Through the incorporation of the publically-accessible mid-block alley and horizontal mass break, the Project achieves a distinctly superior building form, which results in two masses measuring 169-ft and 32-ft wide. This massing continues the pattern on the subject block, particularly along Folsom Street, and allows for projections and recesses within the subject lots.*

- 4) the proposed building achieves unique and superior architectural design.

*The Project achieves a unique and superior architectural design that is contemporary in character with a curated material palette. The Project's massing and scale is appropriate given the neighborhood context. Overall, the Project provides finer grain details, which are appropriate given the Project's design and style.*

- D. Where not specified elsewhere in Planning Code Section 329(d), modification of other Code requirements which could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located;

*In addition to the modification of the requirements for rear yard, off-street loading, and horizontal mass reduction, the Project is seeking modifications of the requirements for street frontage (Planning Code Section 145.1) and dwelling unit exposure (Planning Code Section 140).*

*Under Planning Code Section 145.1(c)(4), the ground floor ceiling height for non-residential uses is required to be a minimum of 17-ft in the UMU Zoning District. Currently, the Project includes non-residential use on the ground floor (PDR use), which does not possess a full 17-ft ground floor ceiling height. Although portions of the Project meets the ground floor ceiling height, the entire non-residential ground floor space does not meet the requirements of the Planning Code. Despite the lower floor levels, the Project includes an architectural expression along the street frontage, which is*

*beneficial to the public realm and adjacent sidewalks and which reinforces the concept of a tall ground floor. The Commission supports this exception, due to the overall quality of design and the streetscape improvements along Folsom Street and Treat Avenue.*

*Under Planning Code Section 140, all dwelling units must face onto a public street, public alley or an open area, which is at least 25-wide. The Project organizes the dwelling units to have exposure either on one of the public streets (Folsom Street or Treat Avenue), the public mid-block alley, which ranges in width from 24-ft to 27-ft, within Code-complying courtyard or facing the south lot line towards the public park (Parque Ninos Unidos). Currently, forty-four dwelling units do not face onto a street, alley or open area, which meet the dimensional requirements of the Planning Code. These dwelling units still face onto an open area, since the public park is located directly adjacent to the project site; therefore, these units are still afforded sufficient access to light and air. Given the overall design and composition of the Project, the Commission is in support of this exception, due to the Project's high quality of design and amount of open space/open areas.*

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

## **HOUSING ELEMENT**

### **Objectives and Policies**

#### **OBJECTIVE 1**

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

##### **Policy 1.1**

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

##### **Policy 1.2**

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

##### **Policy 1.10**

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

*The Project is a higher density residential development, which provides up to 117 new dwelling units in a mixed-use area. The Project abuts residential uses and one-to-two-story industrial buildings, as well as a public park. The project site was recently rezoned as part of a long range planning goal to create a cohesive residential and mixed-use neighborhood. The Project includes 19 on-site affordable housing units for rent, which assist in meeting the City's affordable housing goals. The Project is also in proximity to public transportation options.*

**OBJECTIVE 4**

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

**Policy 4.1**

Develop new housing, and encourage the remodeling of existing housing, for families with children.

**Policy 4.4**

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

**Policy 4.5**

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

*The Project meets the affordable housing requirements for the UMU Zoning District by providing for 19 on-site BMR units for rent. The Project will provide 117 dwelling units into the City's housing stock.*

**OBJECTIVE 11**

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

**Policy 11.1**

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

**Policy 11.2**

Ensure implementation of accepted design standards in project approvals.

**Policy 11.3**

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

**Policy 11.4**

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

**Policy 11.6**

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

**Policy 11.8**

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

**OBJECTIVE 12**

BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

**Policy 12.2**

Consider the proximity of quality of life elements such as open space, child care, and neighborhood services, when developing new housing units.

*The Project responds to the site's mixed-character by providing new dwelling units, which appropriately address the adjacent residential uses, nearby industrial uses and adjacent public park. The Project appropriately responds to the varied character of the larger neighborhood. The Project's facades provide a unique expression not commonly found within the surrounding area, while providing for a contrasting material palette.*

**RECREATION AND OPEN SPACE ELEMENT**

**Objectives and Policies**

**OBJECTIVE 4:**

PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

**Policy 4.5:**

Require private usable outdoor open space in new residential development.

**Policy 4.6:**

Assure the provision of adequate public open space to serve new residential development.

*The Project will create a publically-accessible mid-block alley and common open space in a new residential development. The Project also incorporates private open space through balconies and terraces.*

**TRANSPORTATION ELEMENT**

**Objectives and Policies**

**OBJECTIVE 24:**

IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

**Policy 24.2:**

Maintain and expand the planting of street trees and the infrastructure to support them.

**Policy 24.3:**

Install pedestrian-serving street furniture where appropriate.

**Policy 24.4:**

Preserve pedestrian-oriented building frontages.

*The Project includes new street trees along the public rights-of-way. In addition, the Project includes streetscape elements, including new concrete sidewalks, linear planters along the street edge, and new street trees. Frontages are designed with active spaces oriented at the pedestrian level. The new garage entrance/exit is narrow in width and assists in minimizing pedestrian and bicycle conflicts.*

**OBJECTIVE 28:**

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

**Policy 28.1:**

Provide secure bicycle parking in new governmental, commercial, and residential developments.

**Policy 28.3:**

Provide parking facilities which are safe, secure, and convenient.

*The Project includes 160 Class 1 bicycle parking spaces and 14 Class 2 bicycle parking spaces in secure, convenient locations, thus meeting the amount required by the Planning Code.*

**OBJECTIVE 34:**

RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

**Policy 34.1:**

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

**Policy 34.3:**

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

**Policy 34.5:**

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

*The Project adheres to the principally permitted parking amounts within the Planning Code. The parking spaces are accessed by one ingress and egress point. Parking is adequate for the project and complies with maximums prescribed by the Planning Code.*

**URBAN DESIGN ELEMENT**

**Objectives and Policies**



**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.

*The Project is located within the Mission neighborhood, which is characterized by the mix of uses. As such, the Project provides expressive street façades, which respond to form, scale and material palette of the existing neighborhood, while also providing a new contemporary architectural vocabulary.*

**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.

**Policy 3.4:**

Promote building forms that will respect and improve the integrity of open spaces and other public areas

*The Project is consistent and compatible with the neighborhood, and appropriate responds to its unique location adjacent to a public park. The Project is setback from the south lot line to provide some relief relative to the adjacent public park. In addition, the Project provides for a high quality design along the park edge, in order to provide visual interest and activity.*

**OBJECTIVE 4:**

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.

**Policy 4.5:**

Design walkways and parking facilities to minimize danger to pedestrians.

**Policy 4.13:**

Improve pedestrian areas by providing human scale and interest.

*Although the project site has two street frontages, it only provides one vehicular access points for the off-street parking, thus limiting conflicts with pedestrians and bicyclists. Numerous street trees will be planted on each street. Along the project site, the pedestrian experience will be greatly improved.*

## **MISSION AREA PLAN**

### **Objectives and Policies**

#### **Land Use**

##### **OBJECTIVE 1.1**

**STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK**

##### **Policy 1.1.8**

While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

##### **OBJECTIVE 1.2**

**IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.**

##### **Policy 1.2.1**

Ensure that in-fill housing development is compatible with its surroundings.

##### **Policy 1.2.3**

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

##### **Policy 1.2.4**

Identify portions of the Mission where it would be appropriate to increase maximum heights for residential development.

#### **Housing**

##### **OBJECTIVE 2.1**

**ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES**

**Policy 2.1.1**

Require developers in some formally industrial areas to contribute towards the City's very low-, low-, moderate- and middle-income needs as identified in the Housing Element of the General Plan.

**OBJECTIVE 2.3**

**ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES**

**Policy 2.3.3**

Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments unless all Below Market Rate units are two or more bedrooms.

**Policy 2.3.5**

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

**Policy 2.3.6**

Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

**Built Form**

**OBJECTIVE 3.1**

**PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER**

**Policy 3.1.1**

Adopt heights that are appropriate for the Mission's location in the city, the prevailing street and block pattern, and the anticipated land uses, while preserving the character of its neighborhood enclaves.

**Policy 3.1.8**

New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

**OBJECTIVE 3.2**

**PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM**

**Policy 3.2.1**

Require high quality design of street-facing building exteriors.

**Policy 3.2.3**

Minimize the visual impact of parking.

**Policy 3.2.4**

Strengthen the relationship between a building and its fronting sidewalk.

**Policy 3.2.6**

Sidewalks abutting new developments should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.

**Transportation**

**OBJECTIVE 4.7**

**IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN THE MISSION**

**Policy 4.7.2**

Provide secure, accessible and abundant bicycle parking, particularly at transit stations, within shopping areas and at concentrations of employment.

**OBJECTIVE 4.8**

**ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS**

**Policy 4.8.1**

Continue to require car-sharing arrangements in new residential and commercial developments, as well as any new parking garages.

**Streets & Open Space**

**OBJECTIVE 5.3**

CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS AND ECOLOGICAL SUSTAINABILITY OF THE NEIGHBORHOOD.

**Policy 5.3.1**

Redesign underutilized portions of streets as public open spaces, including widened sidewalks or medians, curb bulb-outs, “living streets” or green connector streets.

**Policy 5.3.2**

Maximize sidewalk landscaping, street trees and pedestrian scale street furnishing to the greatest extent feasible.

**Community Facilities**

**OBJECTIVE 7.1**

PROVIDE ESSENTIAL COMMUNITY SERVICES AND FACILITIES

**Policy 7.1.2**

Recognize the value of existing facilities, including recreational and cultural facilities, and support their expansion and continued use.

**OBJECTIVE 7.2**

ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS

**Policy 7.2.1**

Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods.

*The Project includes the demolition of 21,060 sq ft of PDR space, which included a community-serving use for a local non-profit. Both of these uses are encouraged to be retained within the Mission, as they provide for blue-collar jobs, assist in diversifying the neighborhood economy, provide valued community resources, and add cultural diversity to the neighborhood. However, the Project also includes a significant amount of housing, including on-site BMR units as well as a diversity of housing types (from small studios to larger family-sized units). The Project has provided relocation assistance to the existing PDR tenant, and the community serving use vacated the site in March 2016. Overall, the Project features an appropriate use encouraged by the Area Plan for this location. The Project provides 117 new dwelling units, which will be available for rent. In addition, the Project is located within the prescribed height guidelines, and includes the appropriate dwelling unit mix, since more than 40% or 47 units are two- or three-bedroom dwellings. The Project introduces a contemporary architectural vocabulary that is sensitive to the prevailing scale and neighborhood fabric. The Project provides for a high quality designed exterior, which features a variety of materials, colors and textures, including fiber cement board horizontal lap siding in two tones, metal siding, aluminum storefront, iron railings and gates, and dark bronze frame aluminum windows. The Project provides a publically-accessible mid-block alley, ample common open space and also improves the public rights of way with new streetscape improvements, street trees and landscaping. The Project*

*minimizes the impact of off-street parking and is in proximity to public transit options. The Project is also respectful of the adjacent public park. The Project will also pay the appropriate development impact fees, including the Eastern Neighborhoods Impact Fees. Despite the loss of PDR space, on balance, the Project meets the Objectives and Policies of the Mission Area Plan.*

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 does comply 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 does not possess any neighborhood-serving retail uses. The Project provides 117 new dwelling units, which will enhance the nearby retail uses by providing new residents, 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 possess any existing housing. The Project would provide 117 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. In addition, the Project would add PDR use (arts activity), which adds to the public realm and neighborhood character by highlighting local artists. 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. The Project will comply with the City's Inclusionary Housing Program by providing 19 below-market rate dwelling units for rent. Therefore, the Project will increase the stock of affordable housing units in the City.*

- 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 a Muni bus line (12-Folsom/Pacific), and is within walking distance of the BART Station at 24<sup>th</sup> and Mission Streets. In addition, the Project is within one block of 24<sup>th</sup> Street and the 48-Quintara/24<sup>th</sup> Street bus route. Future residents would be afforded proximity to a bus line. The Project also provides off-street parking at the principally permitted amounts and sufficient bicycle parking for residents and their guests.*

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

*The Project does not include commercial office development. Although the Project would remove a PDR use, the Project does provide new housing, which is a top priority for the City. The Project incorporate new PDR use, thus assisting in diversifying the neighborhood character.*

- 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.

*Currently, the project site does not contain any City Landmarks or historic buildings.*

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

*Although the Project does have shadow impacts on the adjacent public park, the adjacent public park (Parque Ninos Unidos) is still afforded access to sunlight, which should not dramatically affect the use and enjoyment of this park. Since the Project is not more than 40-ft tall, additional study of the shadow impacts was not required per Planning Code Section 295.*

9. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

*The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.*

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 Large 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 Large Project Authorization Application No. 2014-000601ENX** under Planning Code Section 329 to allow the new construction of a four-story, 40-ft tall, residential building with 117 dwelling units, and a modification to the requirements for: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section 145.1); 4) off-street freight loading (Planning Code Section 152.1); and, 5) horizontal mass reduction (Planning Code Section 270.1), within the UMU (Urban Mixed Use), RH-2 (Residential, House, Two-Family), and RH-3 (Residential, House, Three-Family) Zoning Districts and a 40-X Height and Bulk District. The project is subject to the following conditions attached hereto as “EXHIBIT A” in general conformance with plans on file, dated August 30, 2016, and stamped “EXHIBIT B”, which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts 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 Eastern Neighborhoods Plan EIR 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 Large 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. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.

**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 22, 2016.

Jonas P. Ionin  
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: September 22, 2016

## **EXHIBIT A**

### **AUTHORIZATION**

This authorization is for a Large Project Authorization to allow for the new construction of a four-story, 40-ft tall, residential building with 117 dwelling units, and exceptions to the requirements for rear yard, dwelling unit exposure, street frontage, off-street loading, and horizontal mass reduction, located at 2675 Folsom Street, Lots 006, 007 and 024 in Assessor's Block 3639, pursuant to Planning Code Section 329, within the UMU (Urban Mixed Use), RH-2 (Residential, House, Two-Family), RH-3 (Residential, House, Three-Family) Zoning Districts, and a 40-X Height and Bulk District; in general conformance with plans, dated August 30, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2014-000601ENX and subject to conditions of approval reviewed and approved by the Commission on September 22, 2016 under Motion No. XXXXX. 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 22, 2016 under Motion No. XXXXX.

### **PRINTING OF CONDITIONS OF APPROVAL ON PLANS**

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. XXXXX 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 Office Development 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 authorization.

## Conditions of Approval, Compliance, Monitoring, and Reporting

### PERFORMANCE

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

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

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

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

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

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

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

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

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

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

6. **Additional Project Authorization.** The Project Sponsor must obtain a Conditional Use Authorization, under Planning Code Sections 209.1 and 303 and Planning Commission Resolution

No. 19548, to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area in the RH-3 Zoning District and construct a "Large Project" as defined in the Mission 2016 Interim Zoning Controls, 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 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

7. **Mitigation Measures.** Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2014-000601ENV) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.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 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

9. **Publicly-Accessible Open Space.** Pursuant to Planning Code Section 135(h), the Project shall provide publicly-accessible mid-block alley, as required by Planning Code Section 270.2. This open space shall follow the standards, maintenance and signage requirements specified in Planning Code Section 135(h).

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

10. **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 architectural addenda. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

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

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

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

12. **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 for each building. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

13. **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 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

## PARKING AND TRAFFIC

14. **Unbundled Parking.** All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of

dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

15. **Parking Maximum.** Pursuant to Planning Code Section 151.1, the Project shall provide no more than 65 off-street parking spaces for the 117 dwelling units in the UMU, RH-2 & RH-3 Zoning Districts.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

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

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

17. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 104 Class 1 bicycle parking spaces and 6 Class 2 bicycle parking spaces for the 117 dwelling units.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

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

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

19. **Parking for Affordable Units.** All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## PROVISIONS

20. **Anti-Discriminatory Housing.** The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
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 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
22. **Child Care Fee - Residential.** The Project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
23. **Eastern Neighborhoods Infrastructure Impact Fee.** Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*
24. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.  
*For information about compliance, contact the First Source Hiring Manager at 415-581-2335, [www.onestopSF.org](http://www.onestopSF.org)*

## MONITORING

25. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
26. **Revocation Due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning

Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## OPERATION

27. **Garbage, Recycling, and Composting Receptacles.** 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 Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, <http://sfdpw.org>*

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

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

29. **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 with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

30. **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 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## INCLUSIONARY HOUSING

31. **Affordable Units.** The following Inclusionary Affordable Housing Requirements are those in effect at the time of Planning Commission action. In the event that the requirements change, the Project Sponsor shall comply with the requirements in place at the time of issuance of first construction document.



- i. **Number of Required Units.** Pursuant to Planning Code Section 415.3, the Project is required to provide 16.4% of the proposed dwelling units as affordable to qualifying households. The Project contains 117 units; therefore, 19 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the X affordable units on-site. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
- ii. **Unit Mix.** The Project contains 24 studios, 46 one-bedroom, and 45 two-bedroom, and 2 three-bedroom units; therefore, the required affordable unit mix is 4 studios, 8 one-bedroom, and 7 two-bedroom units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
- iii. **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
- iv. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than 16.4 percent (16.4%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
- v. **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing and Community Development at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
- vi. **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by

Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or MOHCD websites, including on the internet at:

<http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>.

As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.

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

- a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- b. If the units in the building are offered for rent, the affordable unit(s) shall be rented to low-income households, as defined in the Planning Code and Procedures Manual. The initial and subsequent rent level of such units shall be calculated according to the Procedures Manual. Limitations on (i) occupancy; (ii) lease changes; (iii) subleasing, and; are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.
- d. Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.

- f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions (as defined in California Government Code Section 65915 et seq.) provided herein. The Project Sponsor has executed the Costa Hawkins agreement and will record a Memorandum of Agreement prior to issuance of the first construction document or must revert payment of the Affordable Housing Fee.
- g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.



# SAN FRANCISCO PLANNING DEPARTMENT

*Subject to: (Select only if applicable)*

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Affordable Housing (Sec. 415) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code)              |
| <input type="checkbox"/> Jobs Housing Linkage Program (Sec. 413)  | <input checked="" type="checkbox"/> Child Care Requirement (Sec. 414A)             |
| <input type="checkbox"/> Downtown Park Fee (Sec. 412)             | <input checked="" type="checkbox"/> Other (EN Impact Fees, Sec 423; TSF, Sec 411A) |

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**415.558.6377**

## Planning Commission Draft Motion

HEARING DATE: SEPTEMBER 22, 2016

*Case No.:* **2014-000601CUA**  
*Project Address:* **2675 FOLSOM STREET**  
*Zoning:* UMU (Urban Mixed Use) Zoning District;  
RH-2 (Residential, House, Two-Family) Zoning District;  
RH-3 (Residential, House, Three-Family) Zoning District  
40-X Height and Bulk District  
*Block/Lot:* 3639/006, 007 and 024  
*Project Sponsor:* Muhammed Nadhiri, Axis Development Group  
580 California Street, 16<sup>th</sup> Floor  
San Francisco, CA 94104  
*Staff Contact:* Richard Sucre – (415) 575-9108  
[richard.sucre@sfgov.org](mailto:richard.sucre@sfgov.org)

**ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 209.1 AND 303 AND PLANNING COMMISSION RESOLUTION NO. 19548 TO ALLOW DWELLING UNIT DENSITY AT A RATIO OF ONE DWELLING UNIT PER 1,000 SQUARE FEET OF LOT AREA WITHIN THE RH-3 ZONING DISTRICT, AND NEW CONSTRUCTION OF MORE THAN 75 DWELLING UNITS PER THE MISSION 2016 INTERIM ZONING CONTROLS FOR THE PROJECT LOCATED AT 2675 FOLSOM STREET, LOTS 006, 007 AND 024 IN ASSESSOR'S BLOCK 3639, WITHIN THE UMU (URBAN MIXED-USE), RH-2 (RESIDENTIAL, HOUSE, TWO-FAMILY), AND RH-3 (RESIDENTIAL, HOUSE, THREE-FAMILY) ZONING DISTRICTS AND A 40-X HEIGHT AND BULK DISTRICT.**

### PREAMBLE

On April 30, 2015, Muhammed Nadhiri of Axis Development Group Company (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Sections 209.1 and 303 to permit dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area on Assessor's Block 3639 Lot 007 within the RH-3 (Residential, House, Three-Family) Zoning District and a 40-X Height and Bulk District.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the

California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA")). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On September XX, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department Commission Secretary is the custodian of records, located in the File for Case No. 2014-000601CUA at 1650 Mission Street, Fourth Floor, San Francisco, California.

On January 14, 2016, the Planning Commission adopted Resolution No. 19548, which defines the Mission 2016 Interim Zoning Controls and its procedures.

On September 22, 2016, the Commission adopted Motion No. XXXXX, approving a Large Project Authorization for the Proposed Project (Large Project Authorization Application No. 2014-000601ENX). Findings contained within said motion are incorporated herein by this reference thereto as if fully set forth in this Motion.

On September 22, 2016, the San Francisco Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2014-000601CUA.

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 requested in Application No. 2014-000601CUA, subject to the conditions contained in “EXHIBIT A” of this motion, based on the following findings:

## **FINDINGS**

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The proposed project is located on three lots (with a lot area of approximately 35,734 square feet), which have approximately 242-ft of frontage along Folsom Street and 40-ft of frontage along Treat Avenue. The project site contains three existing buildings: a two-story industrial building, a one-story industrial building, and a one-story temporary building. Collectively, these three buildings measure 21,599 square feet. Royal, Inc., a non-profit organization that provides counseling to youth, recently vacated the second floor of the two-story industrial building. Currently, the existing buildings are occupied by Charyn Auctions, a reseller of food service equipment.
3. **Surrounding Properties and Neighborhood.** The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development to the north, Cesar Chavez Elementary School to the west, a series of one-to-two-story industrial properties to the east across Treat Avenue, and a public park (Parque Ninos Unidos) to the south. Parque Ninos Unidos occupies the entire block face on the north side of 23<sup>rd</sup> Street between Folsom Street and Treat Avenue. The project site is located within the boundaries of the Proposed Calle 24 Special Use District, which was established as part of the interim controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino

Cultural District, which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include: P (Public), NC-3 (Neighborhood Commercial-Moderate Scale), and the 24<sup>th</sup>-Mission NCT (Neighborhood Commercial Transit) Zoning District.

4. **Project Description.** The proposed Project includes demolition of the three existing buildings on the project site, and new construction of a four-story, 40-ft tall, residential building (approximately 109,917 gross square feet) with 117 dwelling units, approximately 5,291 square feet of PDR use, 65 below-grade off-street parking spaces, 1 car-share parking space, 160 Class 1 bicycle parking spaces, and 14 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units. The Project includes 4,775 square feet of public open space, 5,209 square feet of common open space via ground floor courtyard and roof deck, and 3,356 square feet of private open space via balconies and terraces. The Project would also include a lot merger of Lots 006, 007 and 024 on Block 3639.
5. **Public Comment.** The Department has received a few public correspondences regarding the proposed project. This correspondence has primarily expressed opposition to the project, though the Department has received a few letters in support.

From Lucia Bogatay, the Department received correspondence expressing positive sentiment for the architecture of the Project.

From Ronald Charyn of Charyn Auctions (existing tenant), the Department received a letter in support of the project. They noted that the Project Sponsor (Axis Development) has provided them with in-kind and financial assistance to relocate the existing business.

From Emily Kuehler, the Department received correspondence questioning the location of the garage entrance on Treat Avenue.

From the Mission Kids Co-Op, the Department received correspondence, which advocated for childcare, rather than a local artist galley, particularly in this location given its proximity to a public park.

From Juliana Sloane, the Department received correspondence expressing concern over parking and traffic.

From Edward Stiel, the Department received correspondence, which requesting a full Environmental Impact Report (EIR) for the Project. This correspondence stated that the Project would cast additional shadow on Parque Ninos Unidos and Cesar Chavez Elementary School, increase traffic and vehicle emissions, and have a wind tunnel effect. In addition, this letter stated that the development would lead to further involuntary displace with increased no fault evictions and landlord harassment.

From J. Scott Weaver on behalf the Calle 24 Latino Cultural District (LCD), the Department received a letter expressing concern over the project and its impact on the existing businesses, residents, and non-profits within the Calle 24 LCD. This letter noted that the proposed market rate housing, along with the other development occurring in the Mission, will affect the neighborhood and create a climate of gentrification. This letter also questions the Community Plan Exemption (CPE) published for the Project, and requests additional environmental review of the project's impacts. Finally, the letter concludes with a request to analyze the project, both individually and cumulatively, with respect to the potential impacts of market rate development on the Calle 24 Latino Cultural District.

In addition, the Department has engaged with on-going dialogue between community members and the Project Sponsors to review the various aspects of the project, including the inclusion of on-site PDR space, the amount of affordable housing, and the project's larger public benefits.

6. **Planning Code Compliance:** The Planning Code Compliance findings set forth in Motion No. XXXXX, Case No. 2014-000601ENX (Large Project Authorization, pursuant to Planning Code Section 329) apply to this Motion, and are incorporated herein as though fully set forth.
7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
  1. The proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.

*Overall, the Project is necessary and desirable for the neighborhood and surrounding community. The Project proposes construction of 117 dwelling units for rent, which includes 19 on-site below-market rate (BMR) units. Housing production is a high priority for the City of San Francisco, and the production of new rental housing is a desirable use across the City. Since the project site is located in three distinct zoning districts, the Project includes construction of 108 dwelling units in the UMU Zoning District, 7 dwelling units in the RH-3 Zoning District, and 2 dwelling units in the RH-2 Zoning District. Given the aggregation of the three lots, the increased residential density on the RH-3 portion of the project site will not have an adverse impact upon the surrounding neighborhood or community. The Project does not displace any existing housing, and develops an underutilized site with new public amenities, including a publically-accessible mid-block alley, new landscaping and improved streetscapes. The Project exceeds the amount of open space required for the future residents, and appropriately responds to the adjacent public park. Although the Project would remove an existing PDR use, the Project provides new market-rate and below-market rate housing, which is in high demand across San Francisco. In addition, the Project features new PDR use (arts activity) highlighting local artists, which will assist in enlivening the street and publically-accessible mid-block alley thus adding to the diversity of uses along this portion of Folsom Street.*

2. Such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property,



improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:

- a) The nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

*The Project is located on an irregularly-shaped site with 242-ft of frontage on Folsom Street, 40-ft of frontage on Treat Avenue, and approximately 299-ft of frontage against Parque Ninos Unidos. The Project is designed as a four-story, 40-ft tall, residential development, which incorporates sunken residential entryways along Folsom Street, as well as massing setbacks. This massing is appropriate given the larger neighborhood context, which includes one-and-two-story industrial buildings, and two-and-three-story residential buildings. The surrounding neighborhood is extremely varied with many examples of smaller-scale residential properties along Folsom Street and larger-scale industrial properties to the east of Treat Avenue. The Project's overall mass and scale are further refined by the building modulation, which incorporates projecting bays and sunken entryways. In addition, the Project incorporates a 25-ft wide publically-accessible mid-block alley, which provides an appropriate mass break and entry court. Overall, these features provide variety in the building design and scale, while providing for features that strongly complement the neighborhood context. Thus, the Project is appropriate and consistent with the mass and scale of the surrounding neighborhood.*

- b) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading and of proposed alternatives to off-street parking, including provisions of car-share parking spaces, as defined in Section [166](#) of this Code;

*For the 117 dwelling units, the Project is allowed to have a maximum of 90 off-street parking spaces. Currently, the Project provides 54 off-street parking spaces via mechanical lifts, 3 ADA parking spaces, 1 ADA van spaces have been identified, and 8 standard parking spaces (which include five spaces for electrical vehicles), as well as one car-share parking spaces. Therefore, the Project provides off-street parking well below the maximum permitted amounts. Further, the Project incorporates only one garage entrances consisting of a 12-ft wide entrance on Treat Avenue. The Project complies with the requirements for off-street parking, bicycle parking and car-share.*

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

*The Project is primarily residential in nature with 117 dwelling units. The proposed residential density is not anticipated to produce noxious or offensive emissions.*

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

*In compliance with Planning Code Section 138.1, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, and new street trees. The Project also incorporates a publically-accessible mid-block alley. These improvements would vastly improve the public realm and surrounding streetscape.*

3. Such use or feature 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 seeking exceptions under the Large Project Authorization to address the Planning Code requirements for: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section 145.1); 4) off-street freight loading (Planning Code Section 152.1); and 5) horizontal mass reduction (Planning Code Section 270.1). Overall, the Project is consistent with objectives and policies of the General Plan (See Below).*

4. Such use or feature as proposed will provide development that is in conformity with the stated purpose of the applicable Use District.

*The Project is consistent with the intent and requirements of the UMU (Urban Mixed-Use), RH-2 (Residential House, Two-Family), and RH-3 (Residential, House, Three-Family) Zoning District. The Project includes new residential units, which are principally permitted within the RH-2, RH-3 and UMU Zoning Districts.*

8. **General Plan Compliance.** The General Plan Compliance Findings set forth in Motion No. XXXX, Case No. 2014-000601ENX (Large Project Authorization, pursuant to Planning Code Section 329), apply to this Motion, and are incorporated herein as though fully set forth.
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 does comply 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 does not possess any neighborhood-serving retail uses. The Project provides 117 new dwelling units, which will enhance the nearby retail uses by providing new residents, 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 possess any existing housing. The Project would provide 117 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. In addition, the Project would add PDR (arts activity) use, which adds to the public realm and neighborhood character by highlighting local artists. 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. The Project will comply with the City's Inclusionary Housing Program by providing 19 below-market rate dwelling units for rent. Therefore, the Project will increase the stock of affordable housing units in the City.*

- 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 a Muni bus line (12-Folsom/Pacific), and is within walking distance of the BART Station at 24<sup>th</sup> and Mission Streets. In addition, the Project is within one block of 24<sup>th</sup> Street and the 48-Quintara/24<sup>th</sup> Street bus route. Future residents would be afforded proximity to a bus line. The Project also provides off-street parking at the principally permitted amounts and sufficient bicycle parking for residents and their guests.*

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

*The Project does not include commercial office development. Although the Project would remove a PDR use, the Project does provide new housing, which is a top priority for the City. The Project incorporate new PDR use, thus assisting in diversifying the neighborhood character.*

- 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.

*Currently, the project site does not contain any City Landmarks or historic buildings.*

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

*Although the Project does have shadow impacts on the adjacent public park, the adjacent public park (Parque Ninos Unidos) is still afforded access to sunlight, which should not dramatically affect the use and enjoyment of this park. Since the Project is not more than 40-ft tall, additional study of the shadow impacts was not required per Planning Code Section 295.*

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 Application No. 2014-000601CUA**, under Planning Code Sections 209.1 and 303 and Planning Commission Resolution No. 19548, to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area in the RH-3 Zoning District, and allow the new construction of more than 75 dwelling units per the Mission 2016 Interim Zoning Controls, subject to the following conditions attached hereto as "EXHIBIT A" which is incorporated herein by reference as though fully set forth.

**APPEAL AND EFFECTIVE DATE OF MOTION:** Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 17820. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94012.

**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 22, 2016.

Jonas P. Ionin  
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: September 22, 2016

## EXHIBIT A

### AUTHORIZATION

This authorization is for a conditional use to allow the dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area, pursuant to Planning Code Sections 209.1 and 303, within the RH-3 Zoning District and a 40-X Height and Bulk District, and allow new construction of more than 75 dwelling units per the Mission 2016 Interim Zoning Controls; in general conformance with plans, dated August 30, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2014-000601CUA and subject to conditions of approval reviewed and approved by the Commission on September 22, 2016 under Motion No. XXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

### COMPLIANCE WITH OTHER REQUIREMENTS

The Conditions of Approval set forth in Exhibit A of Motion No. XXXXX, Case No. 2014-000601ENX (Large Project Authorization under Planning Code Section 329) apply to this approval, and are incorporated herein as though fully set forth, except as modified herein.

### 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 22, 2016 under Motion No. XXXXX.

### PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. XXXXX 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 Office Development 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 authorization.

## Conditions of Approval, Compliance, Monitoring, and Reporting

### PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
3. **Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*
6. **Additional Project Authorization.** The Project Sponsor must obtain a project authorization under Planning Code Section 329 for a Large Project Authorization with modifications to the requirements for rear yard, dwelling unit exposure, off-street loading and horizontal mass reduction, 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.

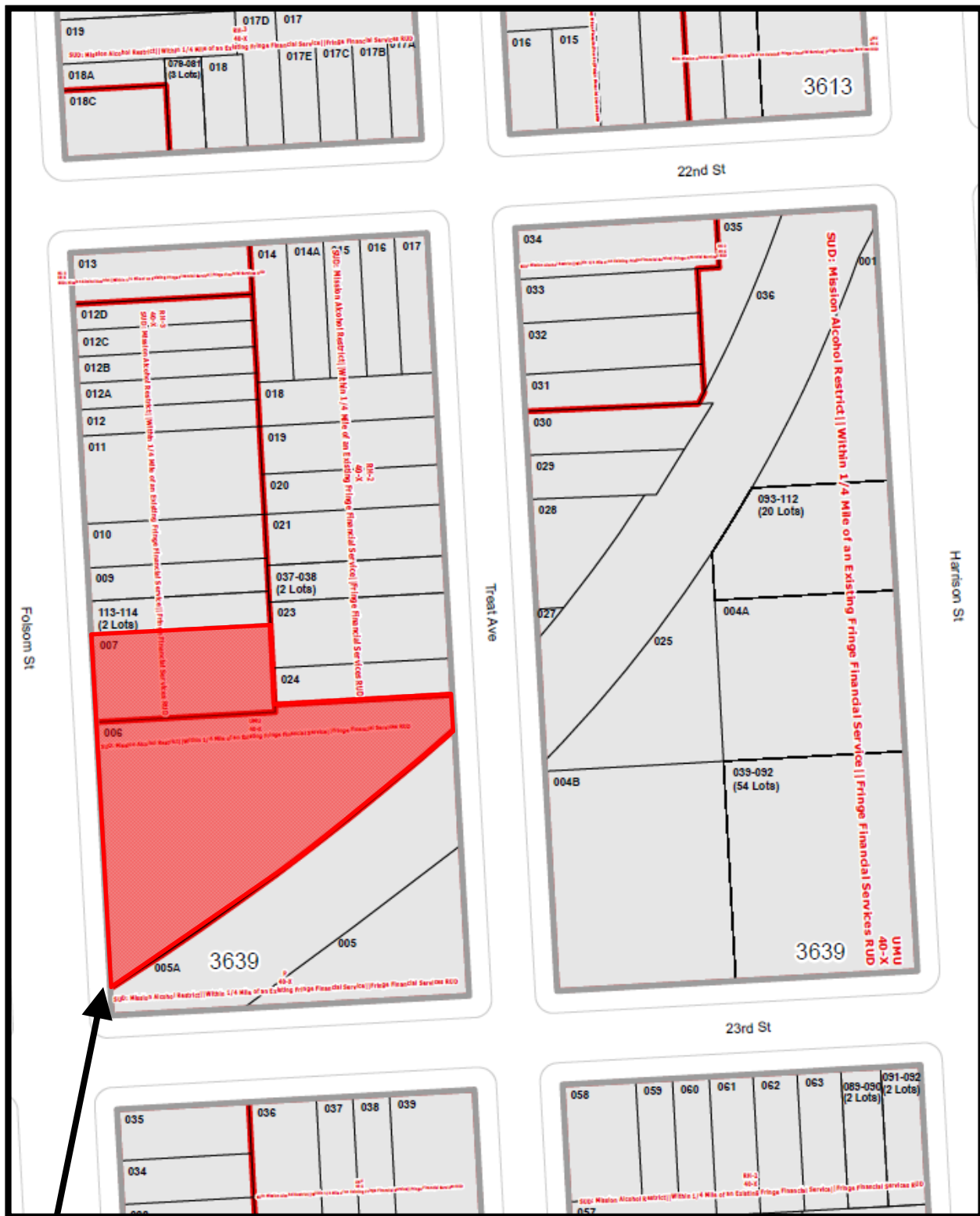
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

7. **Mitigation Measures.** Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2014-000601ENV) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*



# Parcel Map



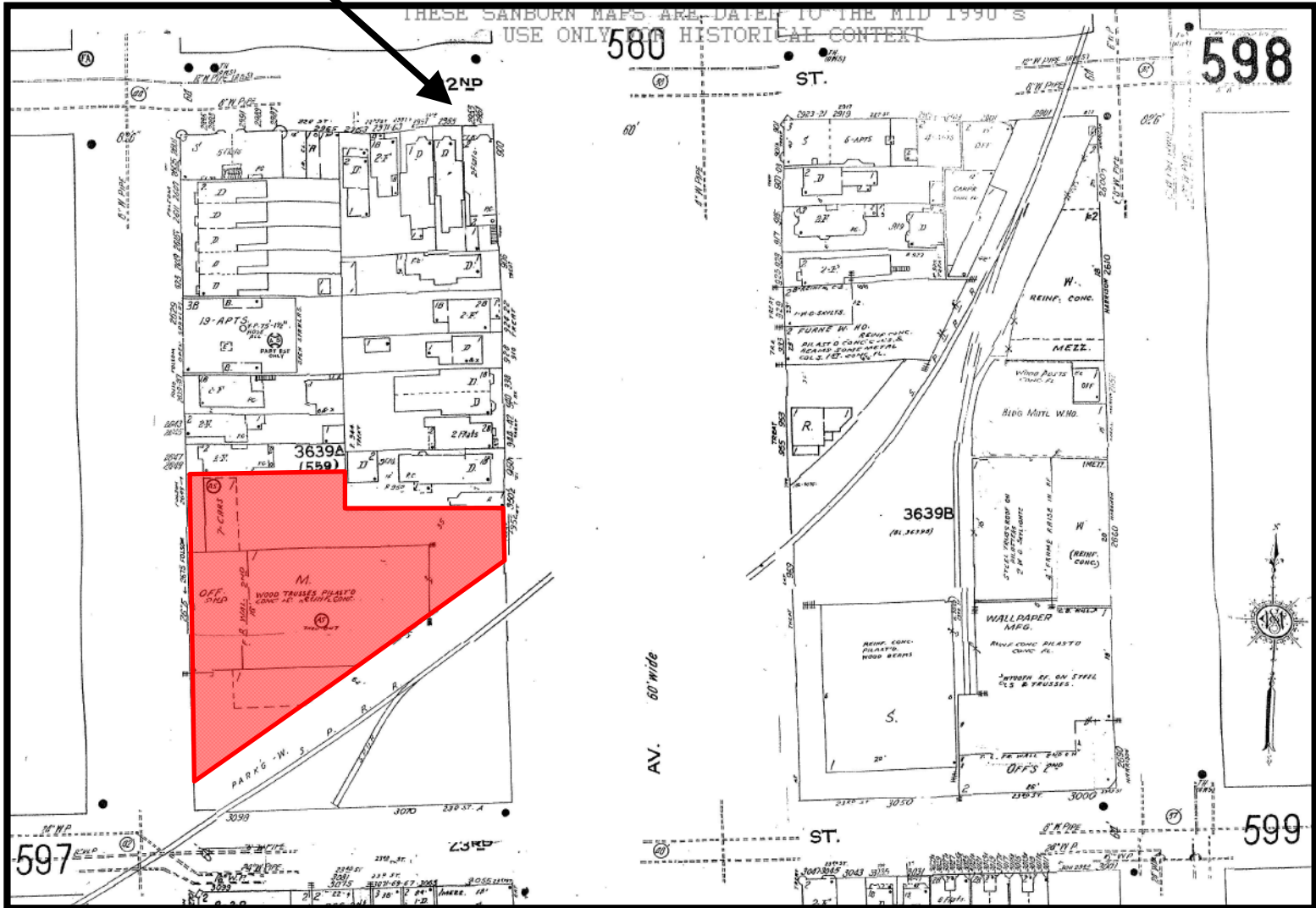
**SUBJECT PROPERTY**



Large Project Authorization &  
Conditional Use Authorization Hearing  
**Case Numbers: 2014-000601CUA/ENX**  
2675 Folsom Street

# Sanborn Map\*

SUBJECT PROPERTY



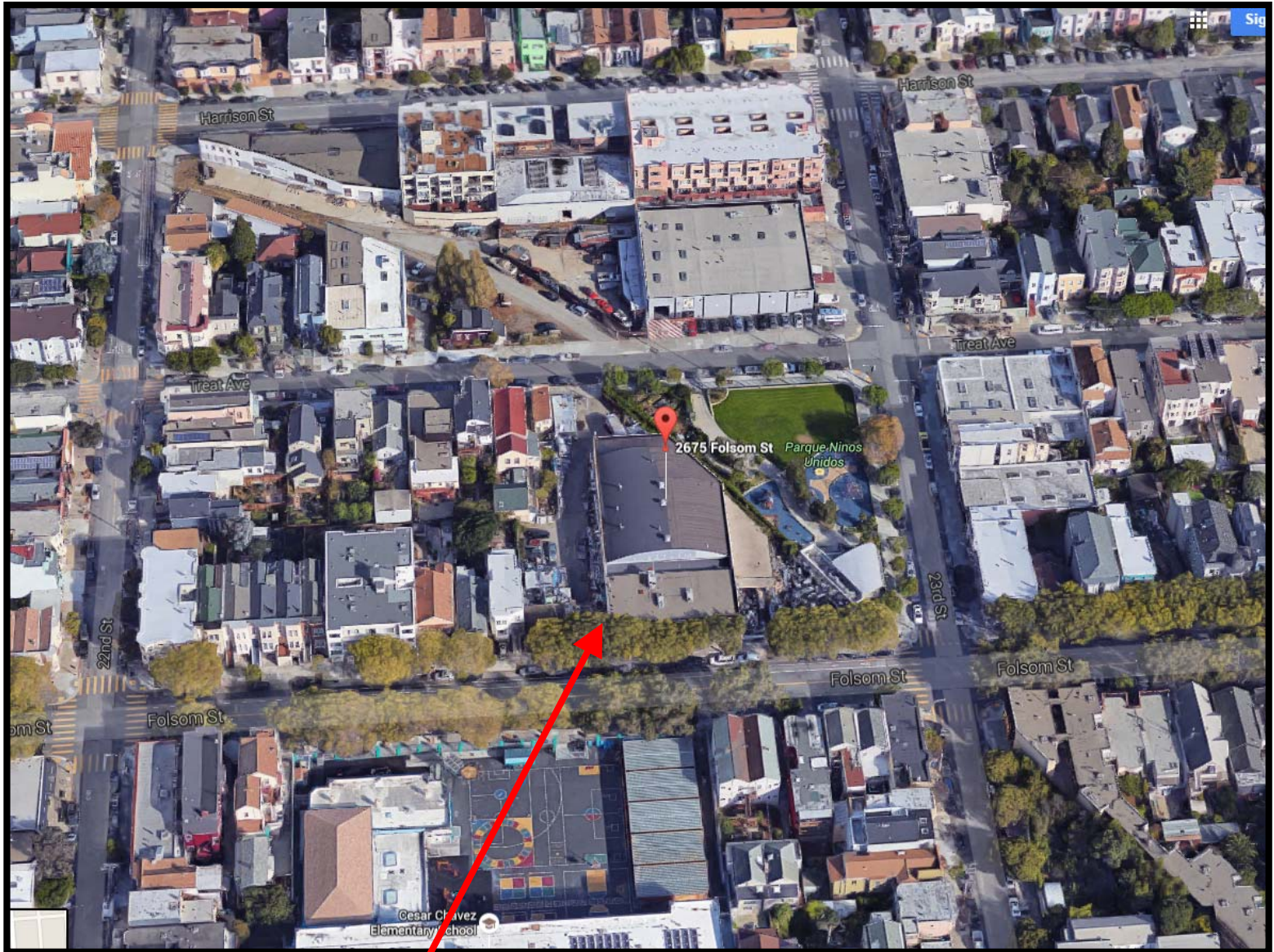
\*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Large Project Authorization &  
Conditional Use Authorization Hearing  
Case Numbers: 2014-000601CUA/ENX  
2675 Folsom Street



# Aerial Photo



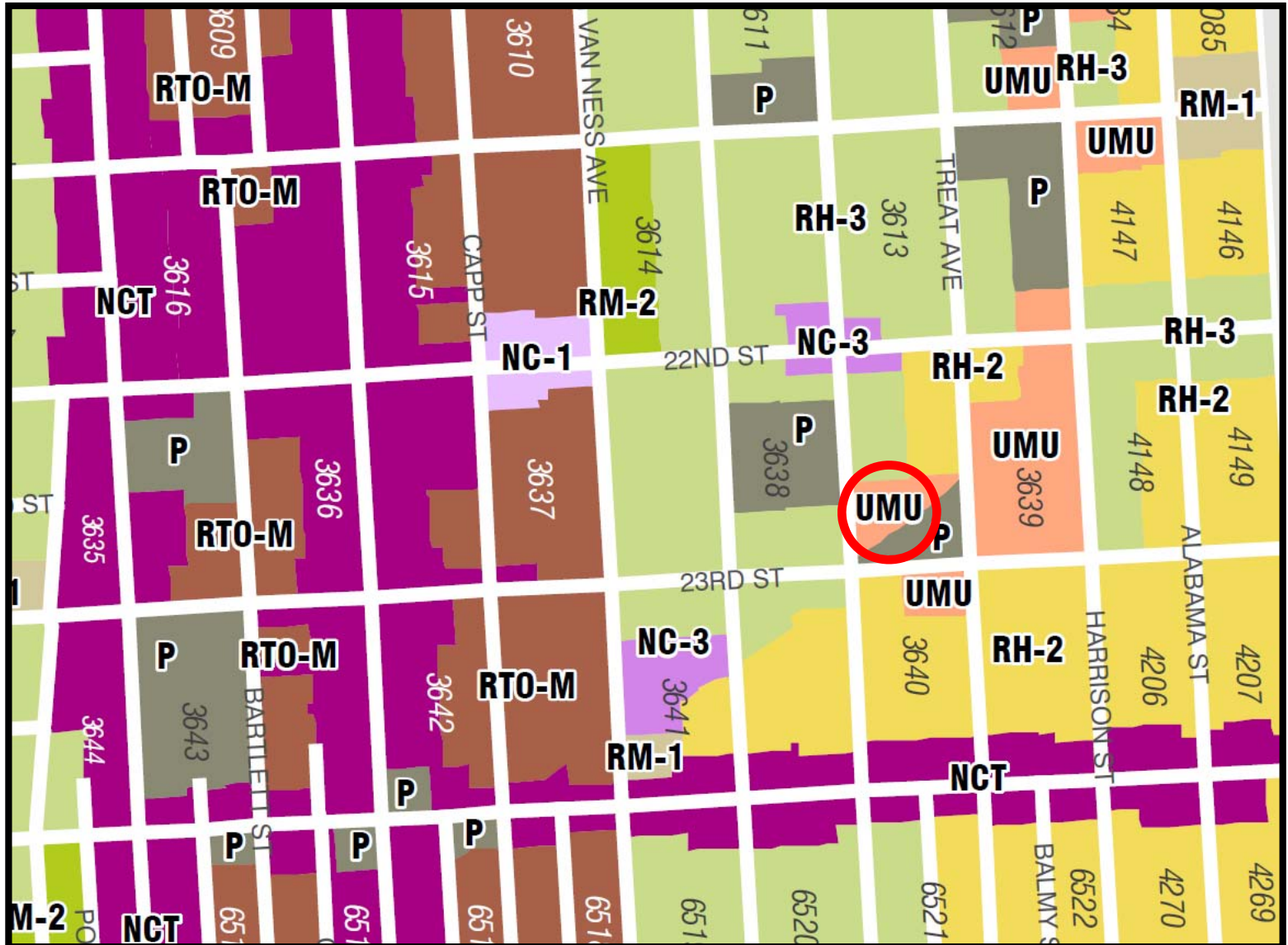
PROJECT SITE



Large Project Authorization &  
Conditional Use Authorization Hearing  
Case Numbers: 2014-000601CUA/ENX  
2675 Folsom Street

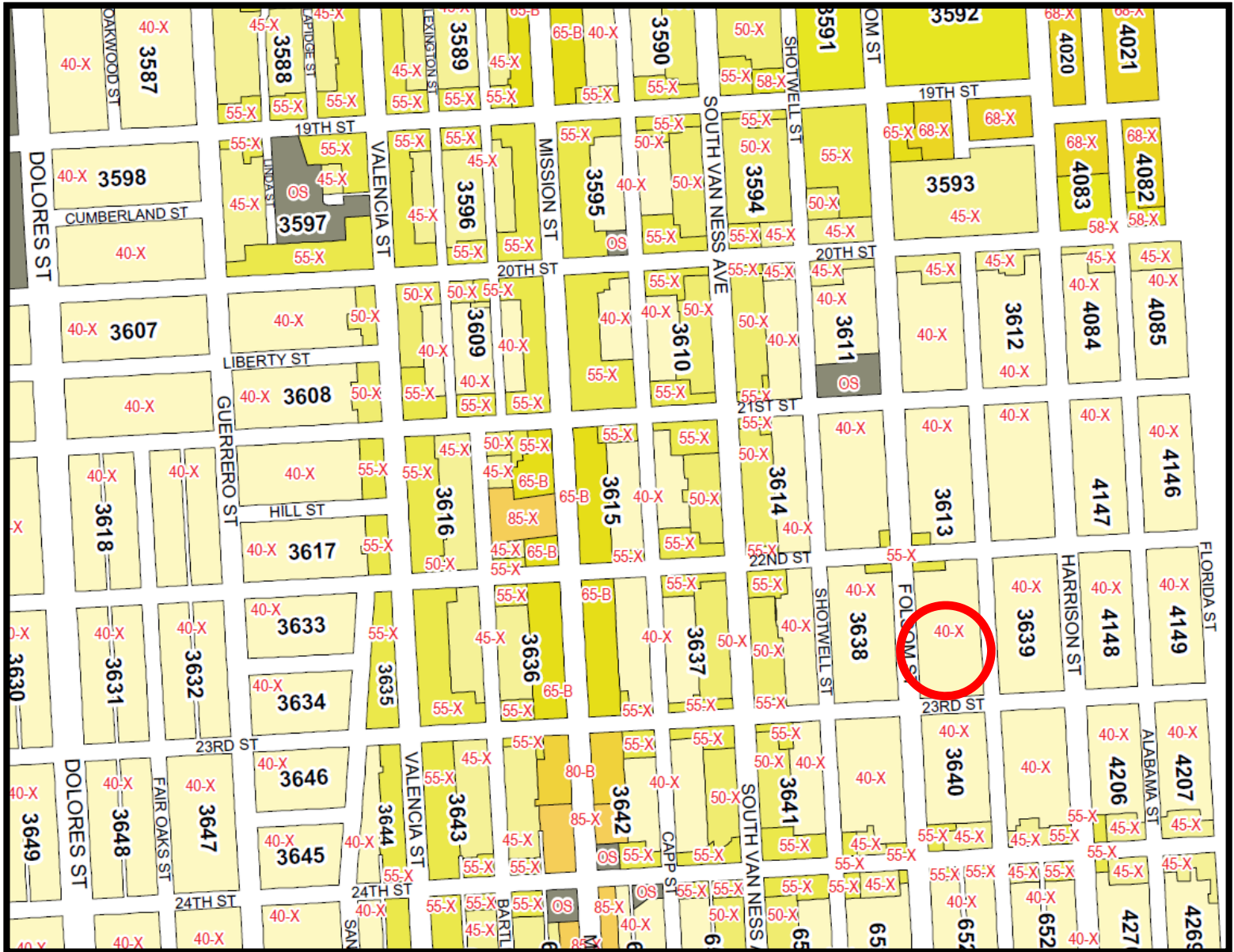


# Zoning Map



Large Project Authorization &  
Conditional Use Authorization Hearing  
Case Numbers: 2014-000601CUA/ENX  
2675 Folsom Street

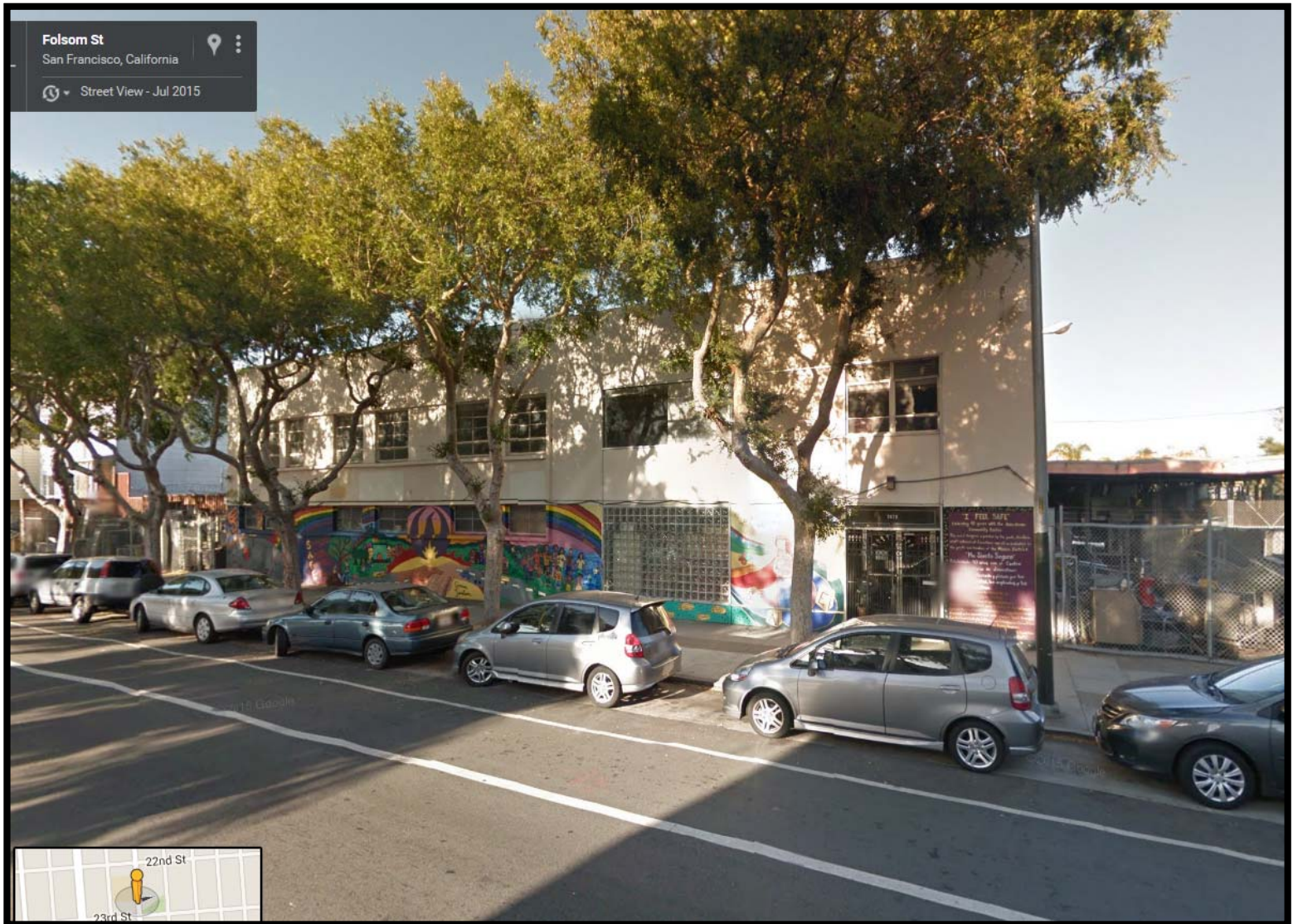
# Height and Bulk Map



Large Project Authorization &  
Conditional Use Authorization Hearing  
Case Numbers: 2014-000601CUA/ENX  
2675 Folsom Street



# Site Photos

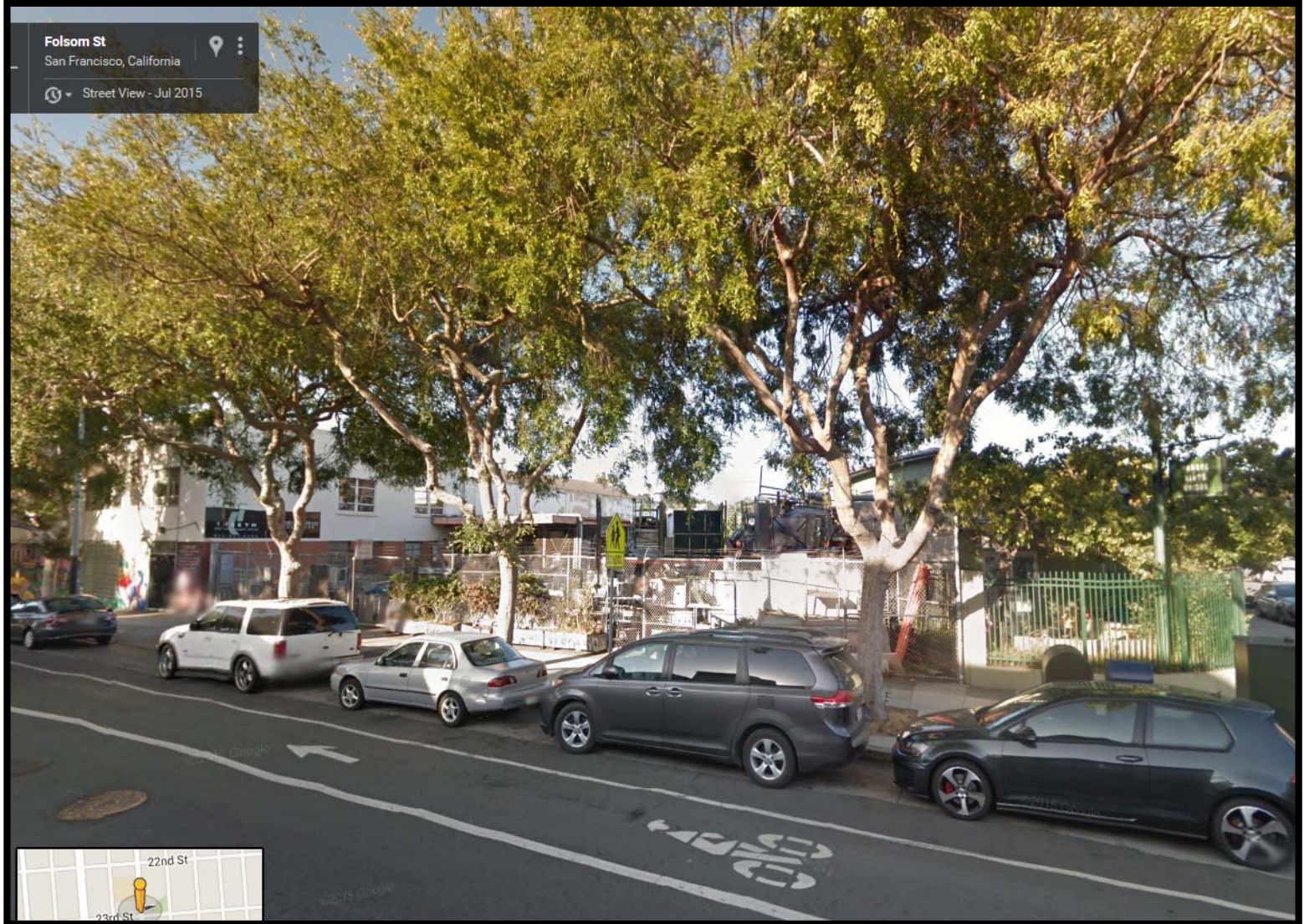


2675 Folsom Street, View along Folsom Street  
(Source: Google Maps, July 2015)

Large Project Authorization &  
Conditional Use Authorization Hearing  
**Case Numbers: 2014-000601CUA/ENX**  
2675 Folsom Street



# Site Photos



**2675 Folsom Street, View along Folsom Street, near 23<sup>rd</sup> Street**  
(Source: Google Maps, July 2015)

Large Project Authorization &  
Conditional Use Authorization Hearing  
**Case Numbers: 2014-000601CUA/ENX**  
2675 Folsom Street



# Site Photos

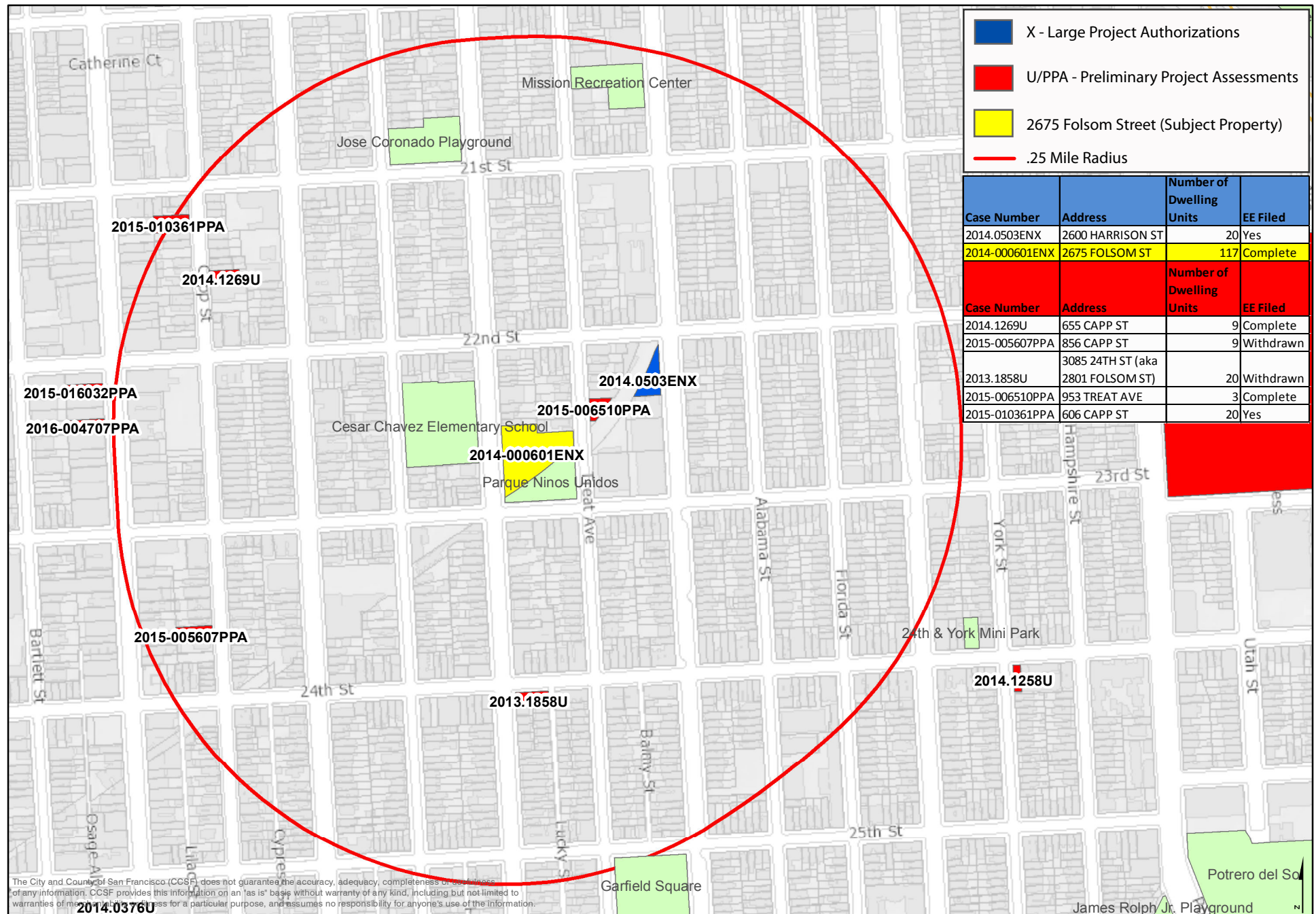


**2675 Folsom Street, View along Treat Avenue**  
(Source: Google Maps, February 2015)

Large Project Authorization &  
Conditional Use Authorization Hearing  
**Case Numbers: 2014-000601CUA/ENX**  
2675 Folsom Street



# Major Projects within .25 Mile Radius of 2675 Folsom Street



The City and County of San Francisco (CCSF) does not guarantee the accuracy, adequacy, completeness, or timeliness of any information. CCSF provides this information on an 'as is' basis without warranty of any kind, including but not limited to warranties of merchantability, fitness for a particular purpose, and assumes no responsibility for anyone's use of the information.

0 190 380 760 Feet



# PROJECT DESCRIPTION

Site is located at 2675 Folsom Street in San Francisco, CA.

The proposed Project is an 109,917 gross square foot building with 117 residential units and 74 parking spaces + 1 car share space. It is four (4) stories, and 40 feet in height. The proposed Project has approximately 242 linear feet of street frontage along Folsom Street, approximately 245 linear feet at the northern property line, approximately 40 linear feet along Treat Avenue and approximately 299 linear feet along Parque Niños Unidos.

The proposed Project includes a twenty (20) foot-wide mid-block connection through the Project site connecting Folsom Street and Treat Avenue. The proposed building, while connected with a central corridor for ADA access, is broken into 41-foot segments along the Folsom Street and the Parque Niños Unidos frontages to create defined and regular façade breaks. Within these segments, there are regularly occurring decks and patios, recessed ground floors and building breaks, and material variations in color, rhythm and texture. These breaks visually reduce the scale and mass of the proposed building along these frontages. The base of the building has also been set back on all sides to give added visual depth to the streetscape and an interior courtyard is provided that matches the existing mid-block rear yard pattern providing light and air and openness in the rear of the Project site.

# PROJECT TEAM

OWNER / DEVELOPER  
**Axis Development Group**  
580 California Street, 16th Floor  
San Francisco, CA 94104  
t: 415.992.6997  
Attn: Muhammad Nadhiri, Theo Oliphant  
www.axisdevgroup.com

ARCHITECT  
**David Baker Architects**  
461 Second Street, Loft c127  
San Francisco, CA 94107  
t: (415) 896-6700  
Attn: David Baker, Amit Price Patel  
www.dbarchitect.com

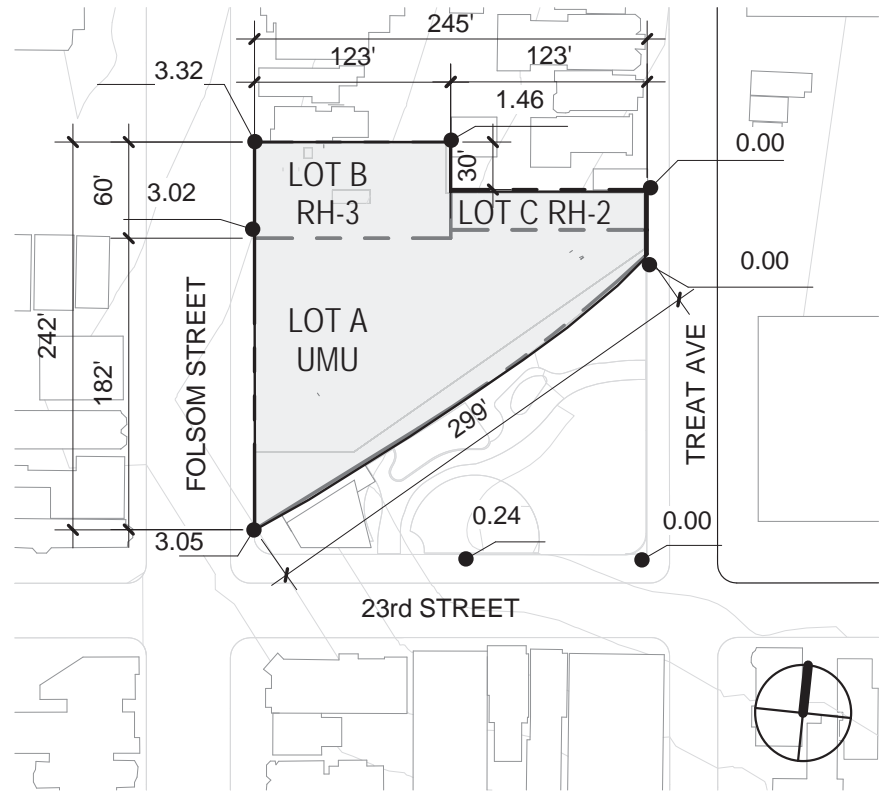
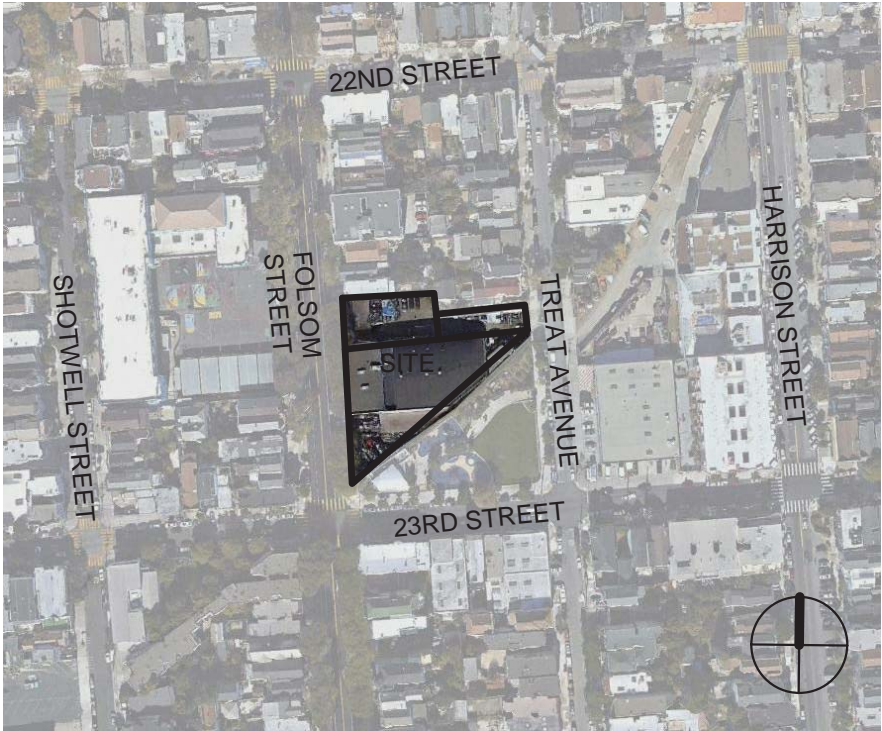
CIVIL ENGINEER  
**Sandis**  
636 9th Street  
Oakland, CA 94607  
t: (510) 873-8866  
Attn: Bruce Davis  
MEP  
**CB Engineers**  
449 10th Street  
San Francisco, CA 94103  
t: (415) 437-7330  
Attn: Igor Tartakovsky

LANDSCAPE ARCHITECT  
**Fletcher Studio**  
2325 3rd Street Suite 413  
San Francisco, CA 94107  
t: (415) 431-7878  
Attn: David Fletcher  
www.fletcherstudio.com

GENERAL CONTRACTOR  
**Fisher**  
601 California Street, Suite 300  
San Francisco, CA 94108  
t: (415) 228-3058  
Attn: Jeff Budke  
www.fisherinc.com

STRUCTURAL ENGINEER  
**Tipping Structural**  
1906 Shattuck Avenue  
Berkeley, CA 94704  
t: (510) 549-1906  
Attn: Marc Steyer, Gordon Yagisawa

# VICINITY MAP



1 SITE PLAN  
1" = 120'-0"

# AERIAL VIEW



# DRAWING LIST

G.00	Cover Sheet	A.00	Site Plan (Existing Conditions)
G.01	Project Data	A.01	Site Plan
G.10	Demolition Plan	A.10	Basement Floor Plan
G.11	Rear Yard Calculation	A.11	Ground Floor Plan
G.12	Open Space Calculation	A.12	Level 2 Floor Plan
G.13	Exposure Diagrams - Levels 1-2	A.13	Level 3 Floor Plan
G.14	Exposure Diagrams - Levels 3-4	A.14	Level 4 Floor Plan
G.15	Active Use	A.15	Roof Plan
G.16	Mid-Block Connection and Horizontal Mass Reduction	A.20	Folsom Elevation
G.17	Gross Square Footage Calculation	A.21	Park Elevation
G.18	Concept Diagrams	A.22	Treat Elevation
G.20	Site Photos	A.24	Materials
G.21	Site Photos	A.30	Sections
G.30	Site Aerial	A.40	Unit Floor Plans - Nested Units
G.31	Folsom Street View	A.41	Unit Floor Plans - Folsom North Corner
G.32	Mid-Block Connection View	A.42	Unit Floor Plans - Folsom Park Corner
G.33	Folsom Street Stoops View	A.43	Unit Floor Plans - Court Studios
G.34	Parque Niños Unidos	A.44	Unit Floor Plans - Treat Corner
G.35	Treat Commons Community Garden	A.45	Unit Floor Plans - Treat 3 BR Unit (Levels 2-3)
G.36	Park Playground	A.46	Unit Floor Plans - Treat 3 BR Unit (Level 4)
G.37	Midblock Connection View Toward Folsom Street	L.01	Landscape Ground Level Plan
G.38	Midblock Connection View Toward Treat Avenue	L.02	Landscape Ground Level Plan
G.39	Treat Avenue Entry - Folsom Art Walk	L.03	Landscape Roof Deck Plan
G.40	PDR Display/Gallery/Studio Space		
G.42	Site Survey		

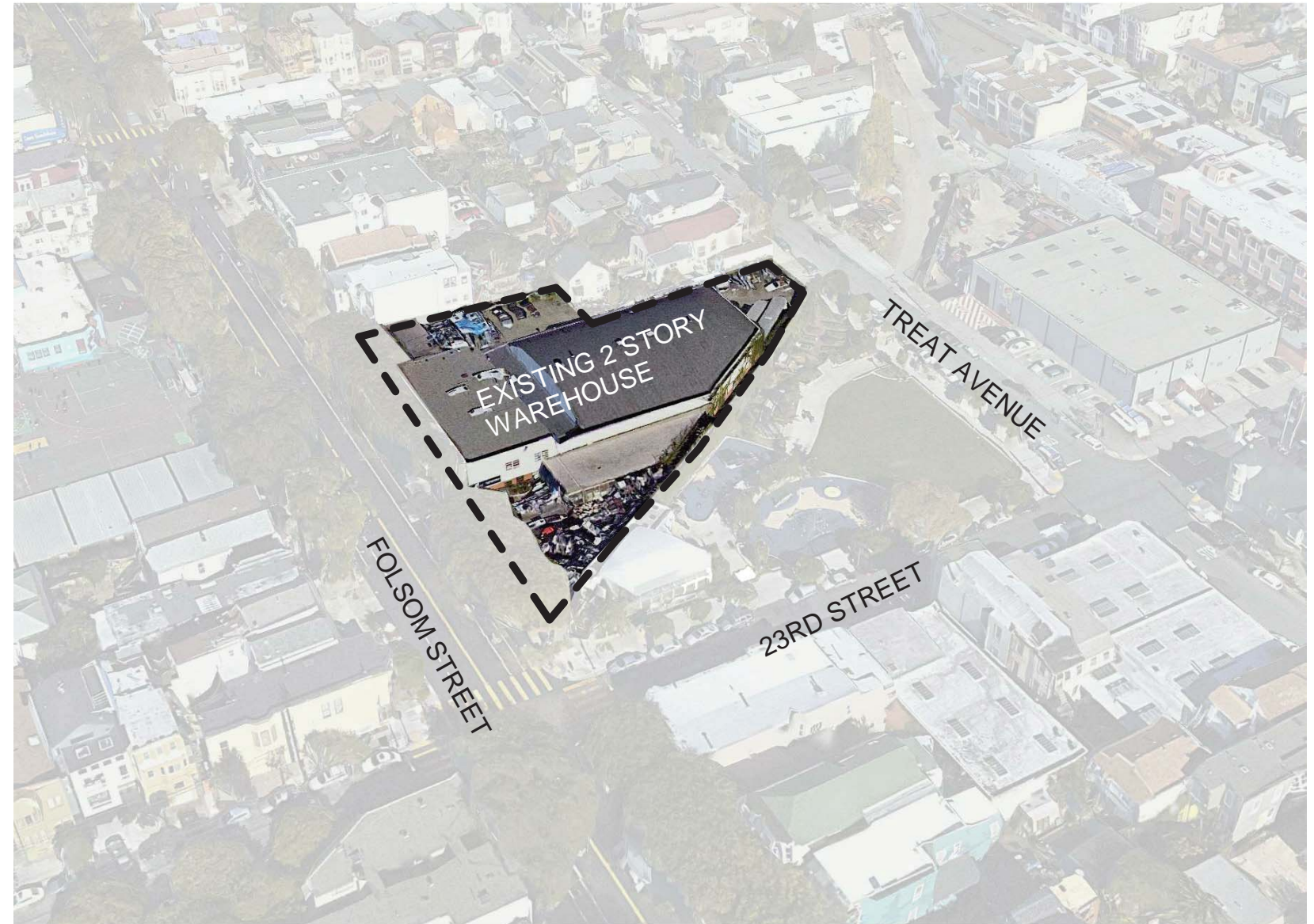
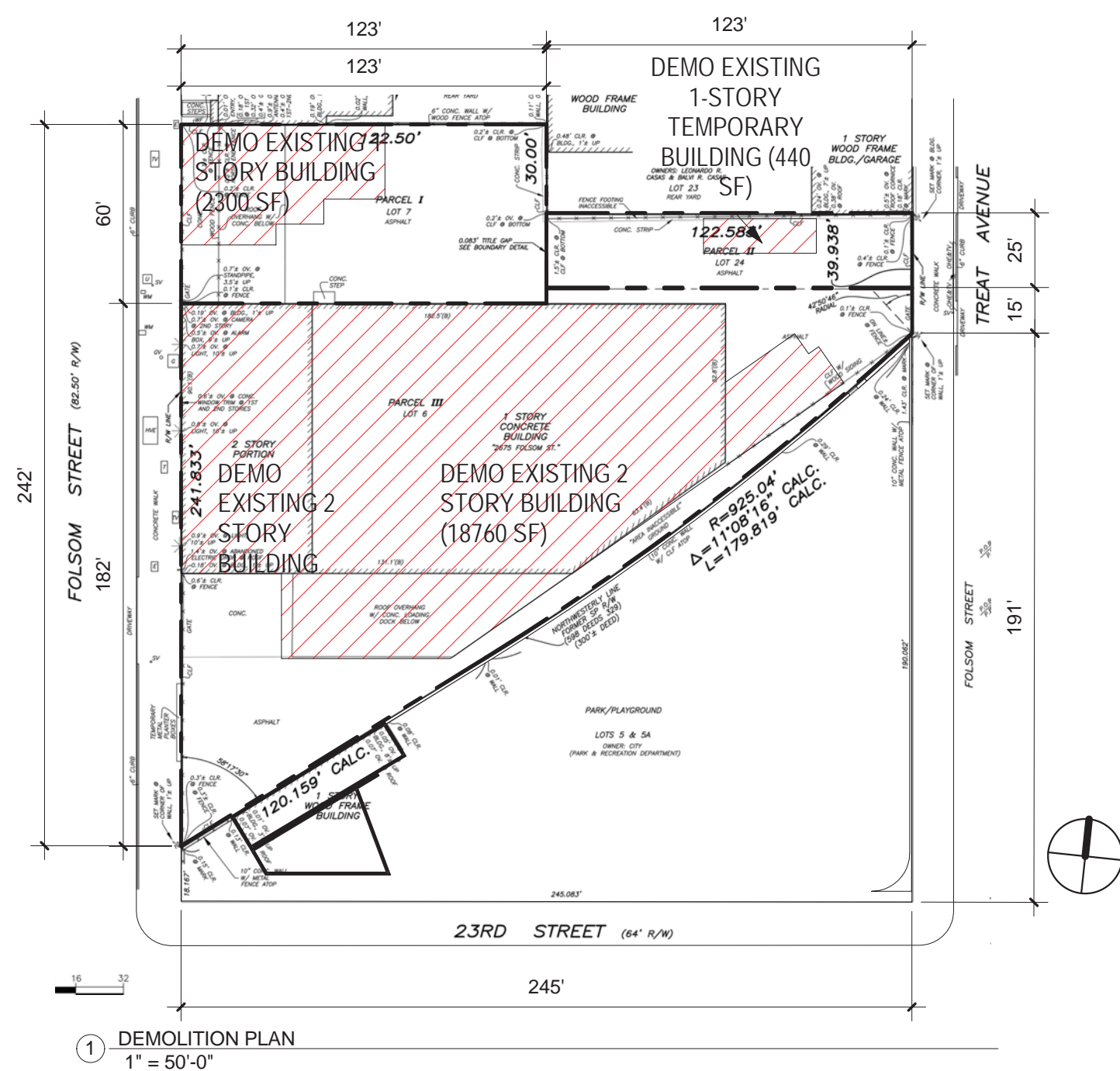
	Lot A	Lot B	Lot C	Total
<u>Lot information</u>				
Zone	UMU	RH-3	RH-2	-
Address	2675 Folsom (3639/006)	2675 Folsom (3639/007)	970 Treat (3639/024)	-
Height	40-X	40-X	40-X	-
FAR	3.0	1.8	1.8	-
Current use	Warehouse	Parking	Parking	-
Site area	25,682 SF	7,350 SF	3,065 SF	36,097 SF
<u>Units</u>				
Allowed	-	7	2	9
Provided	108	7	2	117
				*23 BMR Units Provided On-site
<u>Parking</u>				
Required	81 MAX	7	2	90 MAX
Provided	65 + 1 Car Share	0	0	65 + 1 Car Share
<u>Bikes</u>				
Required	-	-	-	111
Class 1	-	-	-	105
Class 2	-	-	-	6
Provided	-	-	-	174
Class 1	-	-	-	160
Class 2	-	-	-	14

Area Schedule (Gross)	
Garage	12554 SF
Level 1	23043 SF
Level 2	23572 SF
Level 3	25661 SF
Level 4	25087 SF
109917 SF	

Area By Type (NSF)	
Circulation	10115 SF
Common	3534 SF
Garage / Bike Room	15556 SF
pdr	5291 SF
Residential	73340 SF
Service / Trash	4512 SF
Stairs / Elevator	2666 SF
Storage	2333 SF
Total SF	117348 SF

Unit Mix		
Comments	Count	Approximate SF
S	24	348-470 SF
1 BR	46	485-599 SF
2 BR	45	743-1154 SF
3 BR	2	1509-1725 SF
117		





Demolition: 3 structures (Total Building Footprint of Approximately 21,500 SF)

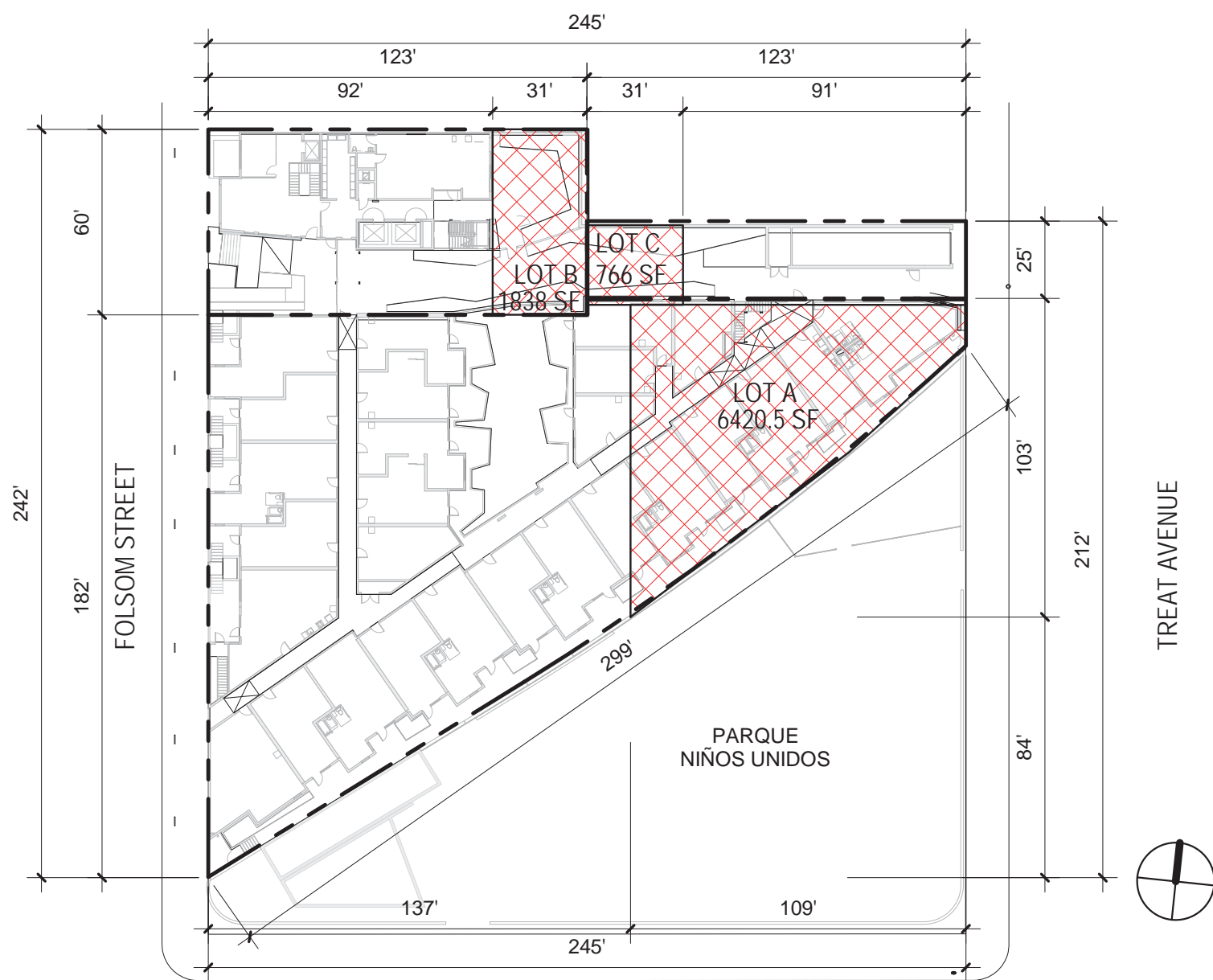


2675 FOLSOM STREET

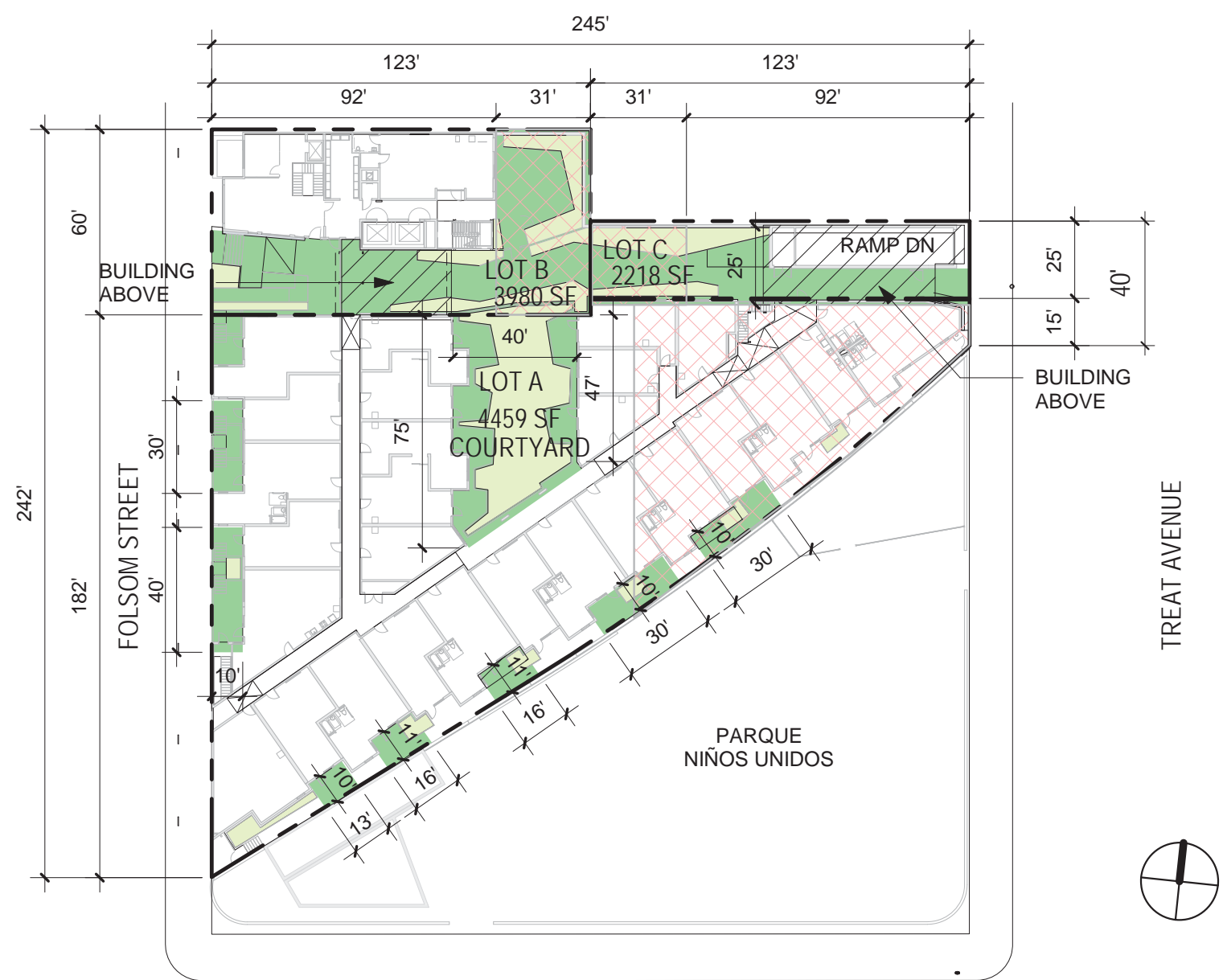
Demolition Plan

21413  
scale: 1" = 50'-0"  
date: 2016.08.30

G.10



① REAR YARD REQUIRED BY CODE  
1" = 50'-0"



② PROPOSED GROUND LEVEL OPEN SPACE  
1" = 50'-0"

Rear yard	Lot A	Lot B	Lot C	Total	
Required	6,420.5 SF (25,682 SF * 25%)	1,837.5 SF (7,350 SF * 25%)	766 SF (3,064.5 SF * 25%)	9,024 SF	
Provided	4,459 SF (COURTYARDS + UNIT PATIOS/STOOPS)	3,980 SF	2,218 SF	10,657 SF	

We are seeking a variance for rear yard configuration per planning code section 134, wherein the sum of outer court and roof deck are more than area of required rear yard.

#### Corner Lots and Lots at Alley Intersections

On a corner lot as defined by this Code, or on a lot at the intersection of a street and an alley of at least 25 feet in width, the required rear yard may be substituted with an open area equal to **25 percent of the lot area** which is located at the

same levels as the required rear yard in an interior corner of the lot, an open area between two or more buildings on the lot, or an inner court.



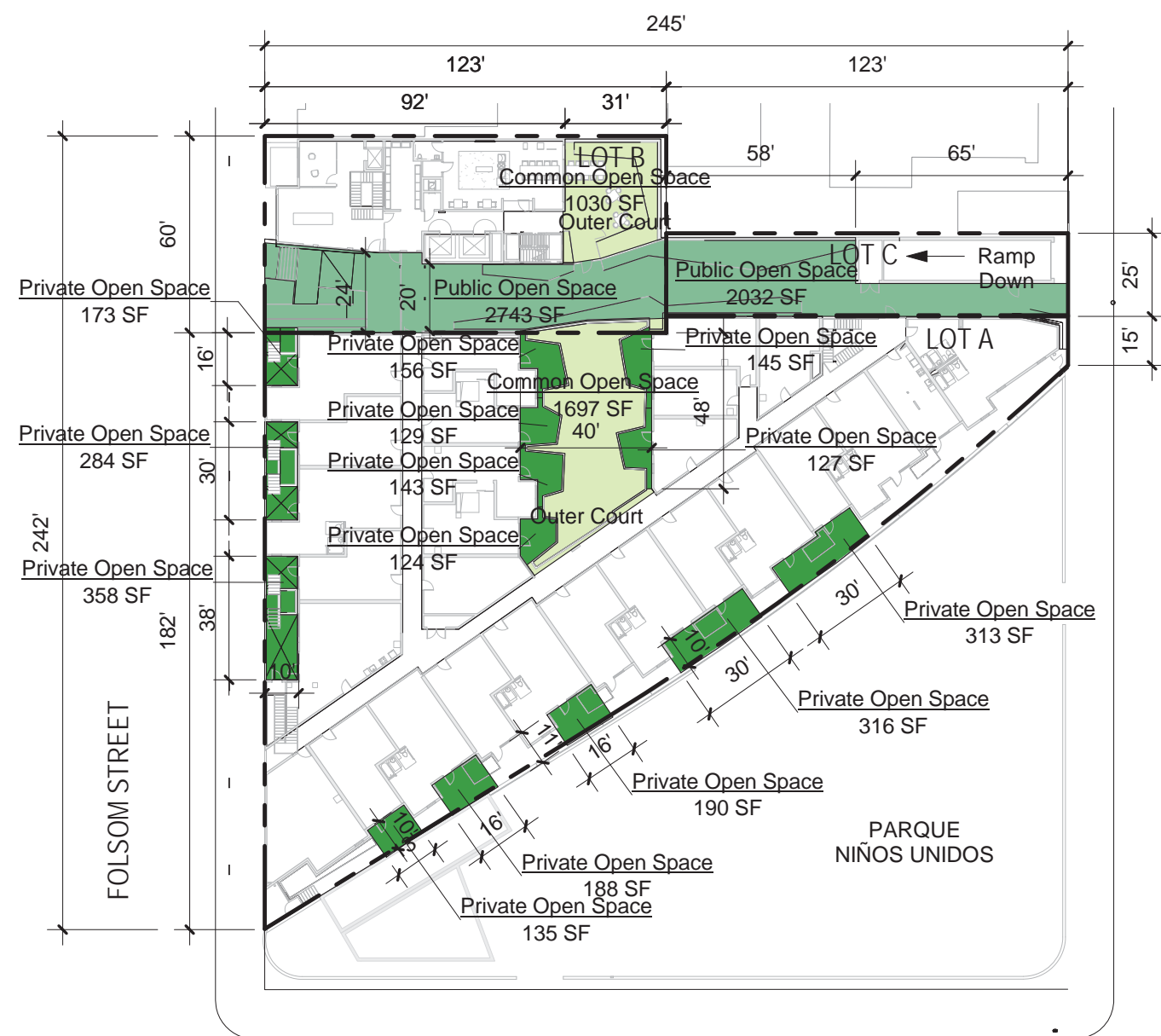
2675 FOLSOM STREET

Rear Yard Calculation

21413  
scale: As indicated  
date: 2016.08.30

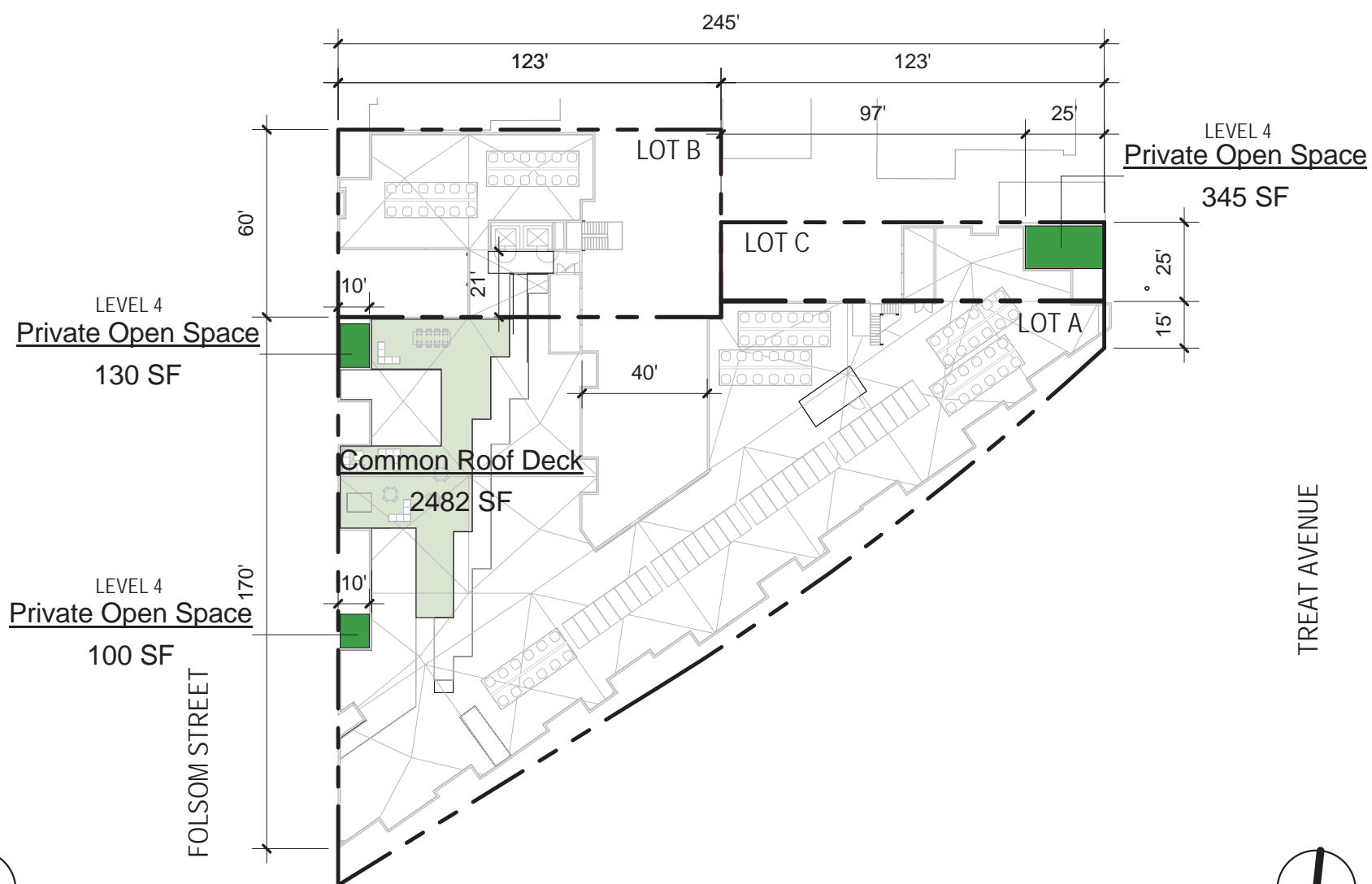
G.11





23rd ST

① Ground Level Open Space  
1" = 50'-0"



23rd ST

② Roof Open Space  
1" = 50'-0"

Open space	Lot A	Lot B	Lot C	Total
Required	8,640 SF (80 SF * 108 DU)	1,164 SF (166.25 SF * 7 DU)	266 SF (133 SF * 2 DU)	10,070 SF
Provided	7,190 SF	3,773 SF	2,377 SF	13,340 SF
Public	0 SF	2,743 SF	2,032 SF	4,775 SF
Common	4,179 SF	1,030 SF	0 SF	5,209 SF
Private	3,011 SF	0 SF	345 SF	3,356 SF

Common Open Space	2727 SF
Common Roof Deck	2482 SF
Private Open Space	3356 SF
Public Open Space	4774 SF
	13339 SF

#### SEC. 102.4. COURT.

Any space on a lot other than a yard which, from a point not more than two feet above the floor line of the lowest story in the building on the lot in which there are windows from rooms abutting and served by the court, is open and unobstructed to the sky.

An "outer court" is a court, one entire side or end of which is bounded by a front setback, a rear yard, a side yard, a front lot line, a street, or an alley.

Private Open Space is for use by individual residents. Common open space is intended for shared (2+) resident use. Public open space is for use by the general public.



2675 FOLSOM STREET

Open Space Calculation

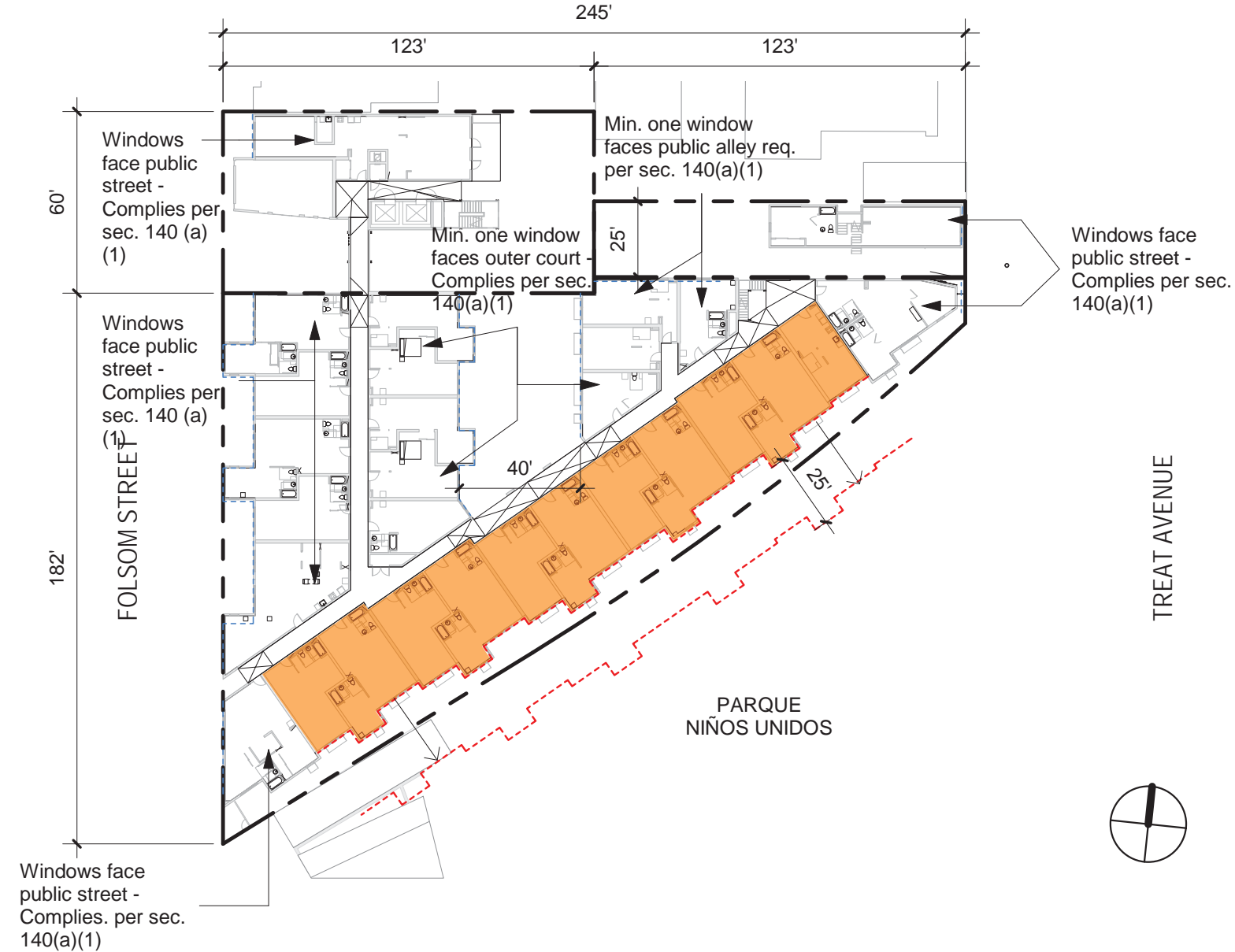
21413  
scale: As indicated  
date: 2016.08.30

G.12



23rd ST

① Dwelling Unit Exposure - Level 1  
1" = 50'-0"



② Dwelling Unit Exposure - Level 2  
1" = 50'-0"

### Exposure

44 Units will require exposure variance (44/117 = 38%)

### Legend

- Non-compliant Exposure
- Code Compliant Exposure
- Units Seeking Exposure Variance

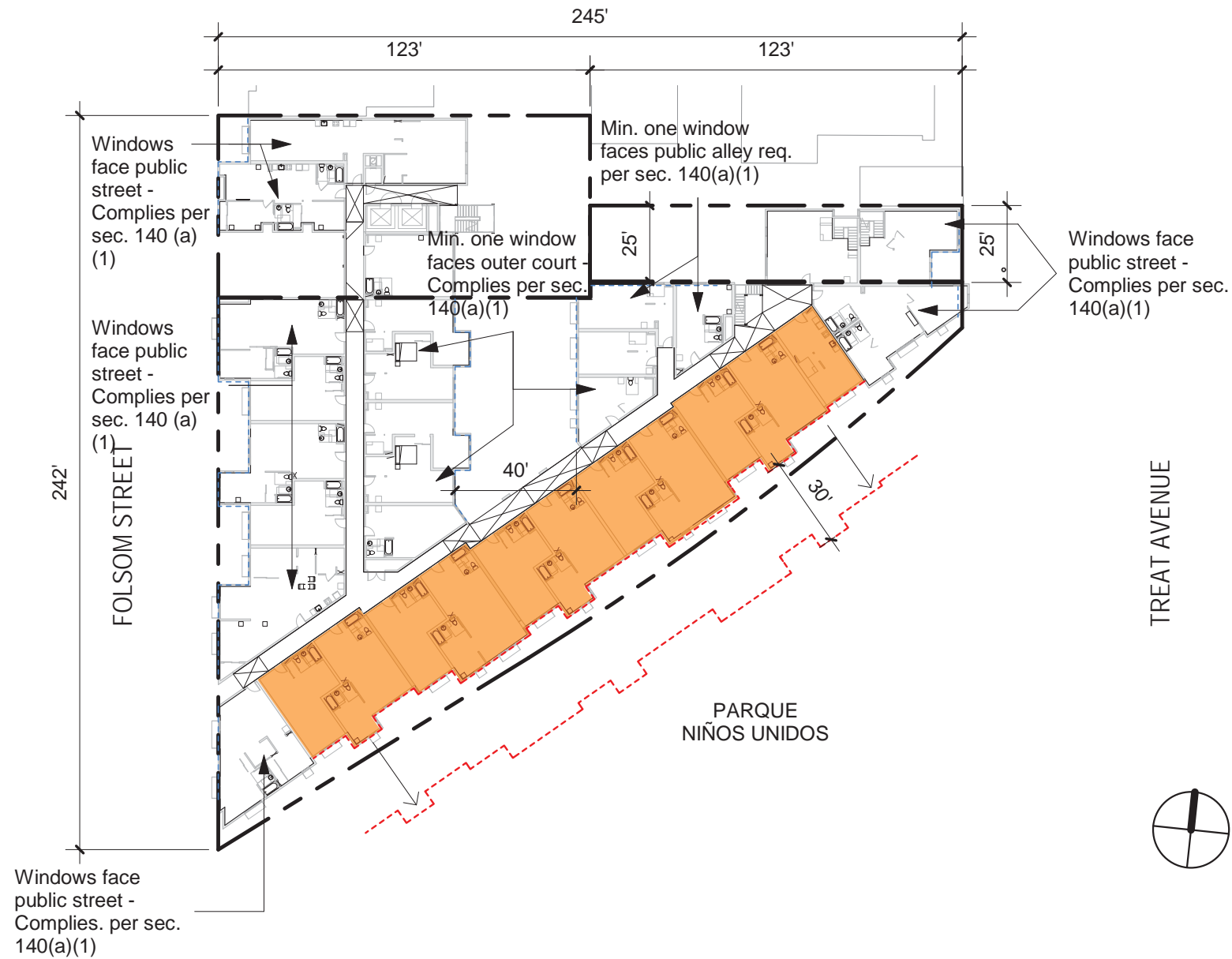


2675 FOLSOM STREET

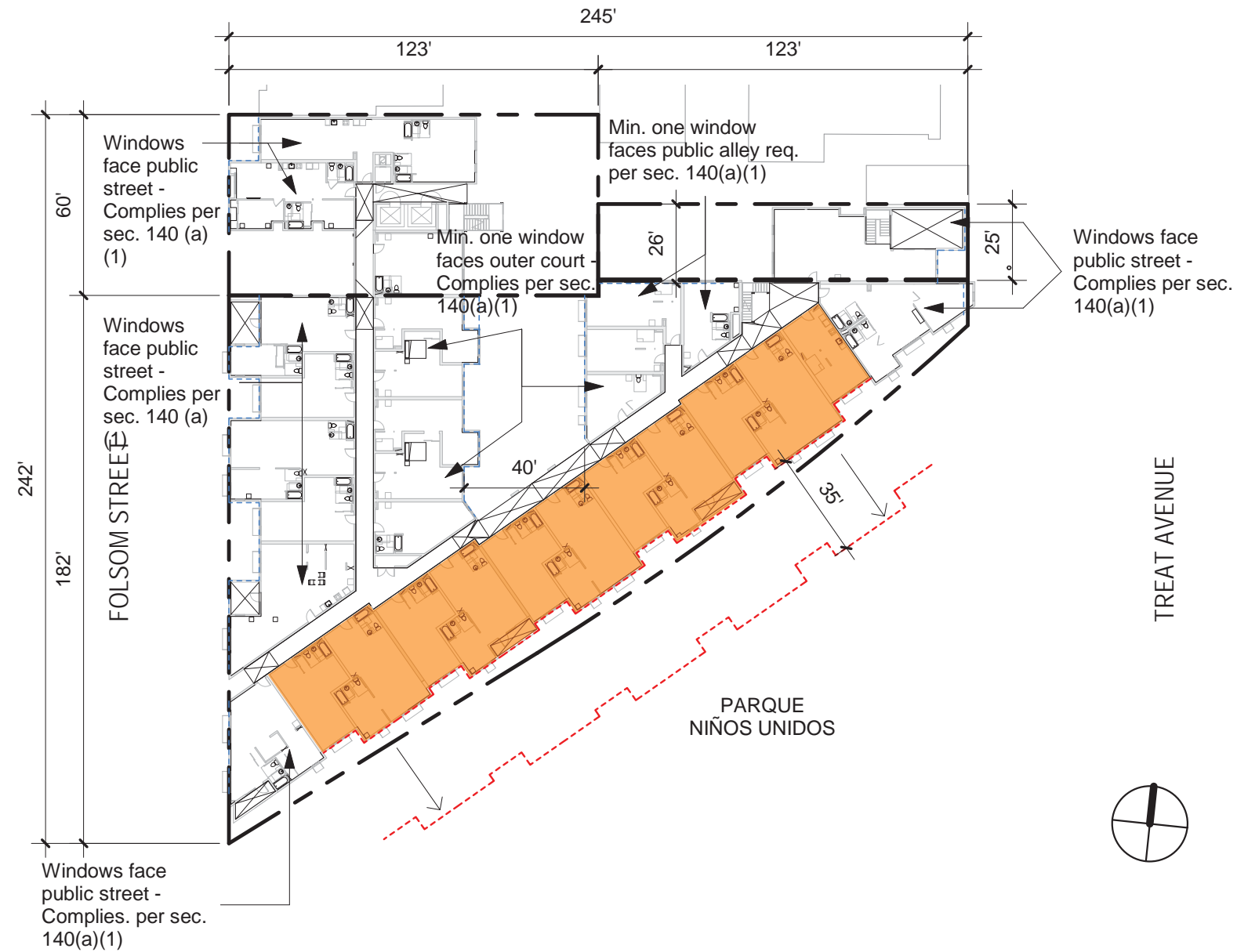
Exposure Diagrams - Levels 1-2

21413  
scale: 1" = 50'-0"  
date: 2016.08.30

G.13



① Dwelling Unit Exposure - Level 3  
1" = 50'-0"



② Dwelling Unit Exposure - Level 4  
1" = 50'-0"

### Exposure

44 Units will require exposure variance (44/117 = 38%)

### Legend

- Non-compliant Exposure
- Code Compliant Exposure
- Units Seeking Exposure Variance



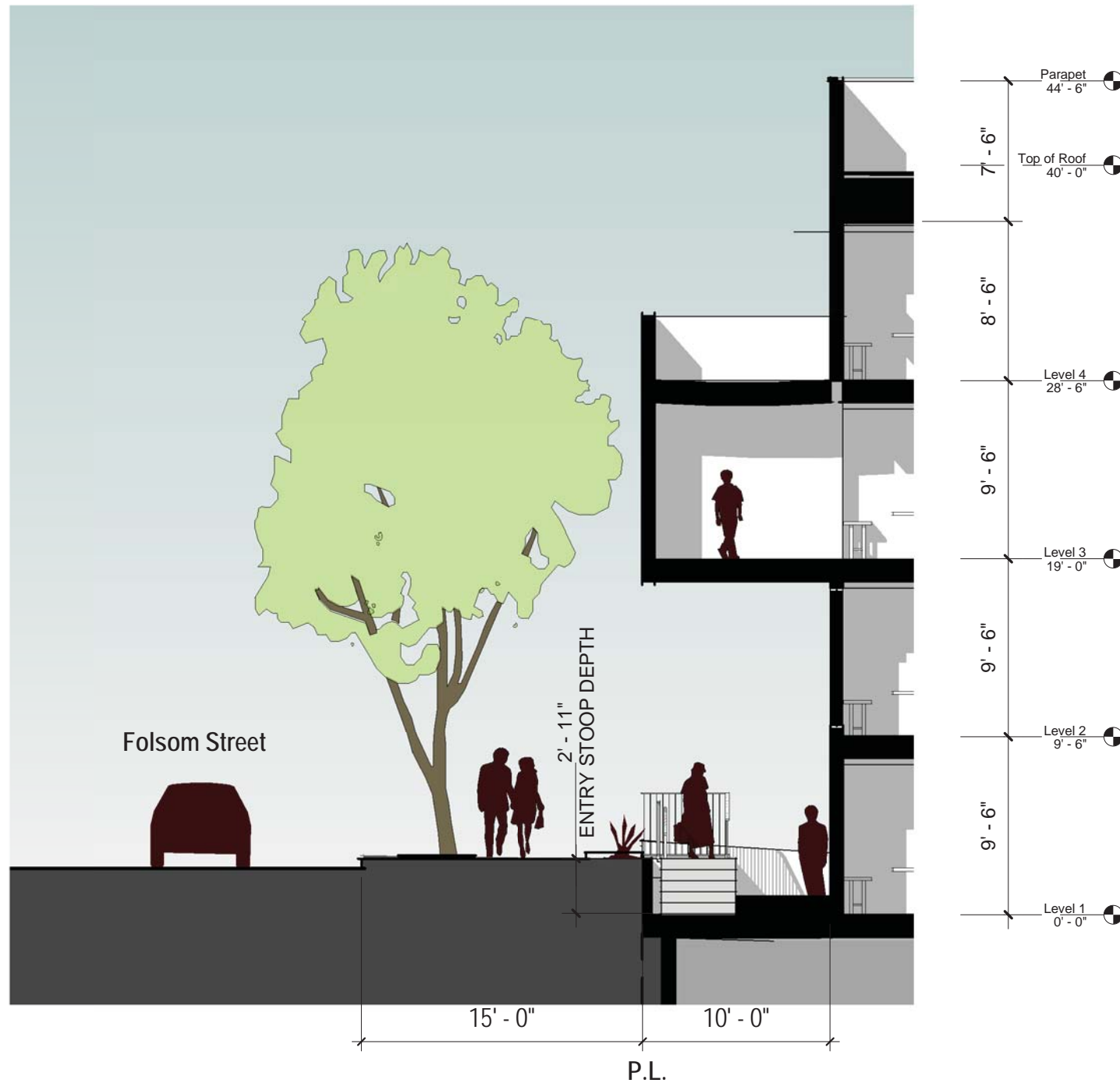
2675 FOLSOM STREET

Exposure Diagrams - Levels 3-4

21413  
scale: 1" = 50'-0"  
date: 2016.08.30

G.14

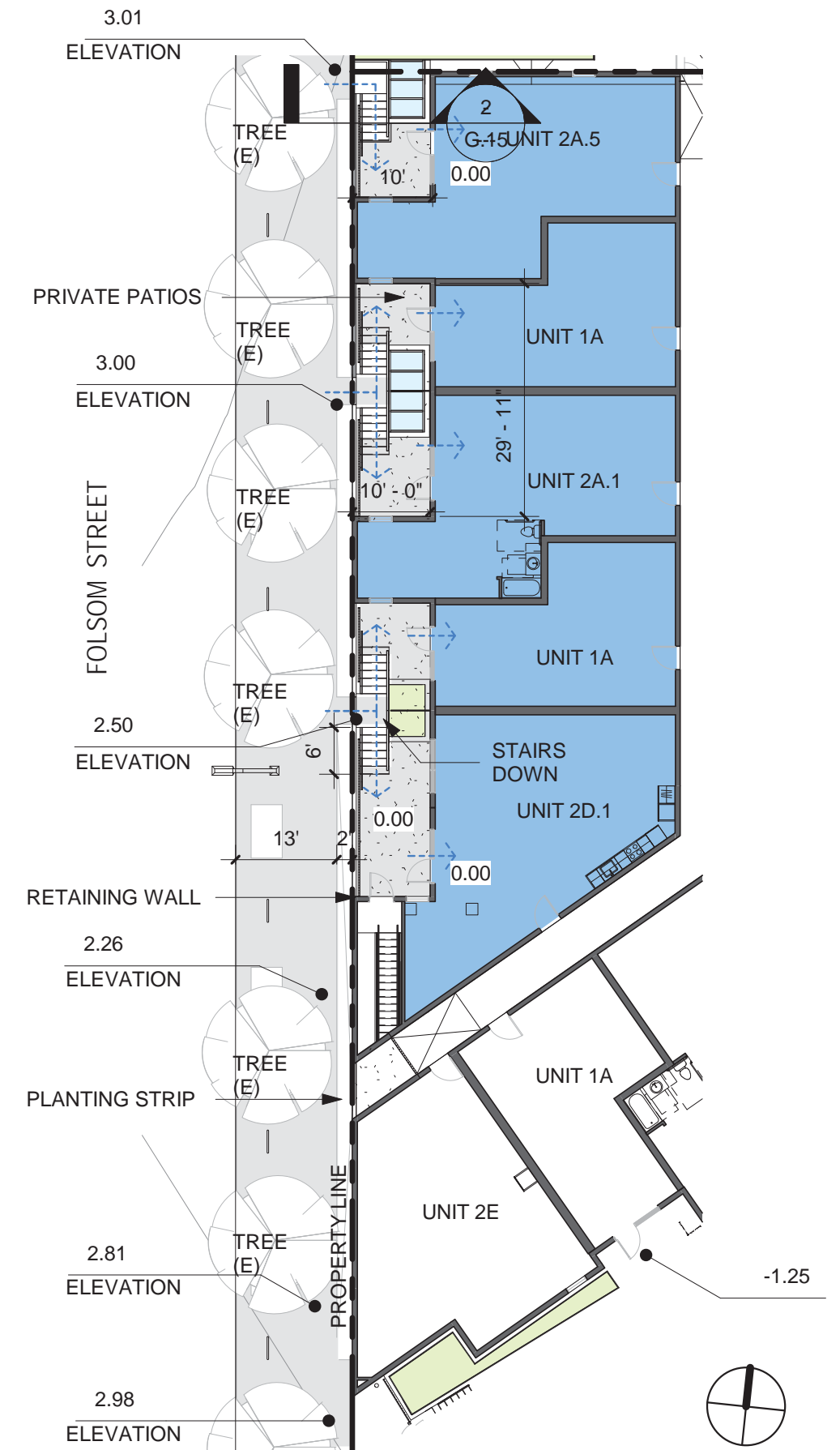




② FOLSOM ACTIVE USE SECTION  
1/8" = 1'-0"

### Active Use

Active use required along Folsom Street. Of the 6 units along Folsom Street, 5 units (83%) are providing direct, individual pedestrian access to the public sidewalk and are considered active.



① ACTIVE USE  
1" = 20'-0"

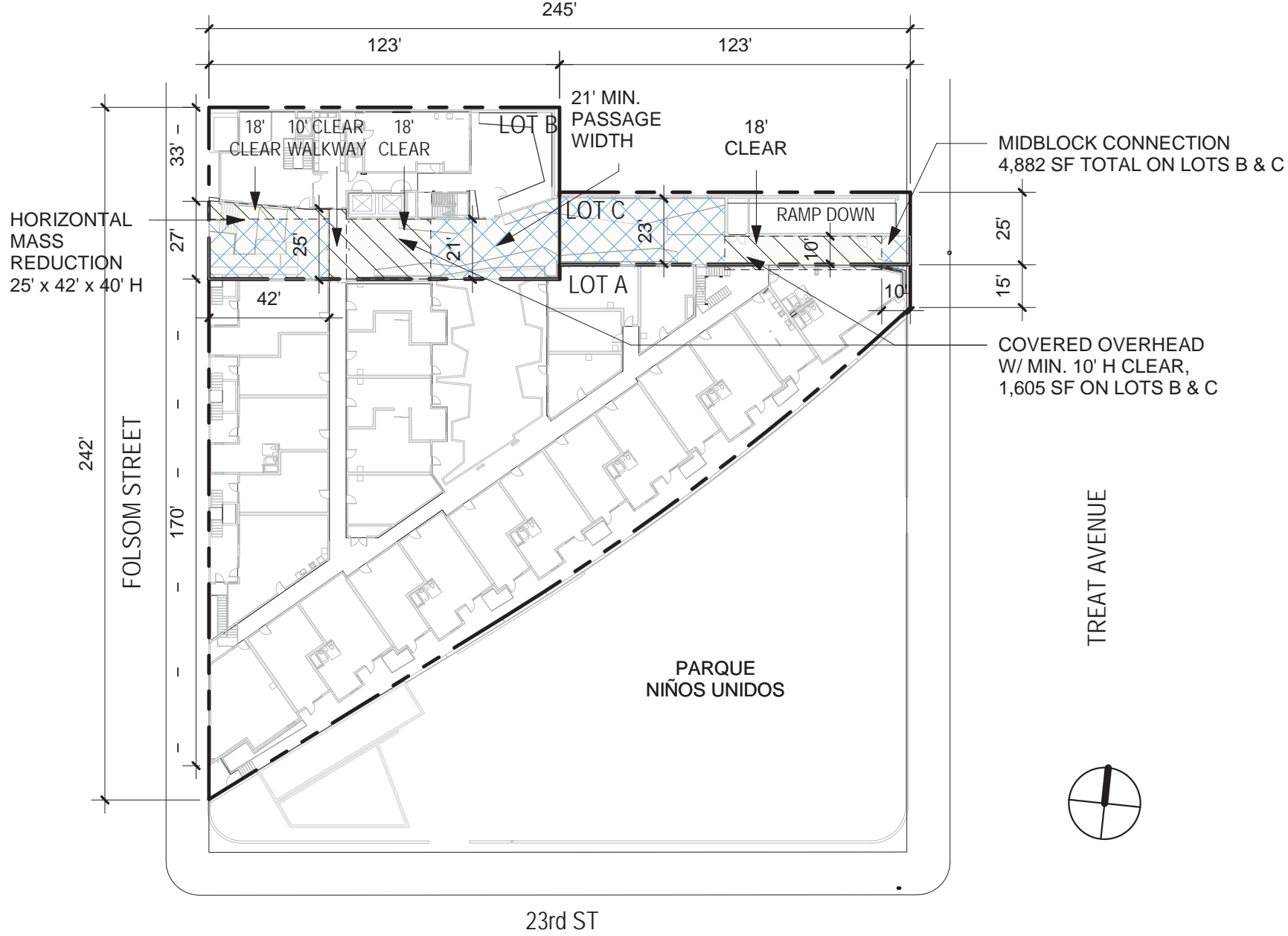


2675 FOLSOM STREET

Active Use

21413  
scale: As indicated  
date: 2016.08.30



G.15



① Midblock Connection and Horizontal Mass Reduction  
1" = 50'-0"

<u>Horizontal Mass Reduction</u>	Code	Provided
Min. width	30'	25'
Min. depth	60'	42'
Max. height above grade	25'	FULL HEIGHT
Max. bldg. frontage	200'	170'

<u>Midblock Connection</u>	Code	Provided
Min. bldg to bldg width	20'	21'
Min. width of pedestrian way	10'	10'
Min. height clearance	15'	18'
Req'd setback above 25'	10'	0'
Open to sky	60%	67%

-  OPEN TO SKY
-  COVERED

A variance is needed for horizontal mass reduction on the width and depth per planning code 270.1, wherein the intent of the reduction is met. See A.30 for midblock section.



2675 FOLSOM STREET

Mid-Block Connection and Horizontal Mass Reduction

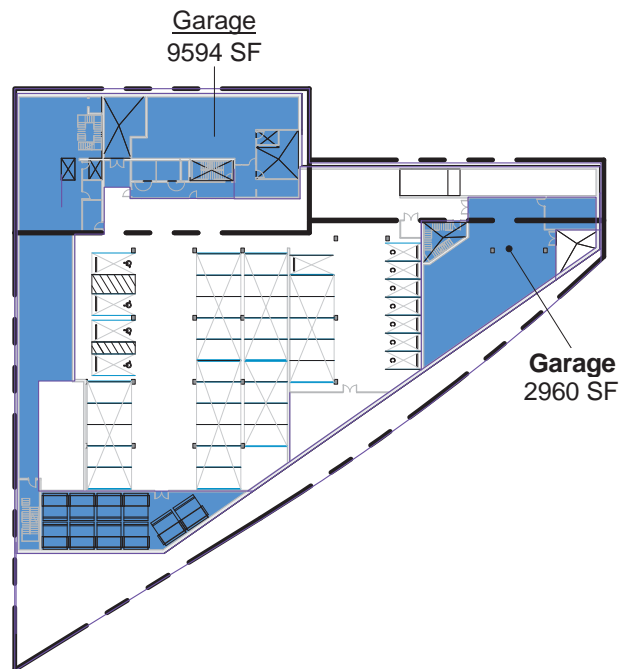
21413  
scale: As indicated  
date: 2016.08.30



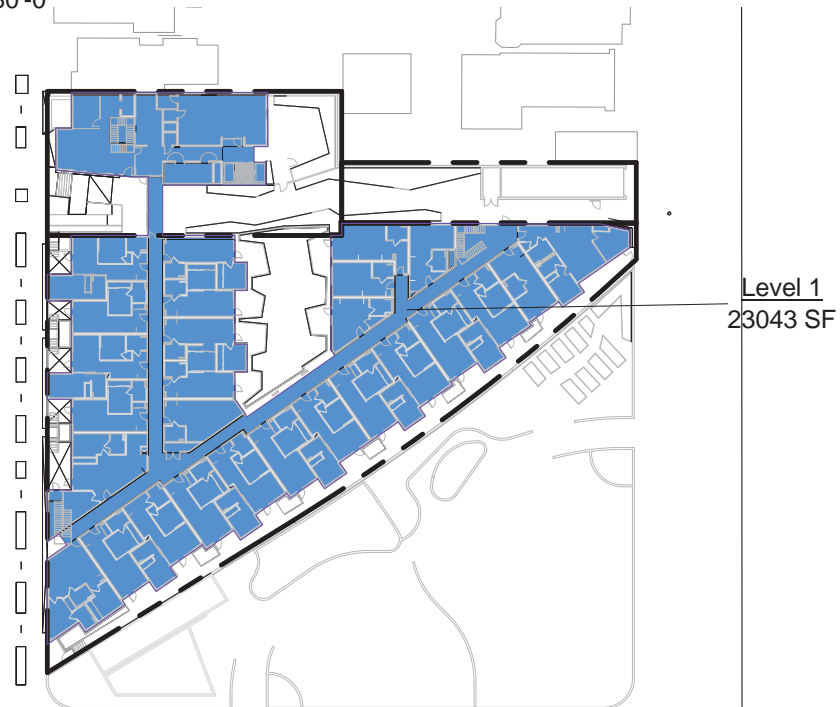
Area Schedule (Gross)	
Garage	12554 SF
Level 1	23043 SF
Level 2	23572 SF
Level 3	25661 SF
Level 4	25087 SF
	109917 SF

Gross Square Footage calculated according to definition outlined in Sec. 102 of the SF Planning Code.

④ Gross Square Footage - Level 3  
1" = 80'-0"

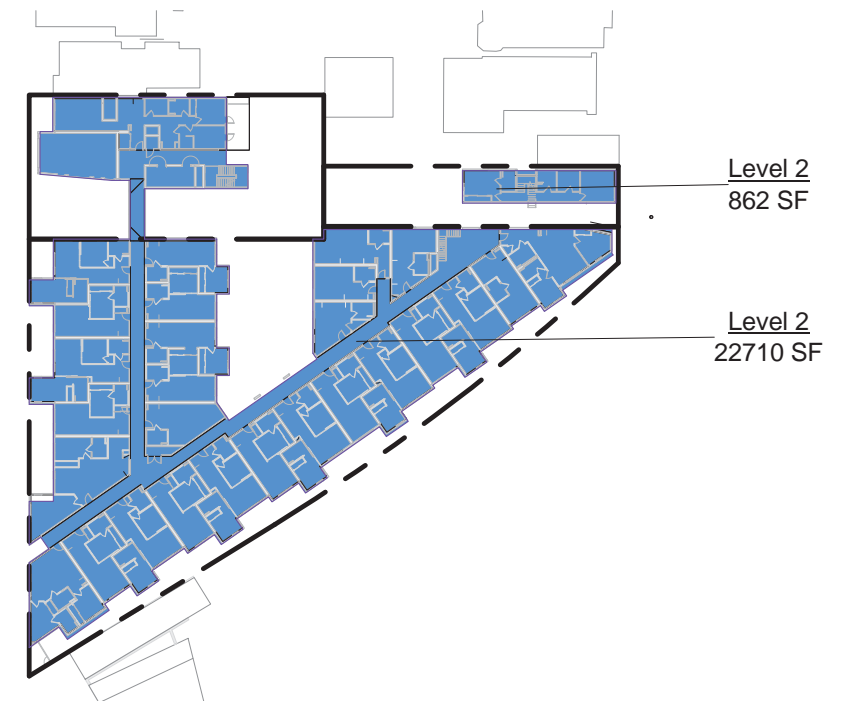


⑤ Gross Square Footage - Level 4  
1" = 80'-0"



① Gross Square Footage - Basement  
1" = 80'-0"

② Gross Square Footage - Level 1  
1" = 80'-0"



③ Gross Square Footage - Level 2  
1" = 80'-0"



2675 FOLSOM STREET

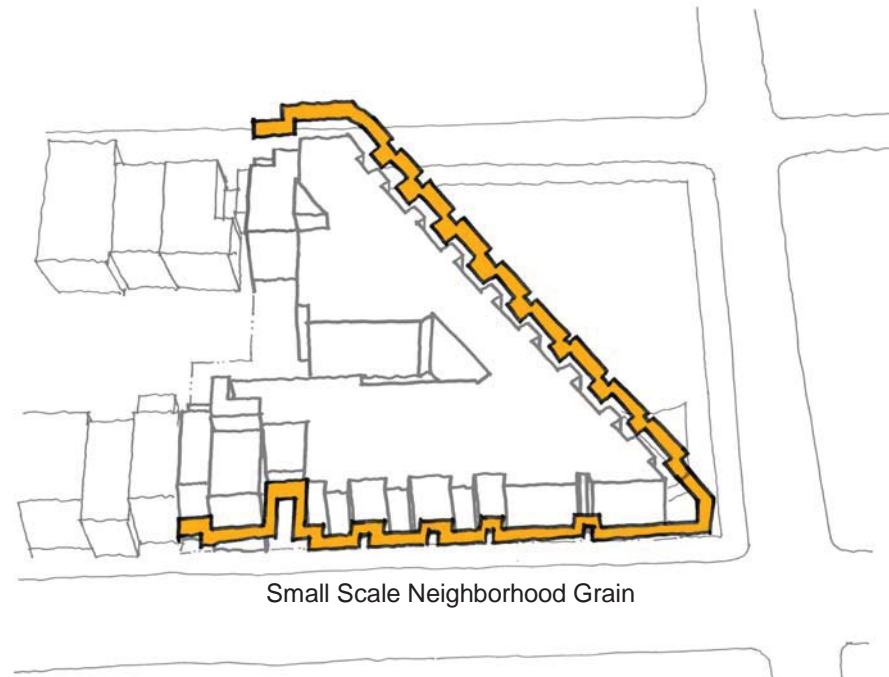
Gross Square Footage Calculation

21413  
scale: 1" = 80'-0"  
date: 2016.08.30

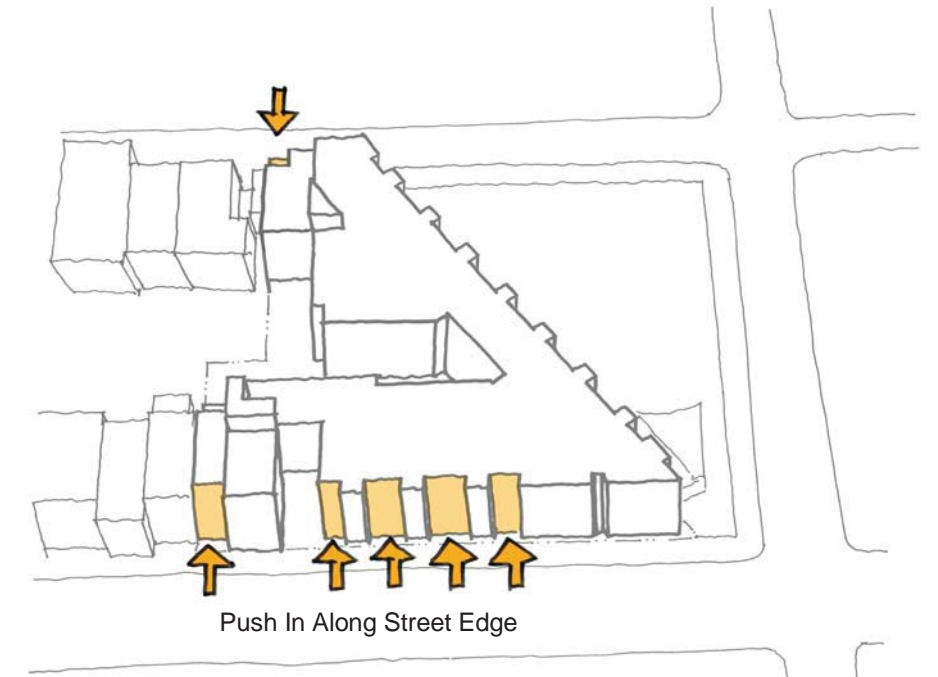
G.17



Mid-Block Connection



Building Modulation



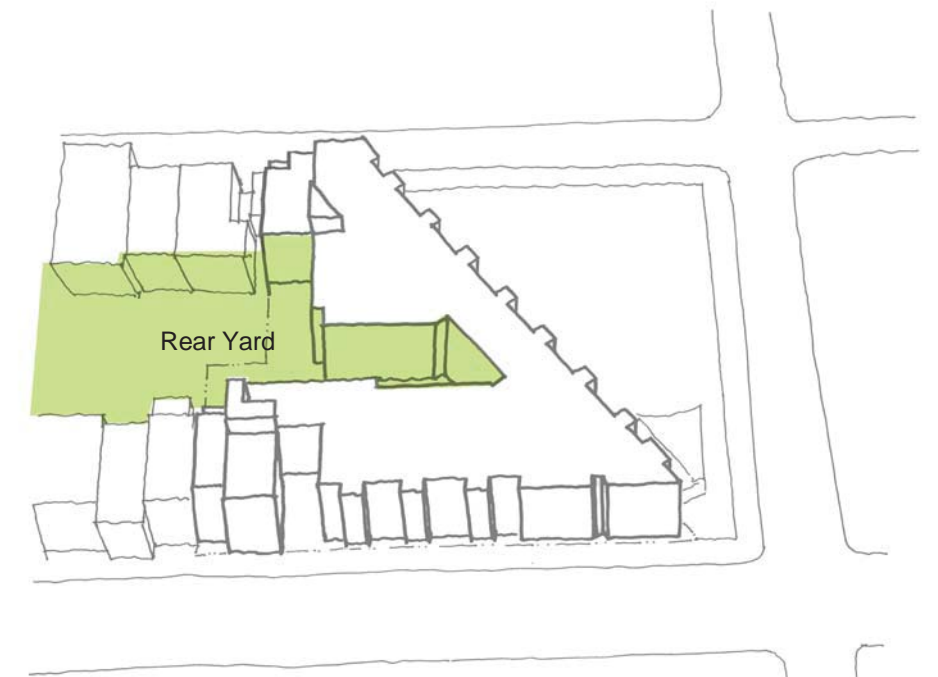
Setbacks



Parque Niños Unidos



Green Space



Rear Yards





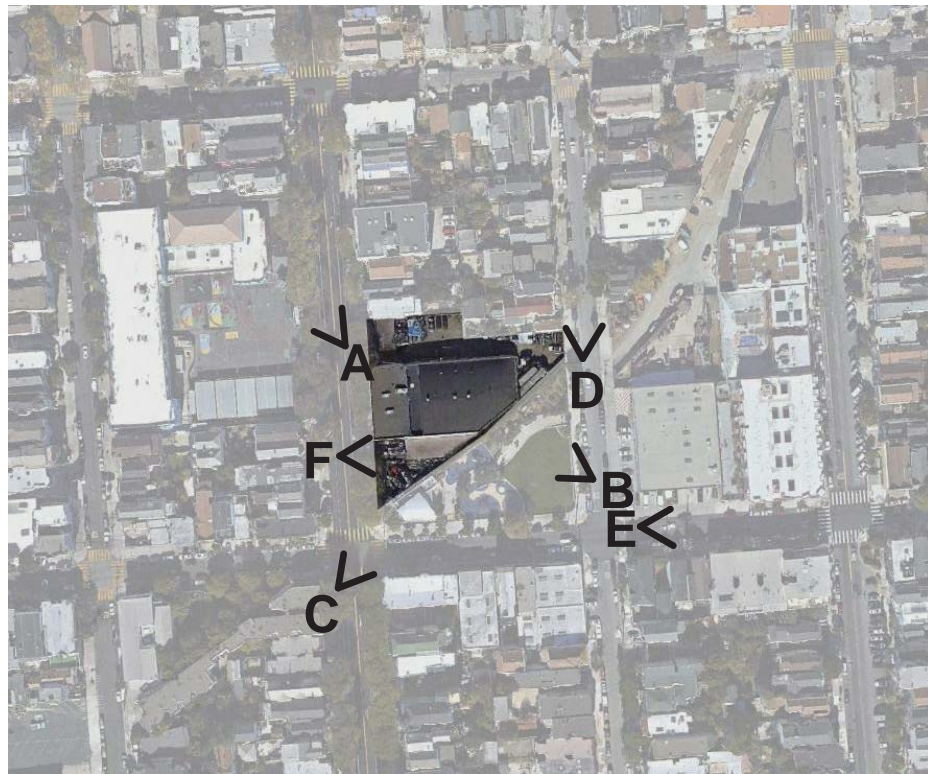
A - View north on Folsom



B - View northwest across park towards site



C - View northwest at Folsom and 23rd



D - View north on Treat



E - View east on 23rd



F - View west from Folsom towards site



2675 FOLSOM STREET

Site Photos

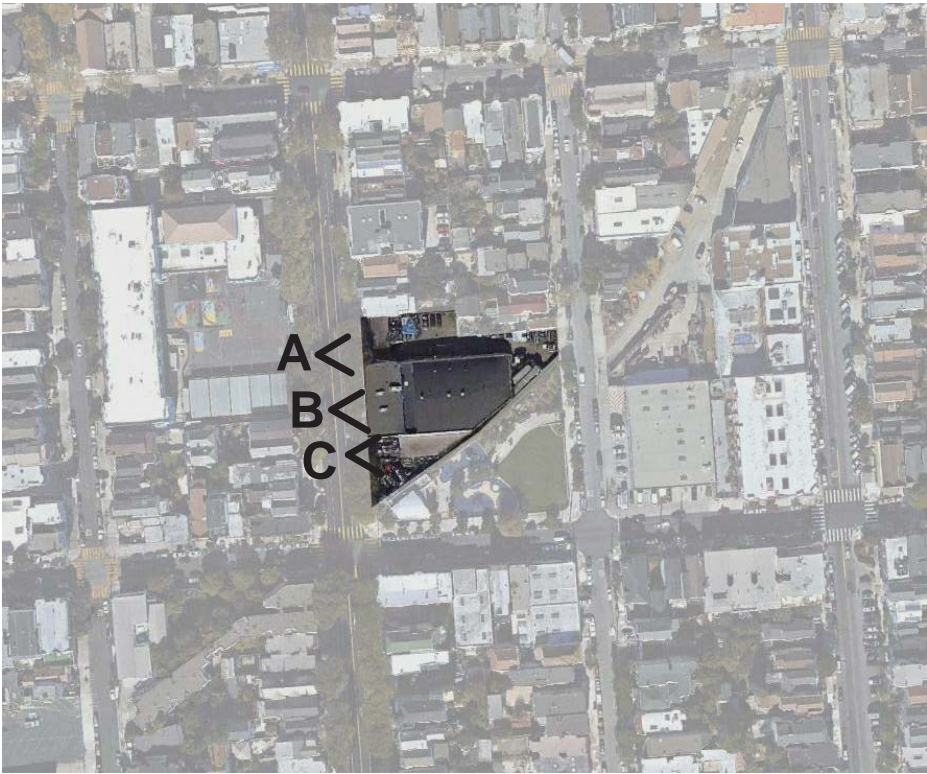
21413  
scale:  
date: 2016.08.30

G.20





A - View of Lot B (RH-3) on Folsom

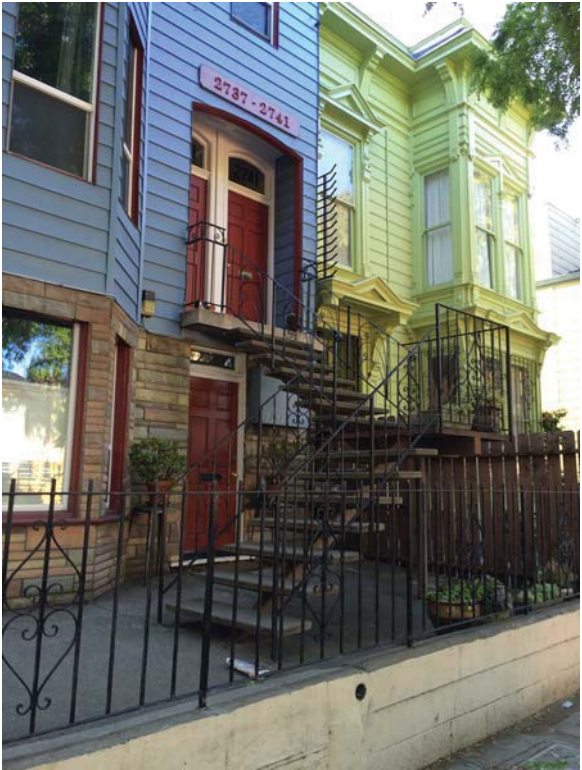


B - Existing building on Folsom



C - Existing condition of Lot B (RH-3) on Folsom

SF Neighborhood Stoops



2675 FOLSOM STREET

Site Photos

21413  
scale:  
date: 2016.08.30





2675 FOLSOM STREET

Site Aerial

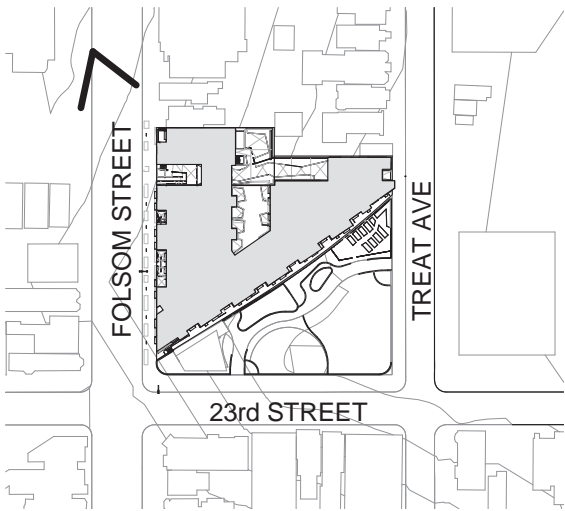
21413  
scale:  
date: 2016.08.30

G.30





CURRENT



2675 FOLSOM STREET

Folsom Street View

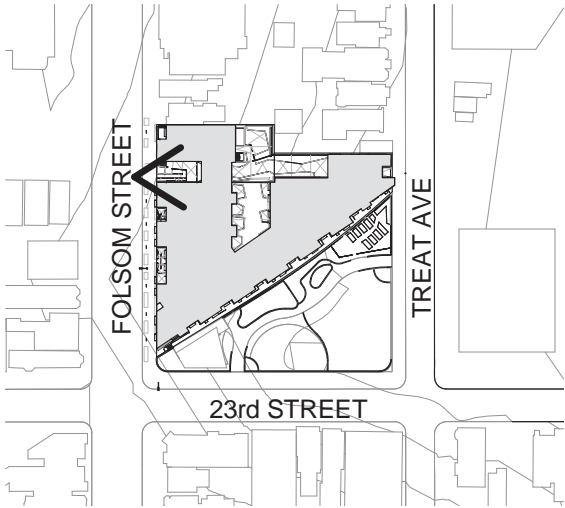
21413  
scale: 1" = 200'-0"  
date: 2016.08.30

G.31





CURRENT



2675 FOLSOM STREET

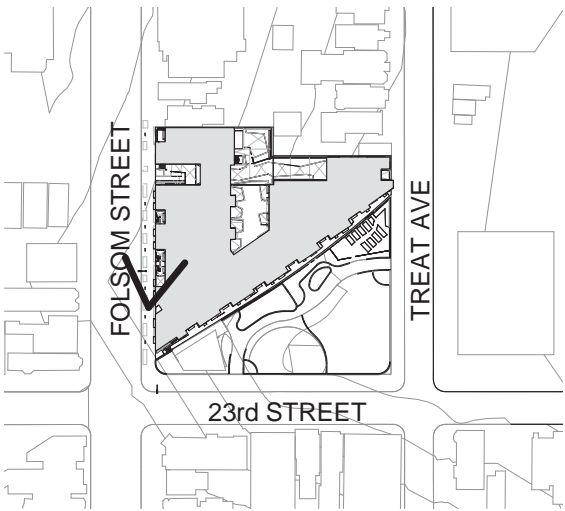
Mid-Block Connection View

21413  
scale: 1" = 200'-0"  
date: 2016.08.30





CURRENT



2675 FOLSOM STREET

Folsom Street Stoops View

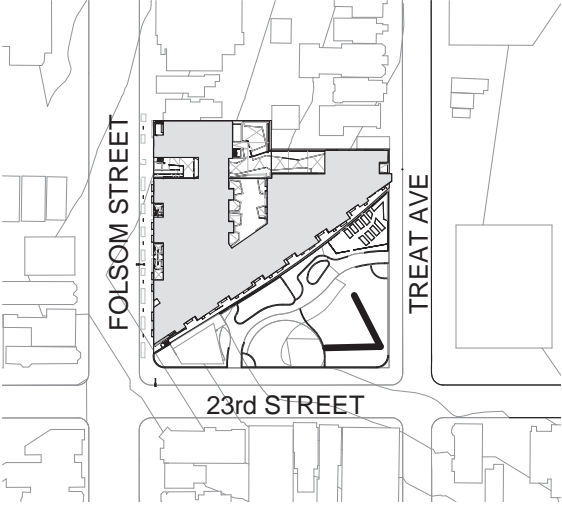
21413  
scale: 1" = 200'-0"  
date: 2016.08.30

G.33





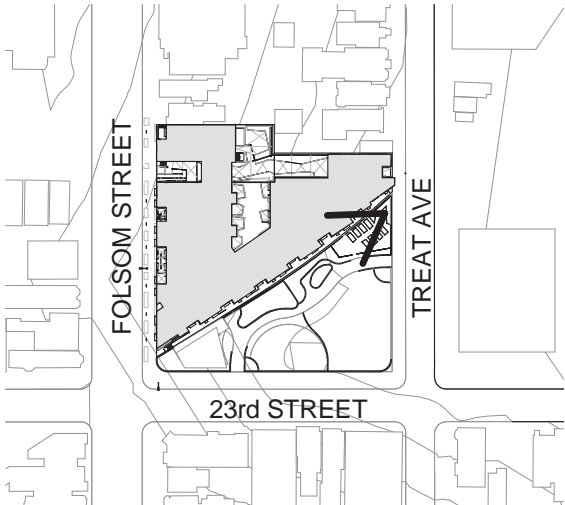
CURRENT







CURRENT



2675 FOLSOM STREET

Treat Commons Community Garden

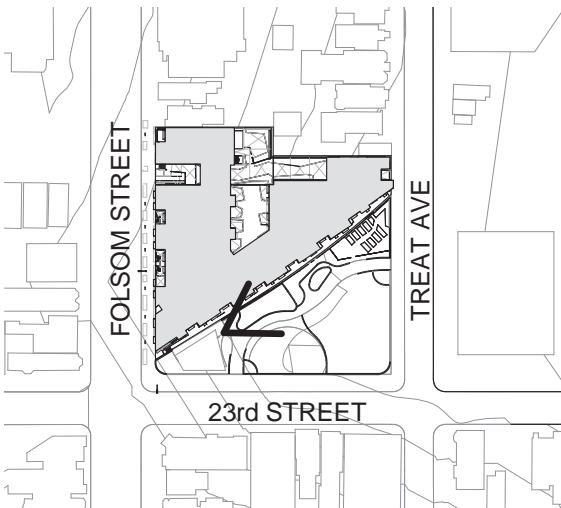
21413  
scale: 1" = 200'-0"  
date: 2016.08.30

G.35





CURRENT



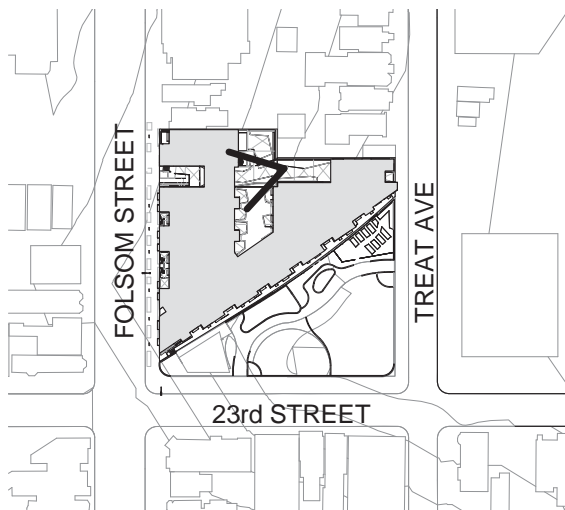
2675 FOLSOM STREET

Park Playground

21413  
scale: 1" = 200'-0"  
date: 2016.08.30

G.36





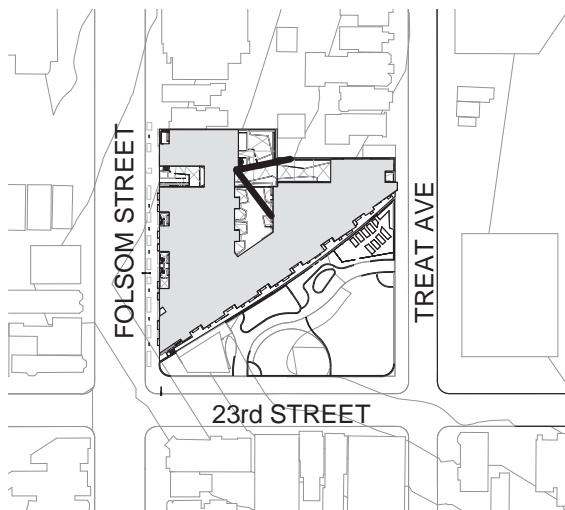
2675 FOLSOM STREET

Midblock Connection View Toward Folsom Street

21413  
scale: 1" = 200'-0"  
date: 2016.08.30

G.37





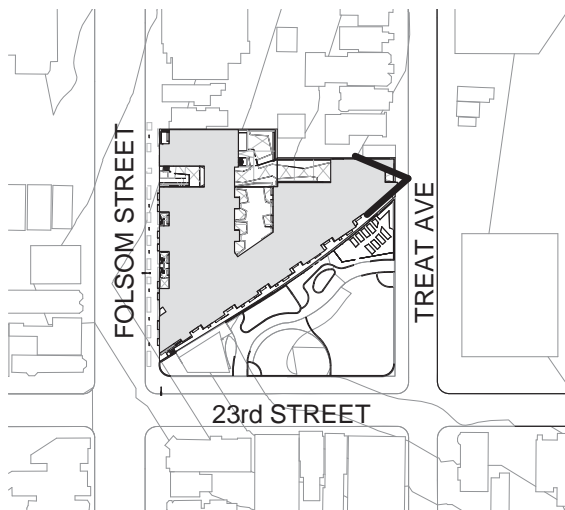
2675 FOLSOM STREET

Midblock Connection View Toward Treat Avenue

21413  
scale: 1" = 200'-0"  
date: 2016.08.30

G.38





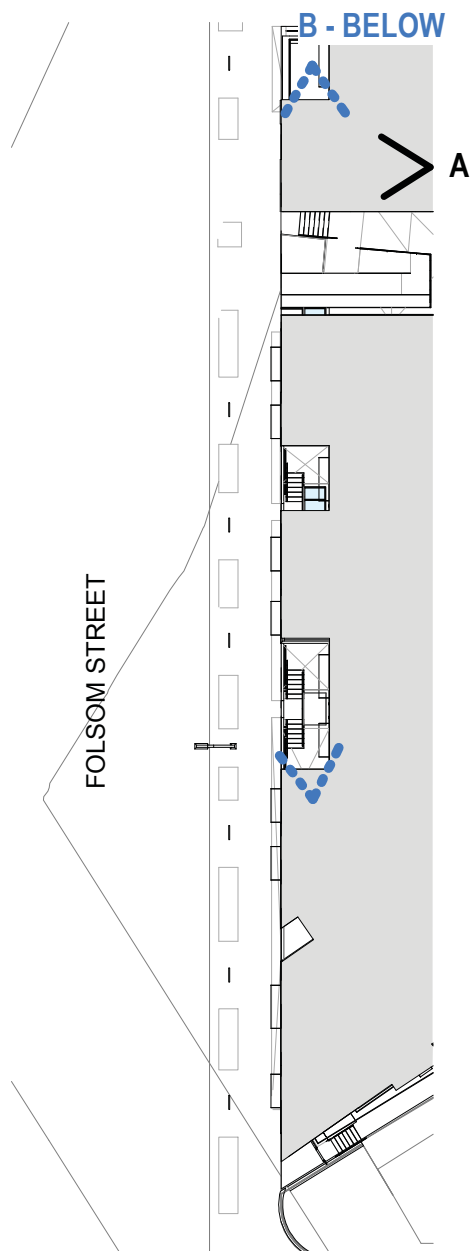
2675 FOLSOM STREET

Treat Avenue Entry - Folsom Art Walk

21413  
scale: 1" = 200'-0"  
date: 2016.08.30

G.39





A - DISPLAY/PROGRAMMING SPACE - GROUND LEVEL



B - DISPLAY/GALLERY SPACE - BASEMENT LEVEL



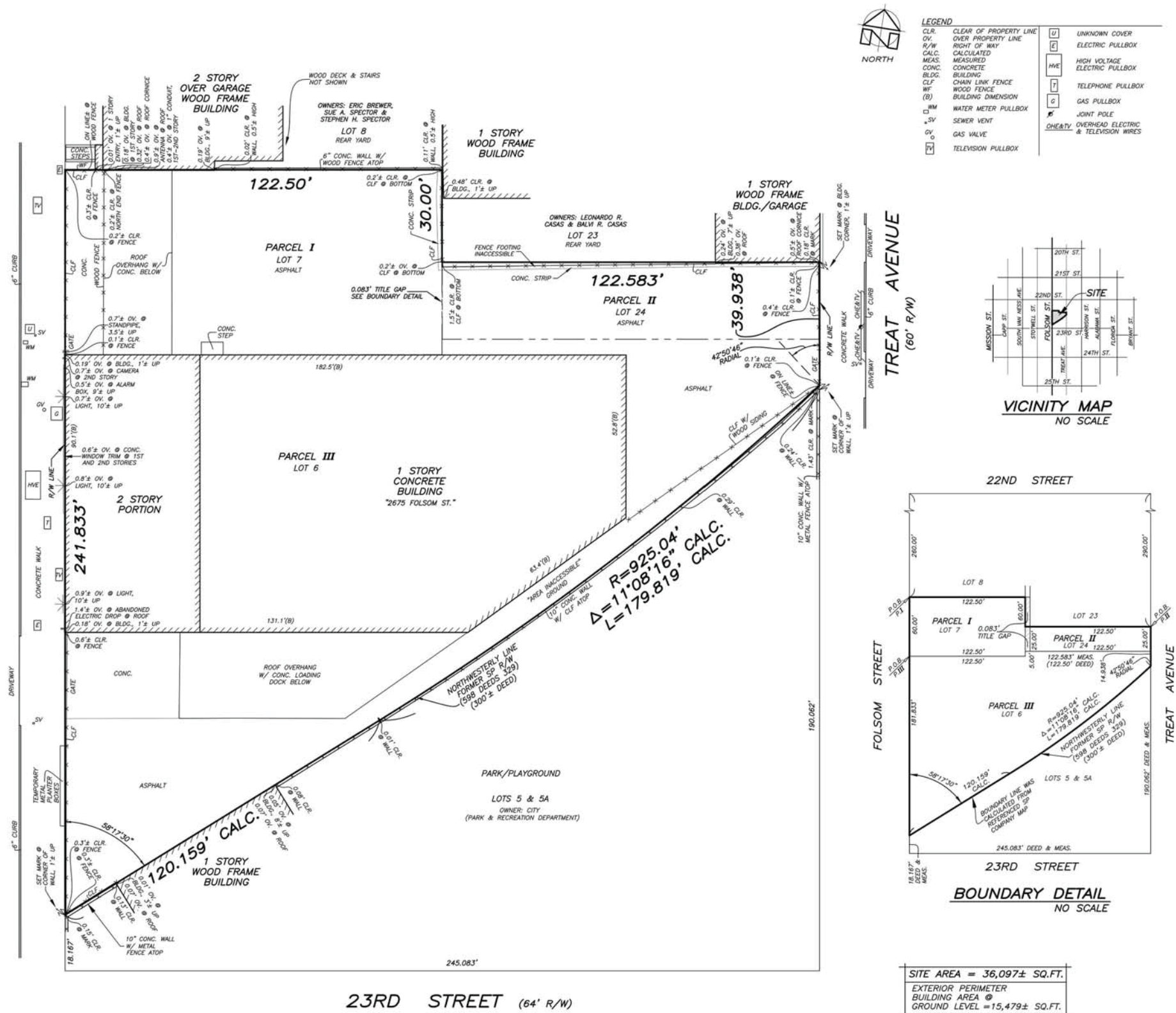
**2675 FOLSOM STREET**

**PDR Display/Gallery/Studio Space**

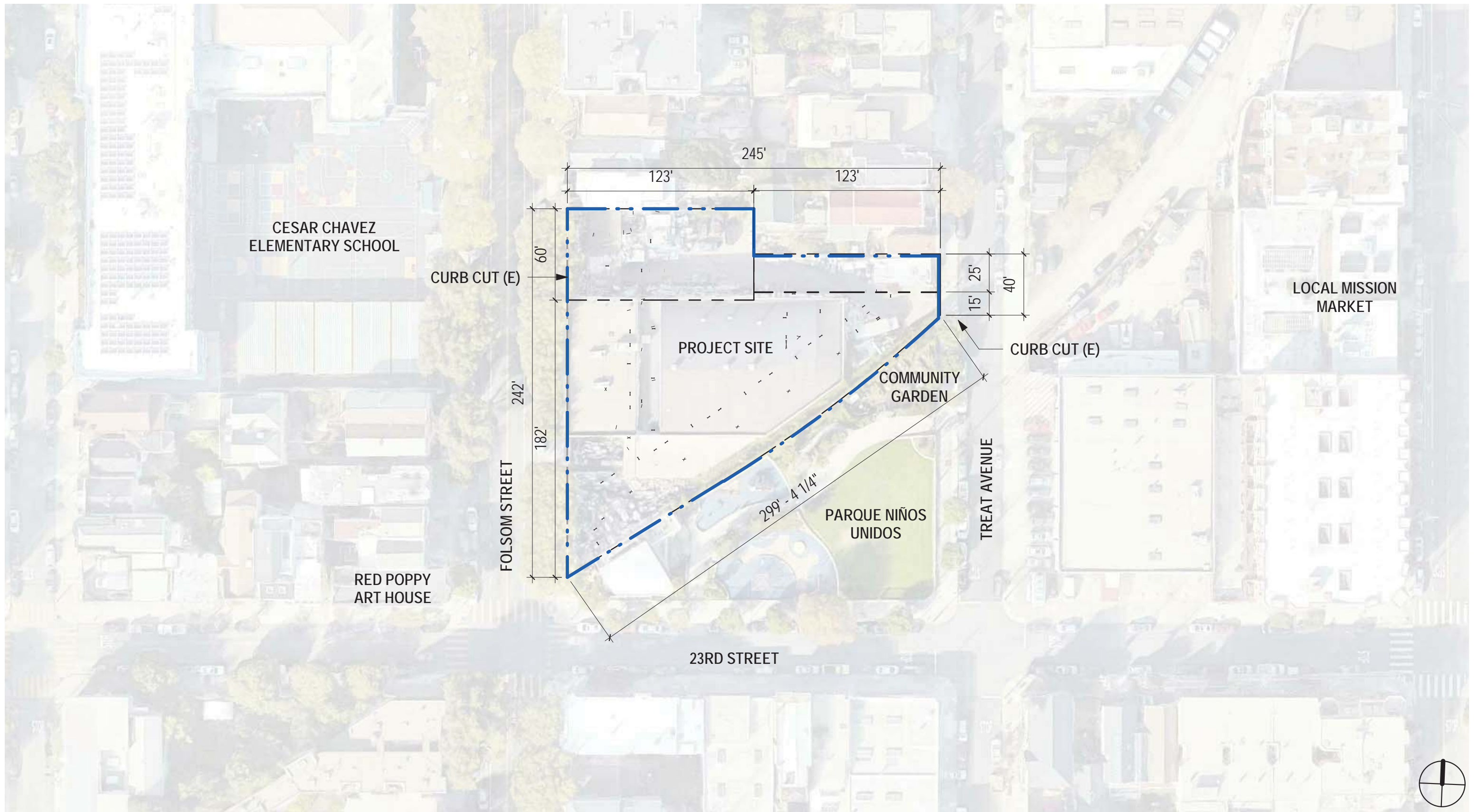
21413  
scale: 1" = 40'-0"  
date: 2016.09.07

**G.40**









① Existing Site Plan  
1" = 60'-0"



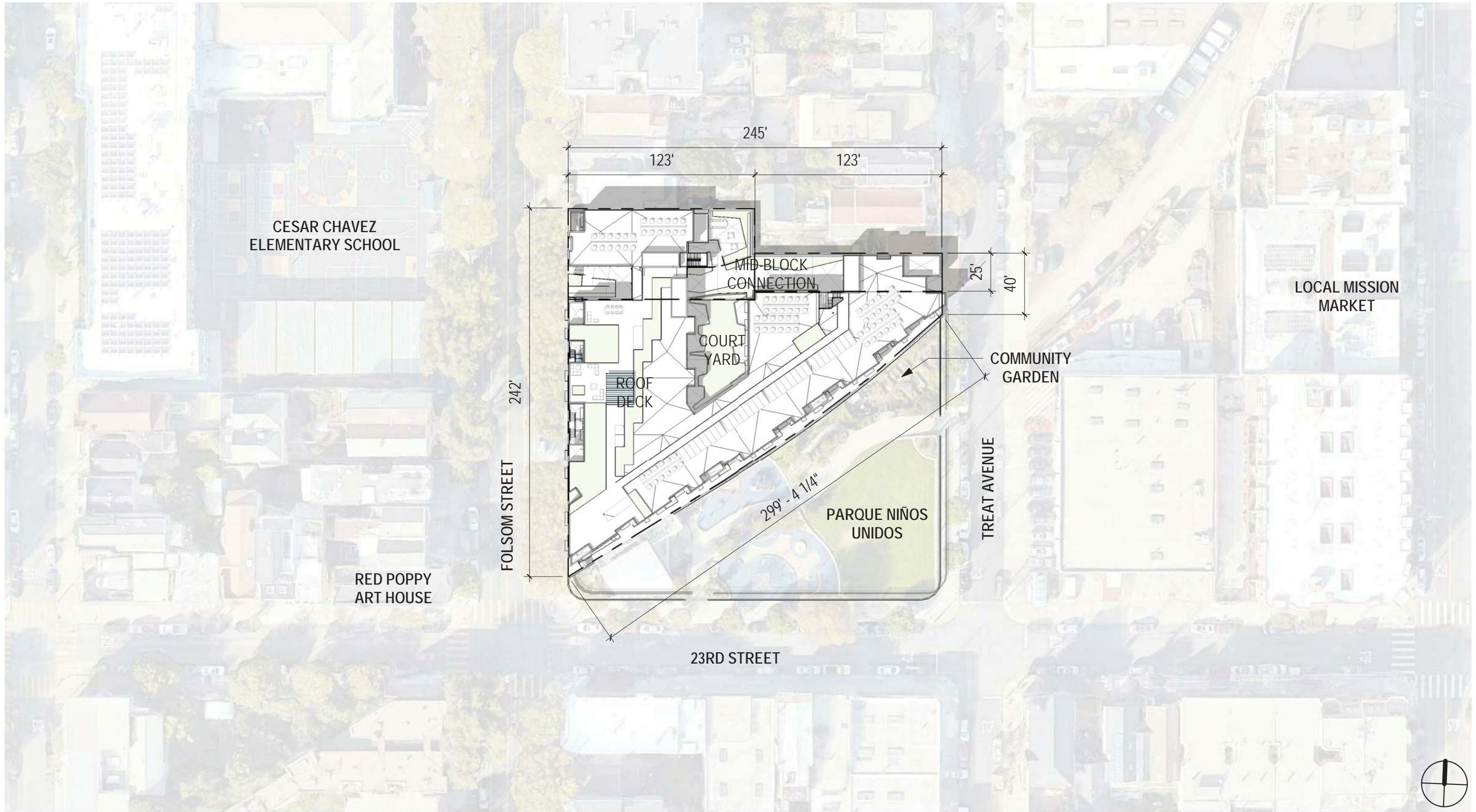
2675 FOLSOM STREET

Site Plan (Existing Conditions)

21413  
scale: 1" = 60'-0"  
date: 2016.08.30

A.00





① Site Plan  
1" = 60'-0"

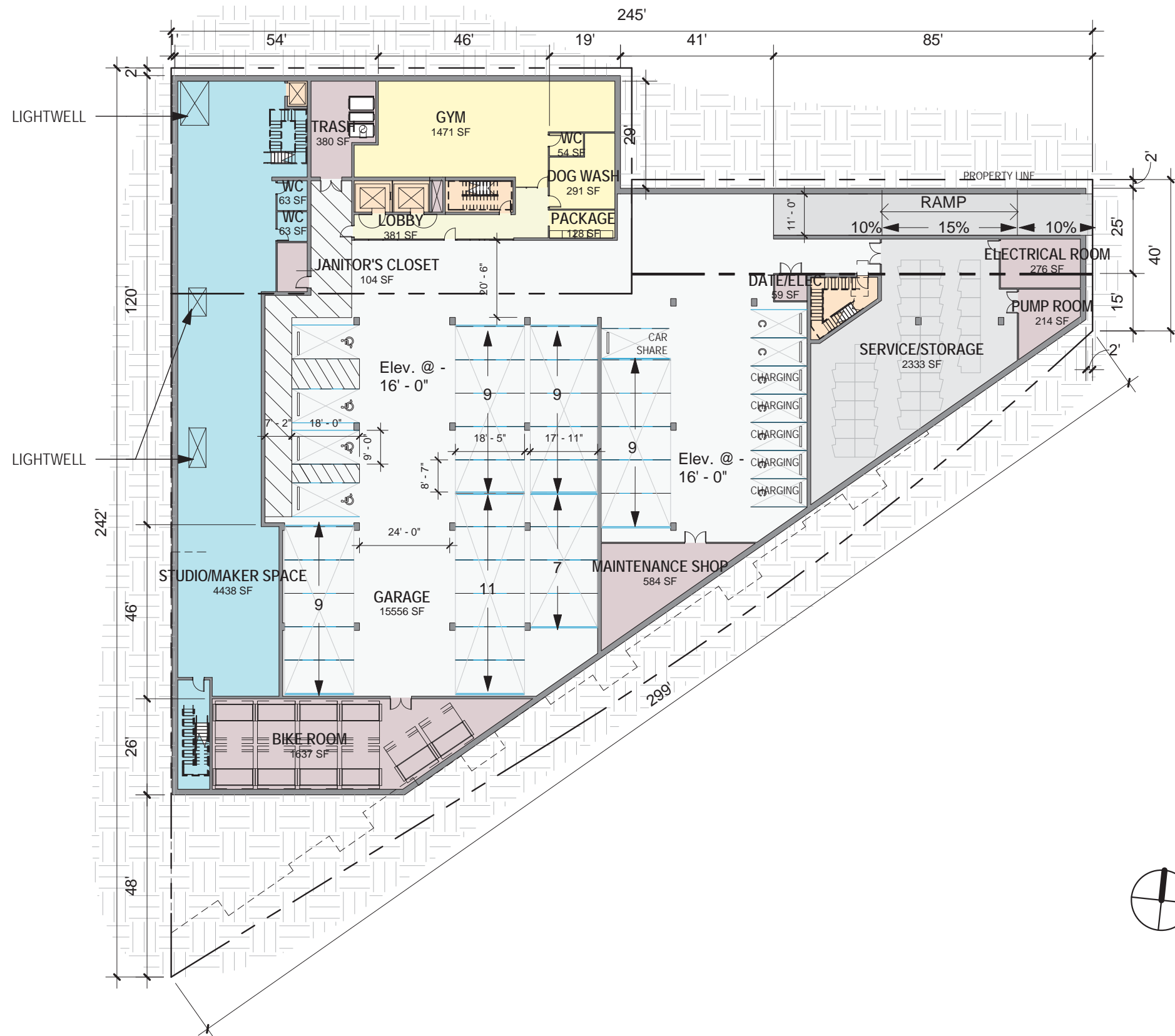


2675 FOLSOM STREET

Site Plan

21413  
scale: 1" = 60'-0"  
date: 2016.08.30

A.01



① Basement  
1/32" = 1'-0"

Parking Schedule	
ADA Standard	3
ADA Van	1
Standard	8
	12

Stacker	54
	54
Total Parking	66



2675 FOLSOM STREET

Basement Floor Plan

21413  
scale: 1/32" = 1'-0"  
date: 2016.08.30

A.10













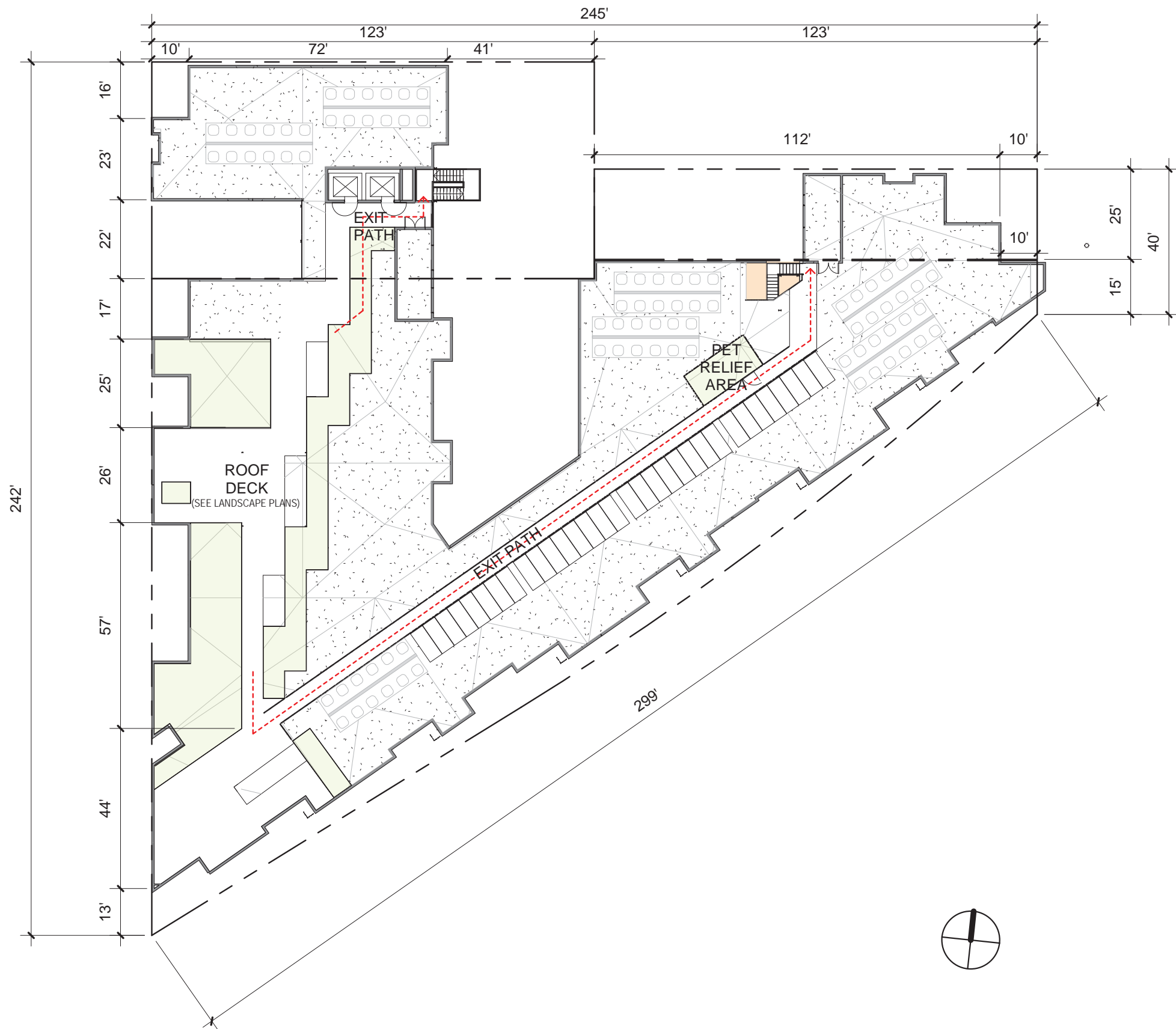


**2675 FOLSOM STREET**

**Level 4 Floor Plan**

21413  
scale: 1/32" = 1'-0"  
date: 2016.08.30

**A.14**



① Roof  
1/32" = 1'-0"



2675 FOLSOM STREET

Roof Plan

21413  
scale: 1/32" = 1'-0"  
date: 2016.08.30

A.15





**MATERIAL LEGEND**

1) FIBER CEMENT BOARD HORIZONTAL LAP SIDING COLOR 1

2) FIBER CEMENT BOARD HORIZONTAL LAP SIDING COLOR 2

3) METAL SIDING

4) ALUMINUM STOREFRONT

5) IRON BALCONY RAILING/PERFORATED PANEL

6) DARK BRONZE FRAME ALUMINUM WINDOWS

7) RECLAIMED WOOD





FOLSOM ST

TREAT AVE

**MATERIAL LEGEND**

1) FIBER CEMENT BOARD HORIZONTAL  
LAP SIDING COLOR 1

2) FIBER CEMENT BOARD HORIZONTAL  
LAP SIDING COLOR 2

3) METAL SIDING

4) ALUMINUM STOREFRONT

5) IRON BALCONY RAILING/PERFORATED PANEL

6) DARK BRONZE FRAME ALUMINUM WINDOWS

7) RECLAIMED WOOD



2675 FOLSOM STREET

Park Elevation

21413

scale: 1" = 20'-0"

date: 2016.08.30

A.21

PARQUE NIÑOS  
UNIDOS  
ENTRANCE



### MATERIAL LEGEND

- 1) FIBER CEMENT BOARD HORIZONTAL  
LAP SIDING COLOR 1
- 2) FIBER CEMENT BOARD HORIZONTAL  
LAP SIDING COLOR 2
- 3) METAL SIDING
- 4) ALUMINUM STOREFRONT
- 5) IRON BALCONY RAILING/PERFORATED PANEL
- 6) DARK BRONZE FRAME ALUMINUM WINDOWS
- 7) RECLAIMED WOOD



2675 FOLSOM STREET

Treat Elevation

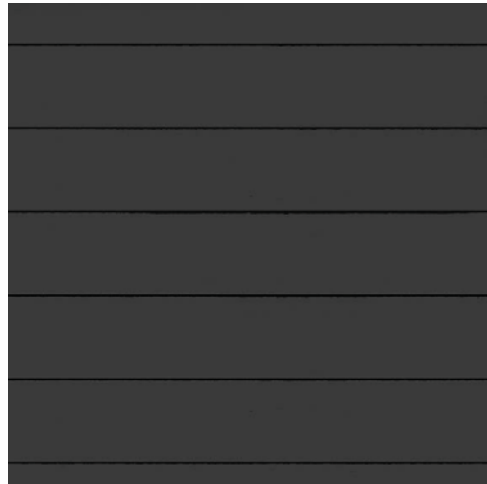
21413  
scale: 1" = 20' - 0"  
date: 2016.08.30

A.22

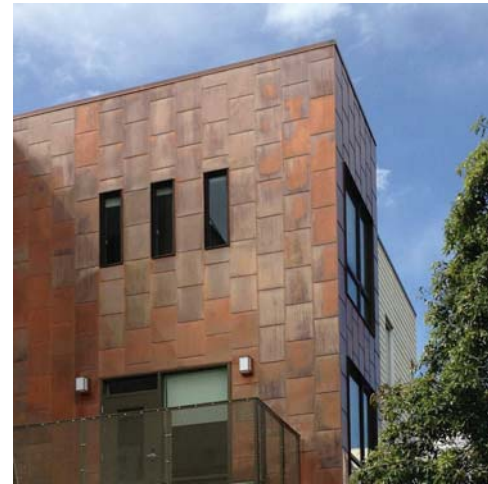




1 LIGHT FIBER CEMENT BOARD  
HORIZONTAL LAP SIDING



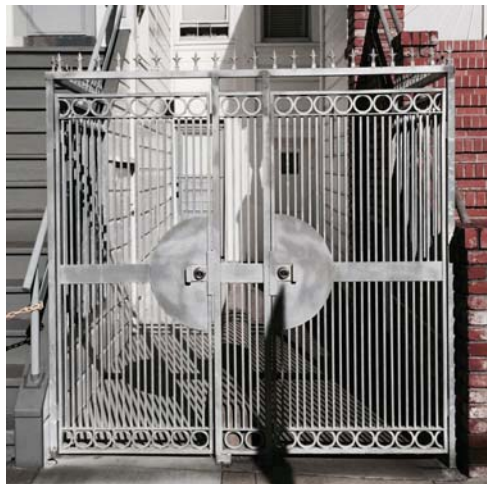
2 DARK FIBER CEMENT BOARD  
HORIZONTAL LAP SIDING



3 METAL SIDING



4 ALUMINUM STOREFRONT



5 IRON RAILINGS AND  
PERFORATED PANEL GATES



6 DARK BRONZE FRAME  
ALUMINUM WINDOWS



7 RECLAIMED WOOD



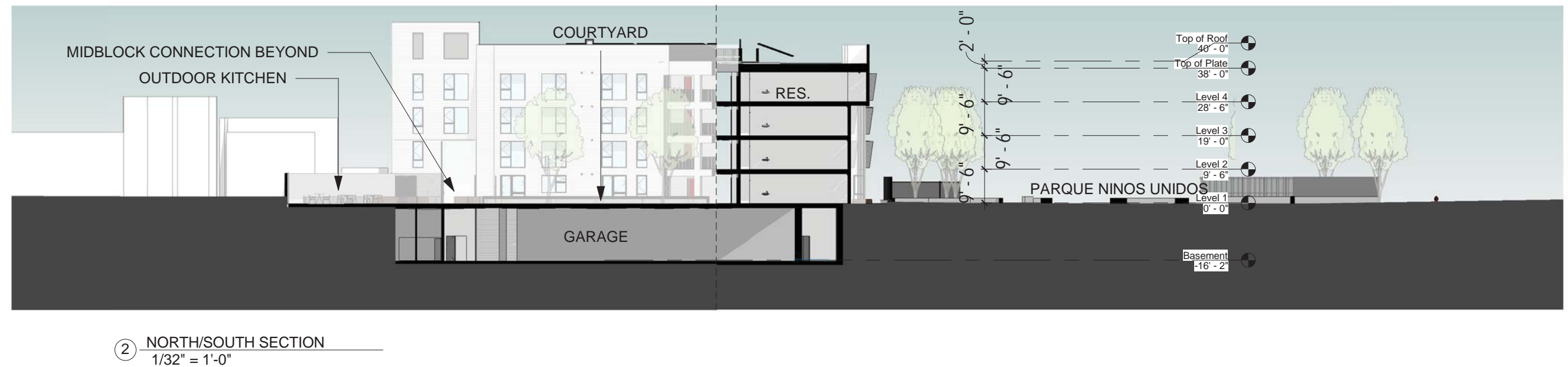
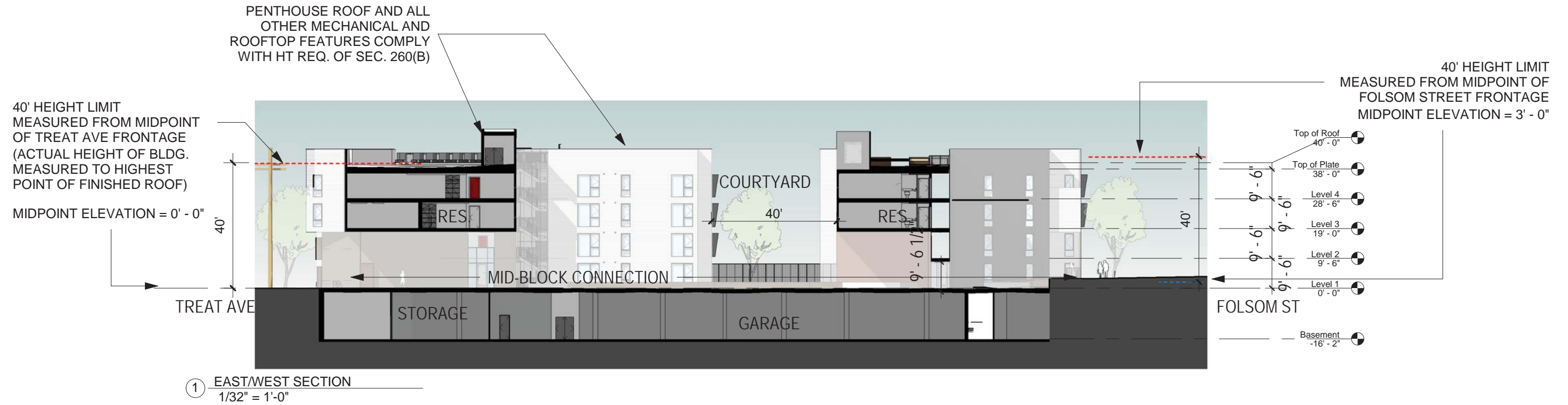
2675 FOLSOM STREET

Materials

21413  
scale: 12" = 1'-0"  
date: 2016.08.30

A.24





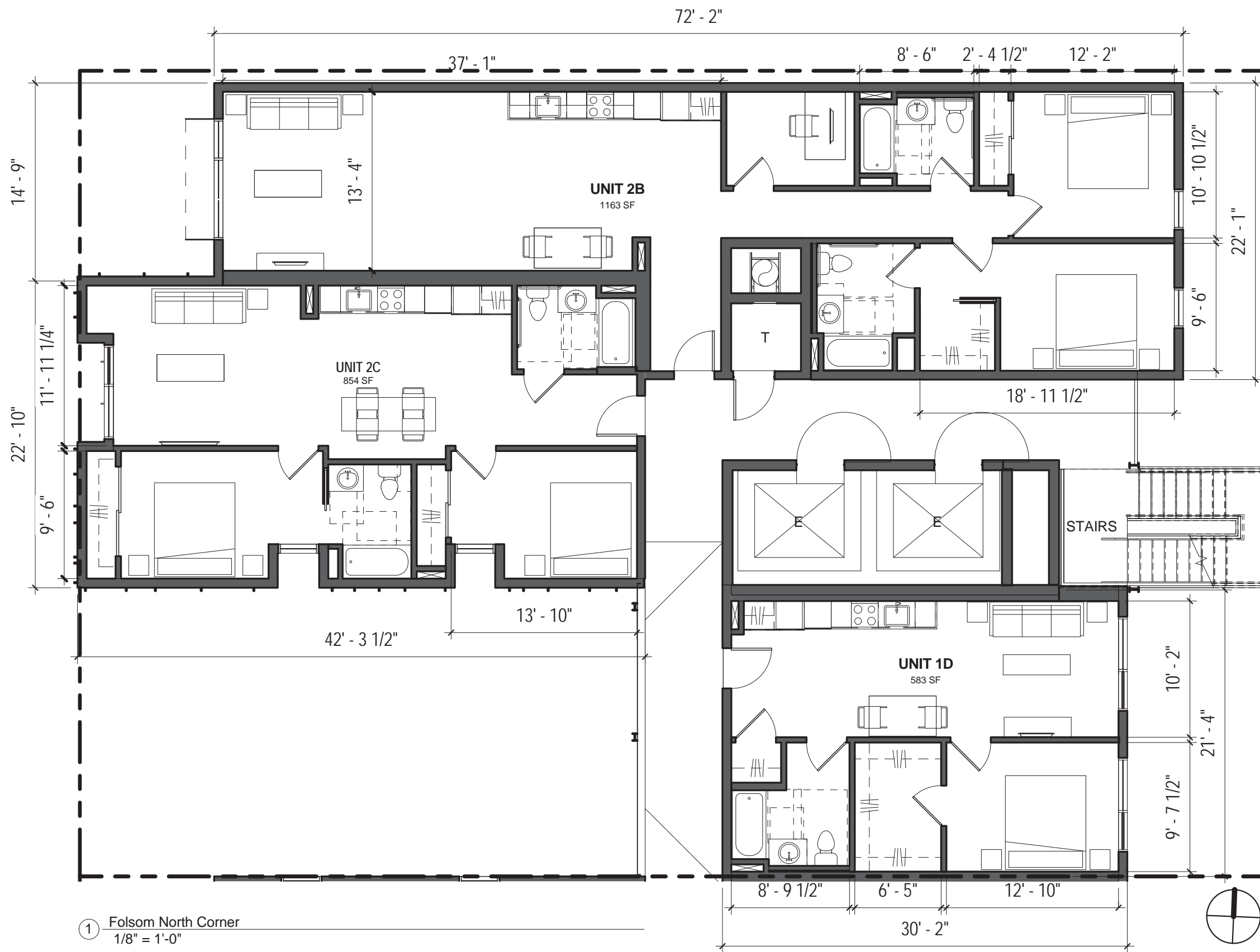
2675 FOLSOM STREET

Sections

21413  
scale: 1/32" = 1'-0"  
date: 2016.08.30

A.30





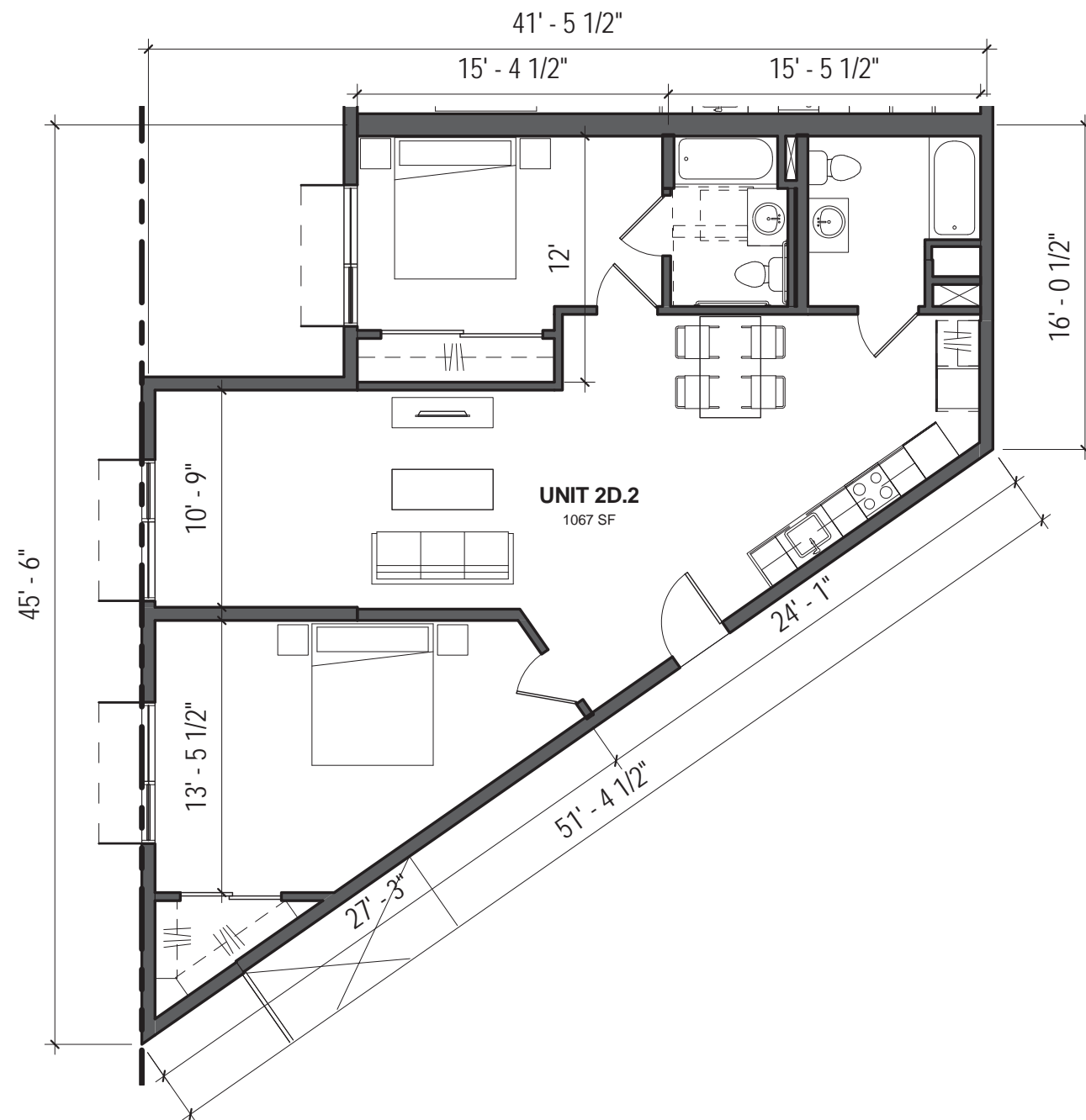
2675 FOLSOM STREET

Unit Floor Plans - Folsom North Corner

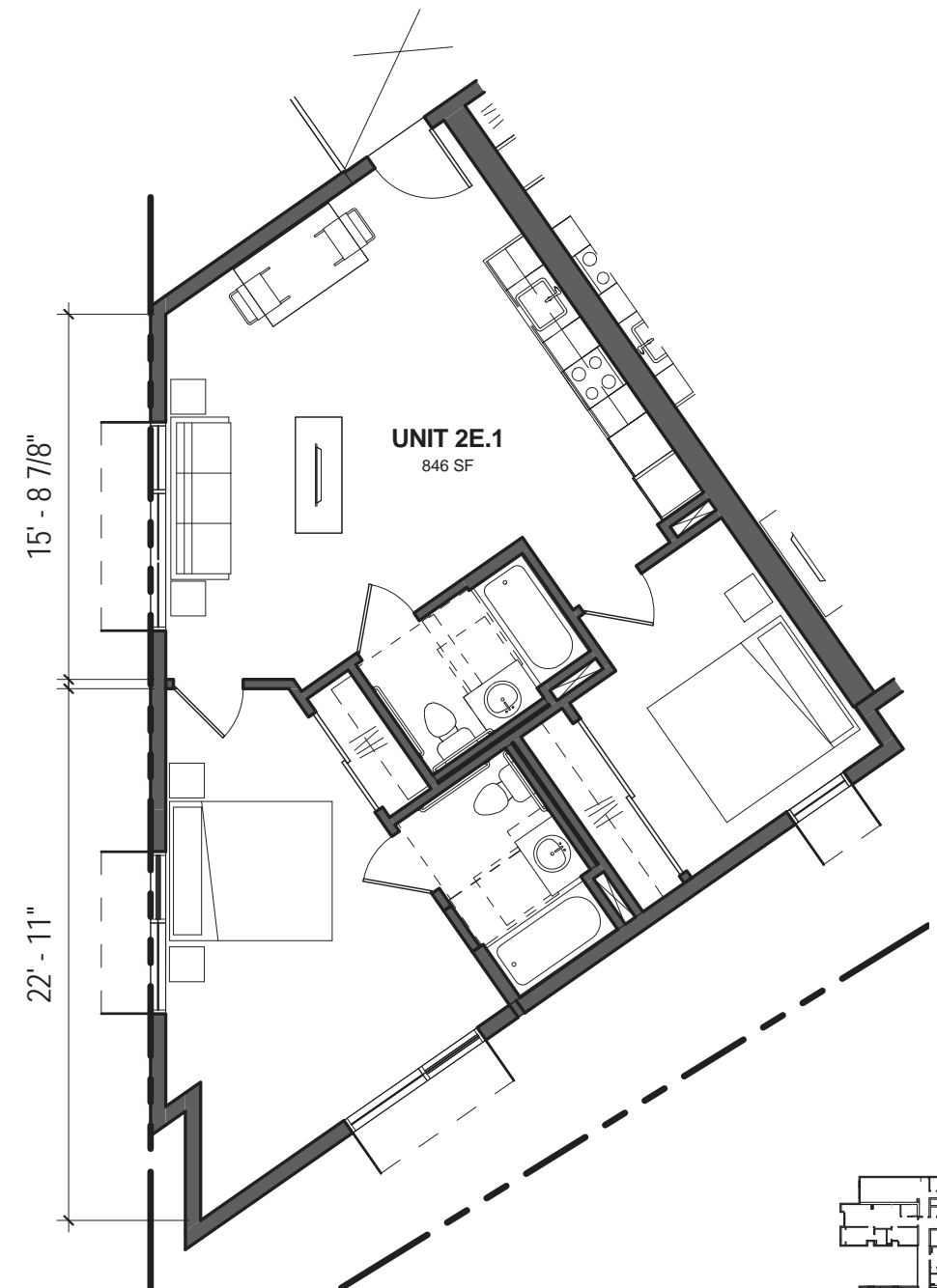
21413  
scale: As indicated  
date: 2016.08.30

A.41





① Folsom Corner  
1/8" = 1'-0"



② Folsom Corner  
1/8" = 1'-0"

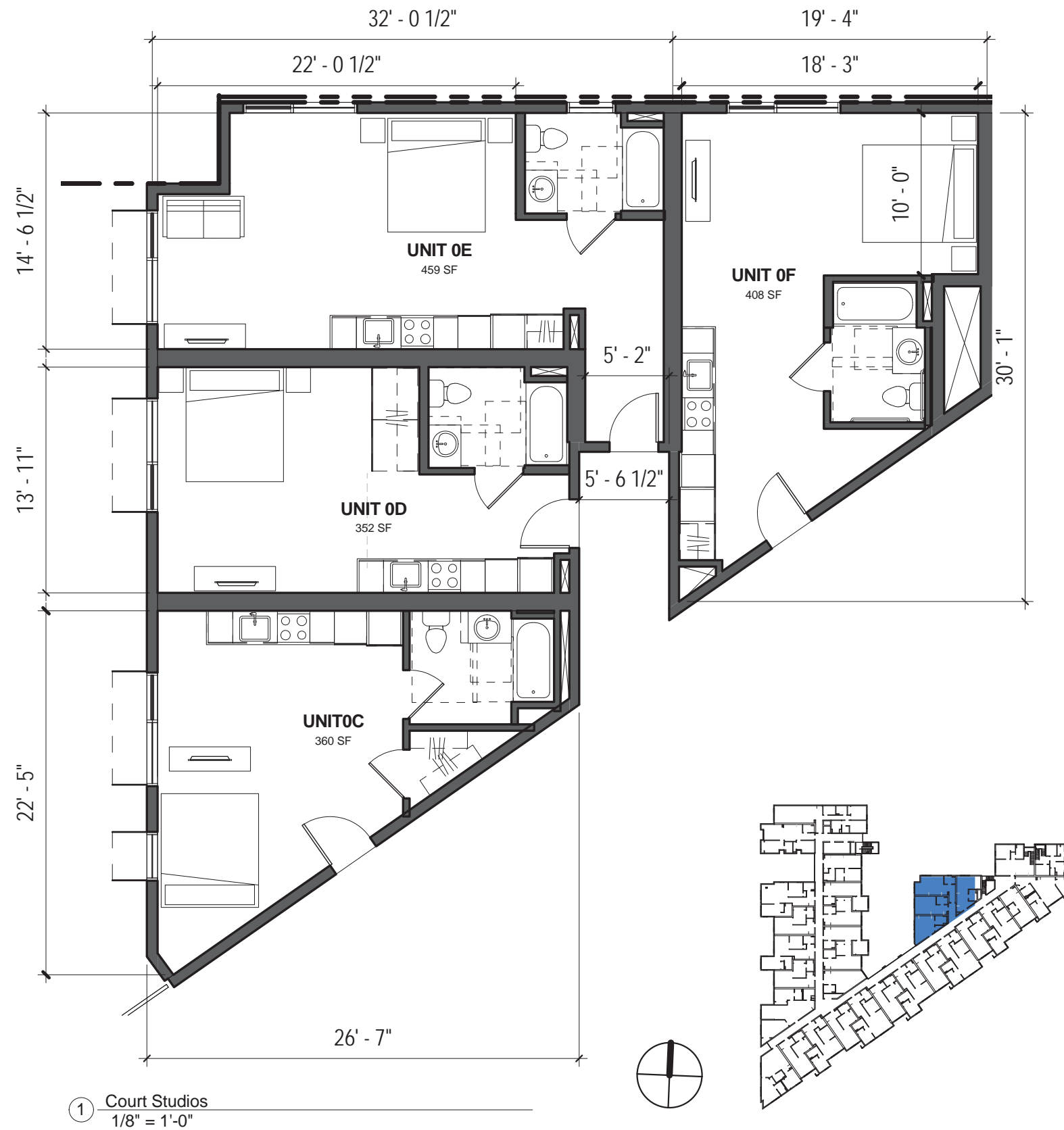


2675 FOLSOM STREET

Unit Floor Plans - Folsom Park Corner

21413  
scale: As indicated  
date: 2016.08.30

A.42

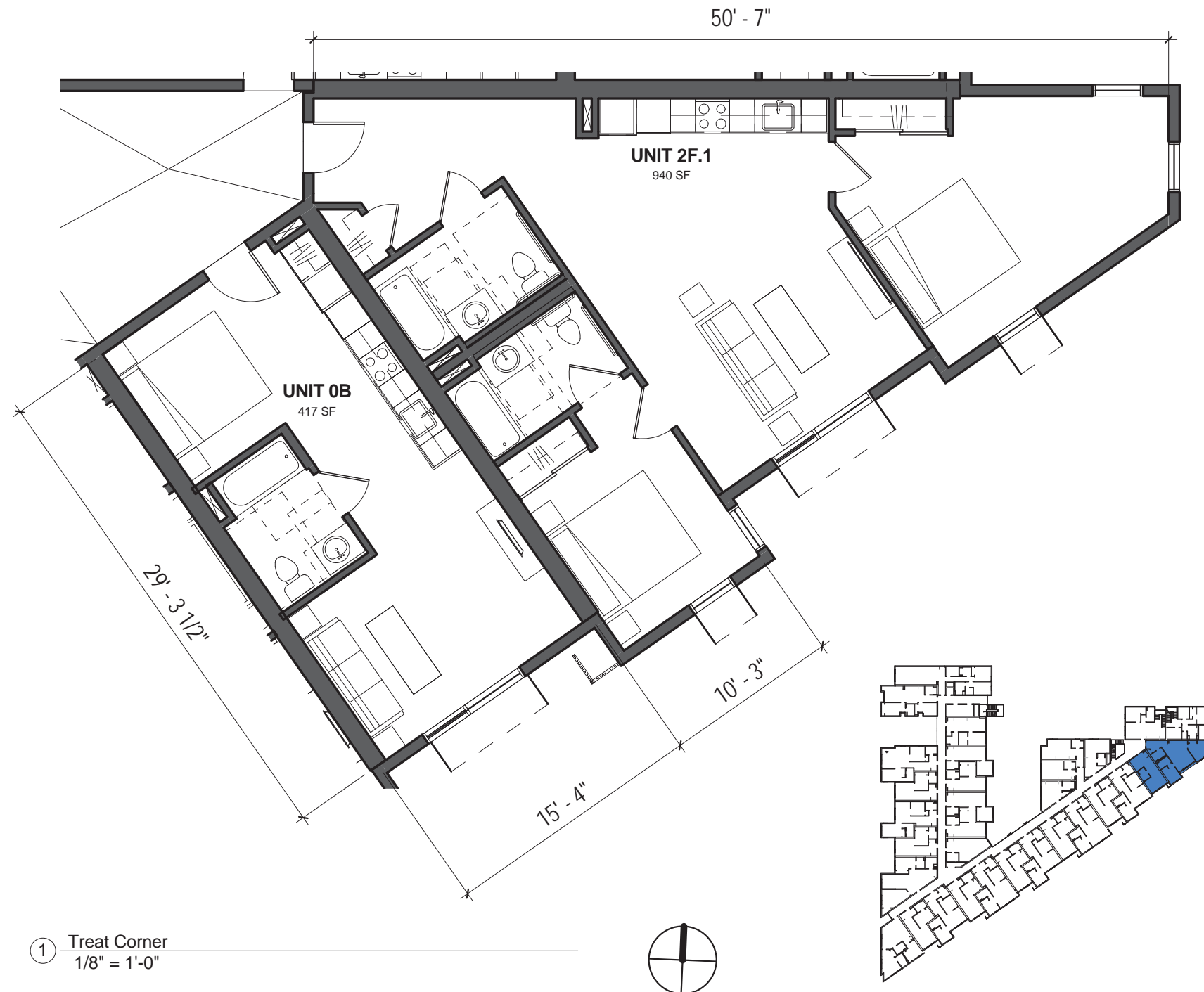


2675 FOLSOM STREET

Unit Floor Plans - Court Studios

21413  
scale: As indicated  
date: 2016.08.30

A.43



2675 FOLSOM STREET

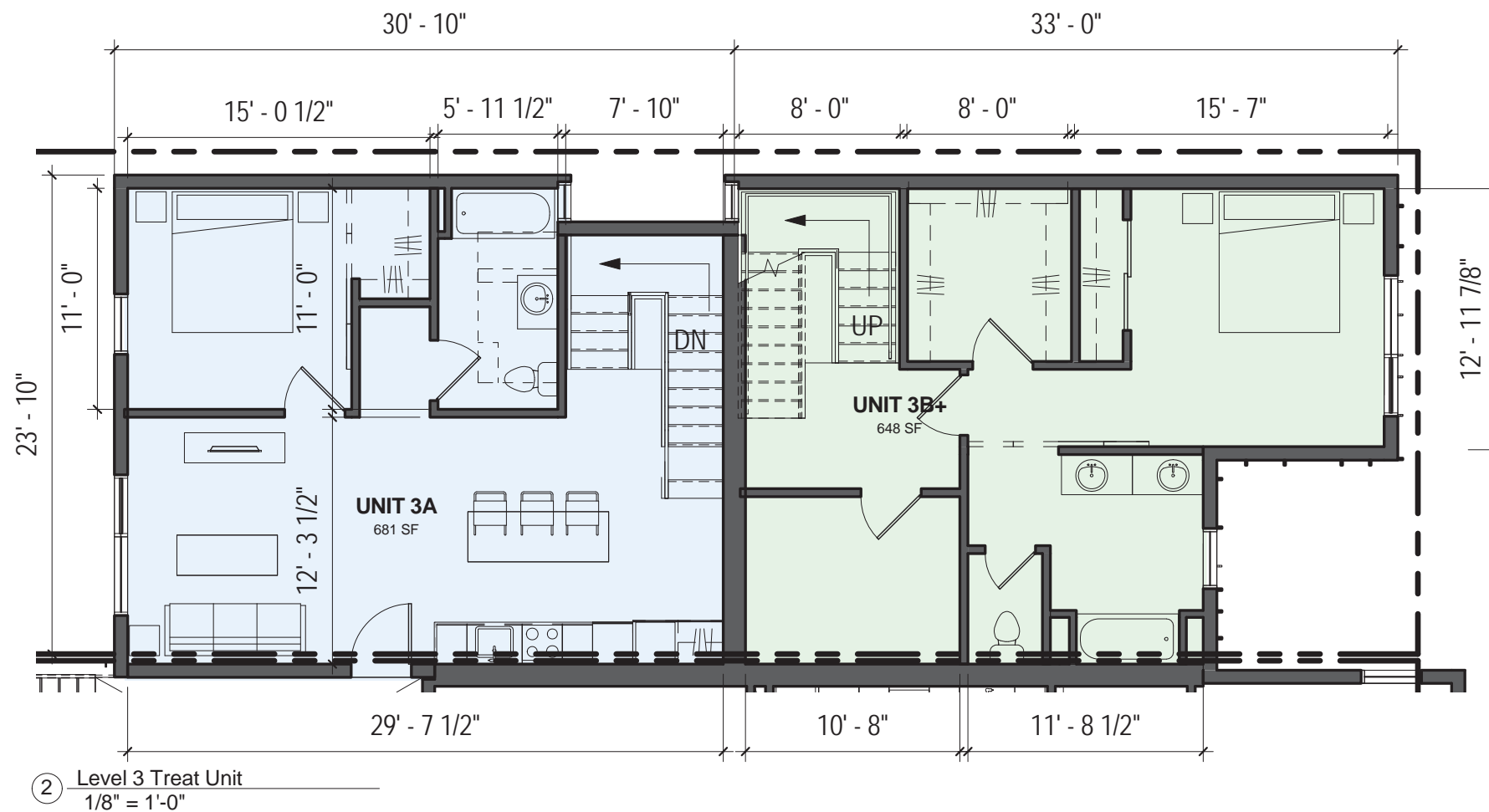
Unit Floor Plans - Treat Corner

21413  
scale: As indicated  
date: 2016.08.30

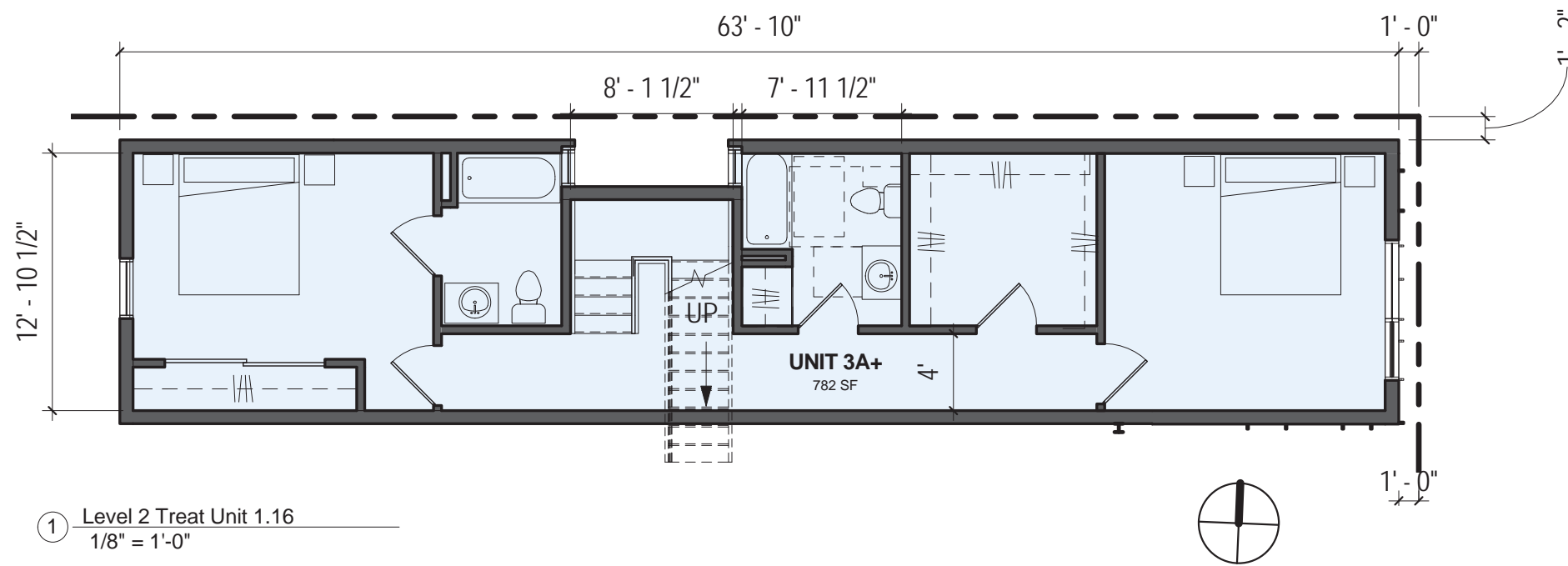
A.44



UNIT B (Levels (3-4))  
 3 BEDROOM / 2  
 BATH  
 ENTRY ON LEVEL 4  
 ~ 1700 SF



UNIT A (LEVELS 2-3)  
 3 BEDROOM / 3  
 BATH  
 ENTRY ON LEVEL 3  
 ~ 1500 SF



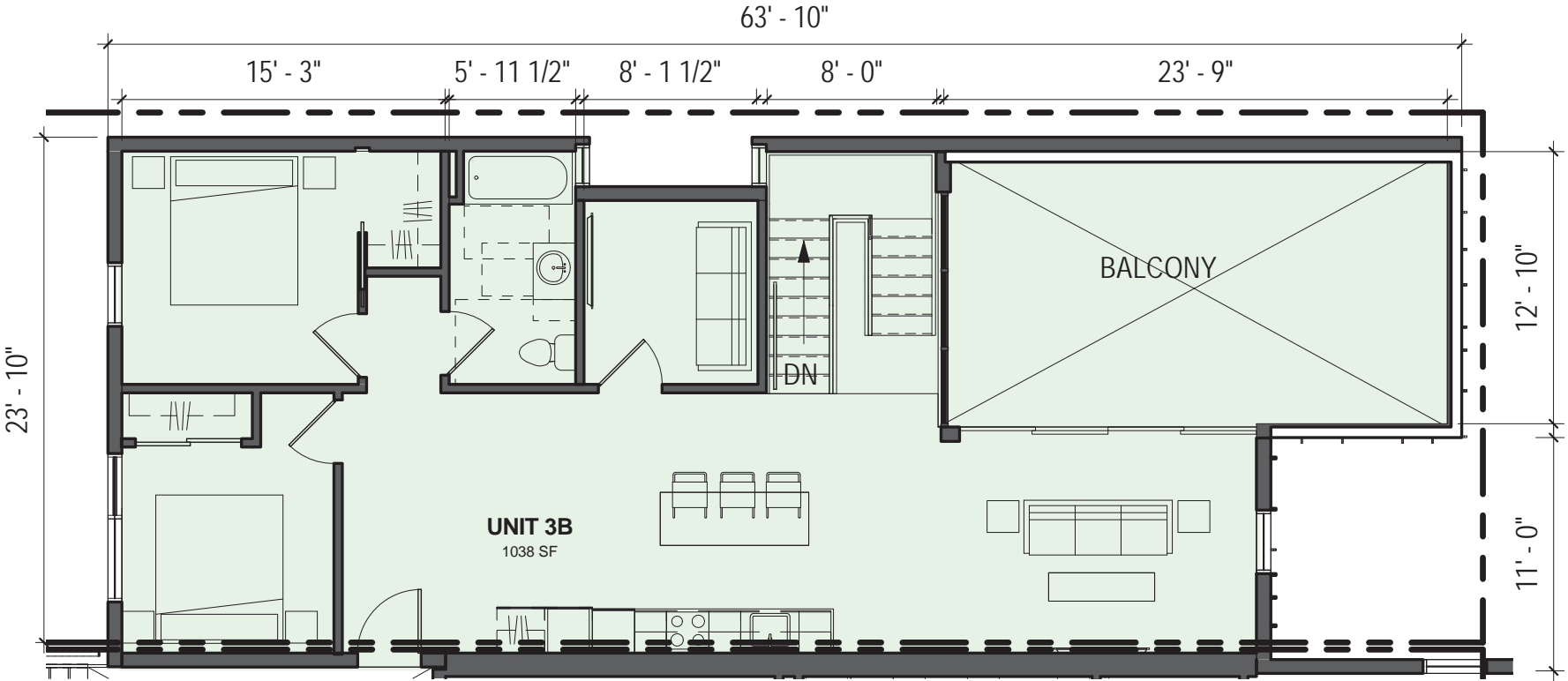
2675 FOLSOM STREET

Unit Floor Plans - Treat 3 BR Unit (Levels 2-3)

21413  
 scale: As indicated  
 date: 2016.08.30

A.45

UNIT B (LEVELS 3-4)  
3 BEDROOM / 2  
BATH  
ENTRY ON LEVEL 4  
~ 1700 SF



① Level 4 Treat Unit  
1/8" = 1'-0"



2675 FOLSOM STREET

Unit Floor Plans - Treat 3 BR Unit (Level 4)

21413  
scale: 1/8" = 1'-0"  
date: 2016.08.30



## STREETSCAPE



- ① Streetscape Planting Zone: 4 ft width  
Planting Palette  
Tree: Jacaranda mimosifolia (Jacaranda)  
Penstemon Margarita BOP (Blue Bedder)  
Lomandra Longifolia Breeze (Dwarf Mat Rush)
- ② Existing Tree- Jacaranda Mimosifolia
- ③ Existing Utilities
- ④ Access Path: 4 ft x 8 ft, spaced 20 ft o.c
- ⑤ Sidewalk: 10' ft width

## MID-BLOCK CONNECTION



- ⑥ Raised Planters  
Planting Palette  
Tree: Magnolia stellata (Star Magnolia)  
Cyathea cooperi (Coin Spot Tree Fern)  
Juncus patens (California Gray Rush)  
Phormium spp. (New Zealand Flax)  
Heuchera spp. (Coral Bells)  
Carex divulsa (Berkeley Sedge)
- ⑦ Seat Wall
- ⑧ Outdoor Kitchen
- ⑨ Decorative Perforated Steel Fence
- ⑩ Gate
- ⑪ Private Patio

## STREETSCAPE SECTION



3'-0" 7'-0" 4'-0" 1'-6" 6" SCALE: 1/4" = 1'





### PRIVATE PATIOS

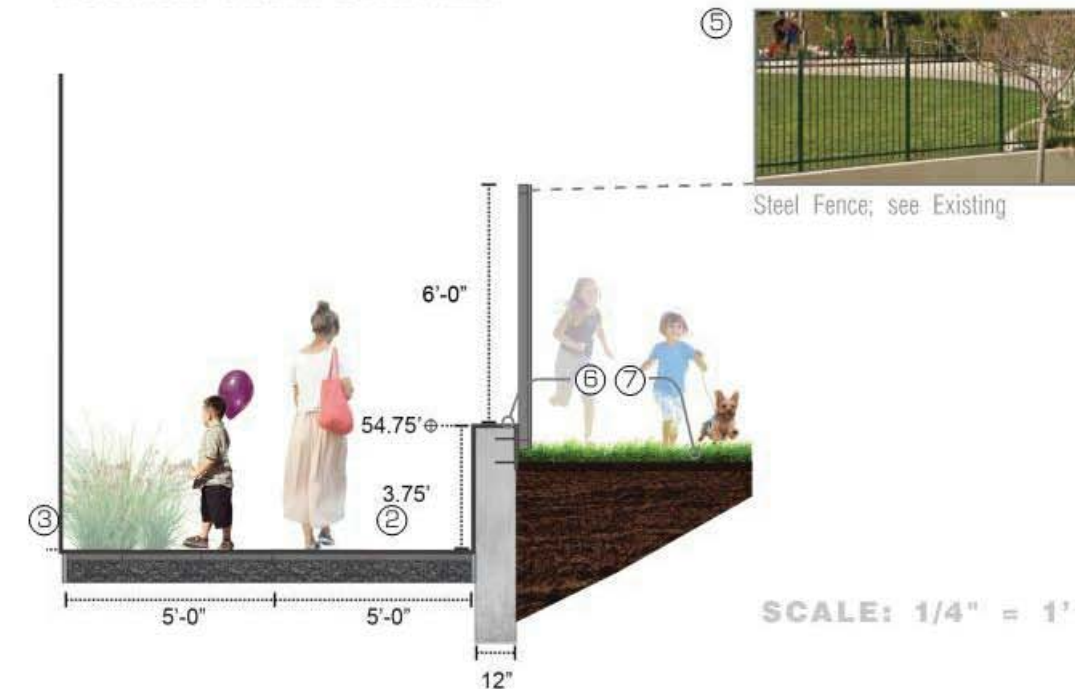


### ACCESS PATH



- ① Private Patio Planting Zone  
Planting Palette  
Bulbine Fruitescens  
Dianella (Cassa Blue)  
Lomandra Longifolia Breeze (Dwarf Mat Rush)
- ② Stone Pavers over Agg. Base  
Size : 2 ft x 4 ft  
Stone Type : Dark Slate  
Finish : Natural Cleft
- ③ Border Planting Zone  
Planting Palette  
Bulbine Fruitescens  
Juncus patens (California Gray Rush)  
Phormium spp. (New Zealand Flax)  
Heuchera spp. (Coral Bells)  
Carex divulsa (Berkeley Sedge)
- ④ Access Path: 5 ft Wide
- ⑤ Steel Fence; see Existing
- ⑥ Concrete Retaining Wall; at Steel Fence
- ⑦ Adjacent Public Park

### ACCESS PATH SECTION







ROOF DECK



- ① 18" Raised Roof Planter  
Planting Palette  
Bulbine Frutescens  
Anigozanthos Spp. (Kangaroo Paw)  
Sedum Spp.
- ② Lightweight Concrete  
Color: Davis Integral Light Grey, Mesquite,  
Outback, & Dark Grey  
Finish: Med. Sandblast
- ③ Decorative Perforated Steel Fence
- ④ Outdoor Kitchen with Concrete Bar + BBQ
- ⑤ Cafe Tables and Chairs
- ⑥ Community Table
- ⑦ Gas Fire Pit with Basalt Benches
- ⑧ Steel Pergola

# SUPPLEMENTAL INFORMATION FOR Anti-Discriminatory Housing Policy

## 1. Owner/Applicant Information

PROPERTY OWNER'S NAME:	
Axis Development Group	
PROPERTY OWNER'S ADDRESS:	TELEPHONE:
580 California Street	( 415 ) 992-6997
16th Floor	EMAIL:
San Francisco, CA 94104	mnadhiri@axisdevgroup.com

APPLICANT'S NAME:	
Same as Above <input checked="" type="checkbox"/>	
APPLICANT'S ADDRESS:	TELEPHONE:
	( )
	EMAIL:

CONTACT FOR PROJECT INFORMATION:	
Same as Above <input checked="" type="checkbox"/>	
ADDRESS:	TELEPHONE:
	( )
	EMAIL:

COMMUNITY LIAISON FOR PROJECT (PLEASE REPORT CHANGES TO THE ZONING ADMINISTRATOR):	
Same as Above <input checked="" type="checkbox"/>	
ADDRESS:	TELEPHONE:
	( )
	EMAIL:

## 2. Location and Project Description

STREET ADDRESS OF PROJECT:		ZIP CODE:
2675 Folsom Street and 970 Treat Avenue		94110
CROSS STREETS:		
23rd Street		
ASSESSORS BLOCK/LOT:	ZONING DISTRICT:	HEIGHT/BULK DISTRICT:
3963 / 006,007,024	Eastern Neighborhoods	40-X

PROJECT TYPE: (Please check all that apply)	EXISTING DWELLING UNITS:	PROPOSED DWELLING UNITS:	NET INCREASE:
<input checked="" type="checkbox"/> New Construction	0	117	117
<input checked="" type="checkbox"/> Demolition			
<input type="checkbox"/> Alteration			
<input type="checkbox"/> Other: _____			



# Compliance with the Anti-Discriminatory Housing Policy

1. Does the applicant or sponsor, including the applicant or sponsor's parent company, subsidiary, or any other business or entity with an ownership share of at least 30% of the applicant's company, engage in the business of developing real estate, owning properties, or leasing or selling individual dwelling units in States or jurisdictions outside of California? ☐ YES ☒ NO

1a. If yes, in which States? \_\_\_\_\_

- 1b. If yes, does the applicant or sponsor, as defined above, have policies in individual States that prohibit discrimination based on sexual orientation and gender identity in the sale, lease, or financing of any dwelling units enforced on every property in the State or States where the applicant or sponsor has an ownership or financial interest? ☐ YES ☐ NO

- 1c. If yes, does the applicant or sponsor, as defined above, have a national policy that prohibits discrimination based on sexual orientation and gender identity in the sale, lease, or financing of any dwelling units enforced on every property in the United States where the applicant or sponsor has an ownership or financial interest in property? ☐ YES ☐ NO

*If the answer to 1b and/or 1c is yes, please provide a copy of that policy or policies as part of the supplemental information packet to the Planning Department.*

Human Rights Commission contact information  
**Mullane Ahern at (415)252-2514 or mullane.ahern@sfgov.org**

## Applicant's Affidavit

Under penalty of perjury the following declarations are made:

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

Signature:  \_\_\_\_\_

Date: 2/3/16

Print name, and indicate whether owner, or authorized agent:

Muhammad A. Nadhiri

**Owner** / Authorized Agent (circle one)



SAN FRANCISCO  
PLANNING  
DEPARTMENT

# AFFIDAVIT FOR FIRST SOURCE HIRING PROGRAM

## Administrative Code

### Chapter 83

1650 Mission Street, Suite 400 • San Francisco CA 94103-2479 • 415.558.6378 • <http://www.sfplanning.org>

#### Section 1: Project Information

PROJECT ADDRESS		BLOCK/LOT(S)	
2675 Folsom Street and 970 Treat Avenue		3963/006,007,024	
BUILDING PERMIT APPLICATION NO.	CASE NO. (IF APPLICABLE)	MOTION NO. (IF APPLICABLE)	
PROJECT SPONSOR		MAIN CONTACT	
Axis Development Group		Muhammad A. Nadhiri	
		PHONE	
		(415) 992-6997	
ADDRESS			
580 California Street, 16th Floor			
CITY, STATE, ZIP		EMAIL	
San Francisco, CA 94104		mnadhiri@axisdevgroup.com	
ESTIMATED RESIDENTIAL UNITS	ESTIMATED SQ FT COMMERCIAL SPACE	ESTIMATED HEIGHT/FLOORS	ESTIMATED CONSTRUCTION COST
117	0	40'	\$30,000,000
ANTICIPATED START DATE			
Fall 2016			

#### Section 2: First Source Hiring Program Verification

CHECK ALL BOXES APPLICABLE TO THIS PROJECT	
<input checked="" type="checkbox"/>	Project is wholly Residential
<input type="checkbox"/>	Project is wholly Commercial
<input type="checkbox"/>	Project is Mixed Use
<input checked="" type="checkbox"/>	A: The project consists of ten (10) or more residential units;
<input type="checkbox"/>	B: The project consists of 25,000 square feet or more gross commercial floor area.
<input type="checkbox"/>	C: Neither 1A nor 1B apply.
NOTES:	
<ul style="list-style-type: none"><li>If you checked <b>C</b>, this project is <u>NOT</u> subject to the First Source Hiring Program. Sign Section 4: Declaration of Sponsor of Project and submit to the Planning Department.</li><li>If you checked <b>A</b> or <b>B</b>, your project <u>IS</u> subject to the First Source Hiring Program. Please complete the reverse of this document, sign, and submit to the Planning Department prior to any Planning Commission hearing. If principally permitted, Planning Department approval of the Site Permit is required for all projects subject to Administrative Code Chapter 83.</li><li>For questions, please contact OEWD's CityBuild program at <a href="mailto:CityBuild@sfgov.org">CityBuild@sfgov.org</a> or (415) 701-4848. For more information about the First Source Hiring Program visit <a href="http://www.workforcedevelopmentsf.org">www.workforcedevelopmentsf.org</a></li><li>If the project is subject to the First Source Hiring Program, you are required to execute a Memorandum of Understanding (MOU) with OEWD's CityBuild program prior to receiving construction permits from Department of Building Inspection.</li></ul>	

Continued...

### Section 3: First Source Hiring Program – Workforce Projection

Per Section 83.11 of Administrative Code Chapter 83, it is the developer's responsibility to complete the following information to the best of their knowledge.

Provide the estimated number of employees from each construction trade to be used on the project, indicating how many are entry and/or apprentice level as well as the anticipated wage for these positions.

Check the anticipated trade(s) and provide accompanying information (Select all that apply):

TRADE/CRAFT	ANTICIPATED JOURNEYMAN WAGE	# APPRENTICE POSITIONS	# TOTAL POSITIONS	TRADE/CRAFT	ANTICIPATED JOURNEYMAN WAGE	# APPRENTICE POSITIONS	# TOTAL POSITIONS
Abatement Laborer				Laborer			
Boilermaker				Operating Engineer			
Bricklayer				Painter			
Carpenter				Pile Driver			
Cement Mason				Plasterer			
Drywall/Latherer				Plumber and Pipefitter			
Electrician				Roofer/Water proofer			
Elevator Constructor				Sheet Metal Worker			
Floor Coverer				Sprinkler Fitter			
Glazier				Taper			
Heat & Frost Insulator				Tile Layer/ Finisher			
Ironworker				Other:			
		<b>TOTAL:</b>				<b>TOTAL:</b>	

- |  |                          |                          |
|--|--------------------------|--------------------------|
|  | YES                      | NO                       |
| 1. Will the anticipated employee compensation by trade be consistent with area Prevailing Wage?  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Will the awarded contractor(s) participate in an apprenticeship program approved by the State of California's Department of Industrial Relations? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Will hiring and retention goals for apprentices be established?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. What is the estimated number of local residents to be hired?  | <hr/>                    |                          |

### Section 4: Declaration of Sponsor of Principal Project

PRINT NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	EMAIL	PHONE NUMBER
<p>I HEREBY DECLARE THAT THE INFORMATION PROVIDED HEREIN IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND THAT I COORDINATED WITH OEWD'S CITYBUILD PROGRAM TO SATISFY THE REQUIREMENTS OF ADMINISTRATIVE CODE CHAPTER 83.</p>		
(SIGNATURE OF AUTHORIZED REPRESENTATIVE)		(DATE)

**FOR PLANNING DEPARTMENT STAFF ONLY:** PLEASE EMAIL AN ELECTRONIC COPY OF THE COMPLETED AFFIDAVIT FOR FIRST SOURCE HIRING PROGRAM TO OEWD'S CITYBUILD PROGRAM AT [CITYBUILD@SFGOV.ORG](mailto:CITYBUILD@SFGOV.ORG)

Cc: Office of Economic and Workforce Development, CityBuild  
**Address:** 1 South Van Ness 5th Floor San Francisco, CA 94103 **Phone:** 415-701-4848  
**Website:** [www.workforcedevelopmentsf.org](http://www.workforcedevelopmentsf.org) **Email:** [CityBuild@sfgov.org](mailto:CityBuild@sfgov.org)



### Section 3: First Source Hiring Program – Workforce Projection

Per Section 83.11 of Administrative Code Chapter 83, it is the developer's responsibility to complete the following information to the best of their knowledge.

Provide the estimated number of employees from each construction trade to be used on the project, indicating how many are entry and/or apprentice level as well as the anticipated wage for these positions.

Check the anticipated trade(s) and provide accompanying information (Select all that apply):

TRADE/CRAFT	ANTICIPATED JOURNEYMAN WAGE	# APPRENTICE POSITIONS	# TOTAL POSITIONS	TRADE/CRAFT	ANTICIPATED JOURNEYMAN WAGE	# APPRENTICE POSITIONS	# TOTAL POSITIONS
Abatement Laborer				Laborer			
Boilermaker				Operating Engineer			
Bricklayer				Painter			
Carpenter				Pile Driver			
Cement Mason				Plasterer			
Drywall/Latherer				Plumber and Pipefitter			
Electrician				Roofer/Water proofer			
Elevator Constructor				Sheet Metal Worker			
Floor Coverer				Sprinkler Fitter			
Glazier				Taper			
Heat & Frost Insulator				Tile Layer/Finisher			
Ironworker				Other:			
		<b>TOTAL:</b>	<b>TBD</b>			<b>TOTAL:</b>	<b>TBD</b>

1. Will the anticipated employee compensation by trade be consistent with area Prevailing Wage?
2. Will the awarded contractor(s) participate in an apprenticeship program approved by the State of California's Department of Industrial Relations?
3. Will hiring and retention goals for apprentices be established?
4. What is the estimated number of local residents to be hired?

YES NO  
☒ ☐  
☒ ☐  
☒ ☐  
TBD

### Section 4: Declaration of Sponsor of Principal Project

PRINT NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	EMAIL	PHONE NUMBER
Muhammad A. NADHIRI, MANAGING PARTNER	mnadhiri@axisdevgroup.com	(415) 992-6997
I HEREBY DECLARE THAT THE INFORMATION PROVIDED HEREIN IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND THAT I COORDINATED WITH OEWD'S CITYBUILD PROGRAM TO SATISFY THE REQUIREMENTS OF ADMINISTRATIVE CODE CHAPTER 83.		
(SIGNATURE OF AUTHORIZED REPRESENTATIVE)	(DATE)	
2/3/16		
<p><b>FOR PLANNING DEPARTMENT STAFF ONLY:</b> PLEASE EMAIL AN ELECTRONIC COPY OF THE COMPLETED AFFIDAVIT FOR FIRST SOURCE HIRING PROGRAM TO OEWD'S CITYBUILD PROGRAM AT <a href="mailto:CITYBUILD@SFGOV.ORG">CITYBUILD@SFGOV.ORG</a></p> <p>Cc: Office of Economic and Workforce Development, CityBuild          Address: 1 South Van Ness 5th Floor San Francisco, CA 94103 Phone: 415-701-4848          Website: <a href="http://www.workforcedevelopmentsf.org">www.workforcedevelopmentsf.org</a> Email: <a href="mailto:CityBuild@sfgov.org">CityBuild@sfgov.org</a></p>		



d. If the project will comply with the Inclusionary Affordable Housing Program through an **On-site** or **Off-site Affordable Housing Alternative**, please fill out the following regarding how the project is eligible for an alternative and the accompanying unit mix tables on page 4.

- ☐ **Ownership.** All affordable housing units will be sold as ownership units and will remain as ownership units for the life of the project.
- ☒ **Rental.** Exemption from Costa Hawkins Rental Housing Act.<sup>2</sup> The Project Sponsor has demonstrated to the Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act, under the exception provided in Civil Code Sections 1954.50 through one of the following:
- ☐ Direct financial contribution from a public entity.
- ☒ Development or density bonus or other public form of assistance.
- ☐ Development Agreement with the City. The Project Sponsor has entered into or has applied to enter into a Development Agreement with the City and County of San Francisco pursuant to Chapter 56 of the San Francisco Administrative Code and, as part of that Agreement, is receiving a direct financial contribution, development or density bonus, or other form of public assistance.

e. The Project Sponsor acknowledges that failure to sell the affordable units as ownership units or to eliminate the on-site or off-site affordable ownership-only units at any time will require the Project Sponsor to:

- (1) Inform the Planning Department and the Mayor's Office of Housing and, if applicable, fill out a new affidavit;
- (2) Record a new Notice of Special Restrictions; and
- (3) Pay the Affordable Housing Fee plus applicable interest (using the fee schedule in place at the time that the units are converted from ownership to rental units) and any applicable penalties by law.

f. The Project Sponsor must pay the Affordable Housing Fee in full sum to the Development Fee Collection Unit at the Department of Building Inspection for use by the Mayor's Office of Housing prior to the issuance of the first construction document, with an option for the Project Sponsor to defer a portion of the payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge that would be deposited into the Citywide Affordable Housing Fund in accordance with Section 107A.13.3 of the San Francisco Building Code.

g. I am a duly authorized officer or owner of the subject property.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  
Executed on this day in:

San Francisco, California

Location

2/3/16

Date

Signature

Muhammad A. Nadhiri, Managing Partner

Name (Print), Title

(415) 992-6997

Contact Phone Number

cc: Mayor's Office of Housing  
Planning Department Case Docket  
Historic File, if applicable  
Assessor's Office, if applicable



## Unit Mix Tables

NUMBER OF ALL UNITS IN PRINCIPAL PROJECT:					
Total Number of Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units
117	0	24	46	45	2

If you selected an On-site or Off-Site Alternative, please fill out the applicable section below:

- ☒ On-site Affordable Housing Alternative (Charter Section 16.110 (g) and Planning Code Section 415.6): calculated at 12% of the unit total.

NUMBER OF AFFORDABLE UNITS TO BE LOCATED ON-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units
17	0	4	8	5	0

- ☐ Off-site Affordable Housing Alternative (Planning Code Section 415.7): calculated at 20% of the unit total.

NUMBER OF AFFORDABLE UNITS TO BE LOCATED OFF-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units

Area of Dwellings in Principal Project (in sq. feet)	Off-Site Project Address				
Area of Dwellings in Off-Site Project (in sq. feet)					
Off-Site Block/Lot(s)	Motion No. (if applicable)			Number of Market-Rate Units in the Off-site Project	

- ☐ Combination of payment of a fee, on-site affordable units, or off-site affordable units with the following distribution:

Indicate what percent of each option would be implemented (from 0% to 99%) and the number of on-site and/or off-site below market rate units for rent and/or for sale.

1. Fee \_\_\_\_\_ % of affordable housing requirement.

2. On-Site \_\_\_\_\_ % of affordable housing requirement.

NUMBER OF AFFORDABLE UNITS TO BE LOCATED ON-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units

3. Off-Site \_\_\_\_\_ % of affordable housing requirement.

NUMBER OF AFFORDABLE UNITS TO BE LOCATED OFF-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units

Area of Dwellings in Principal Project (in sq. feet)	Off-Site Project Address				
Area of Dwellings in Off-Site Project (in sq. feet)					
Off-Site Block/Lot(s)	Motion No. (if applicable)			Number of Market-Rate Units in the Off-site Project	

CONTACT INFORMATION AND DECLARATION OF SPONSOR OF PRINCIPAL PROJECT	CONTACT INFORMATION AND DECLARATION OF SPONSOR OF OFF-SITE PROJECT (IF DIFFERENT)
Company Name <b>Axis Development Group</b>	Company Name
Print Name of Contact Person <b>Muhammad A. Nadhiri</b>	Print Name of Contact Person
Address <b>580 California Street, 16th Floor</b>	Address
City, State, Zip <b>San Francisco, CA 94104</b>	City, State, Zip
Phone, Fax <b>(415) 992-6997</b>	Phone, Fax
Email <b>mnadhiri@axisdevgroup.com</b>	Email
I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above. 	I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above.
Signature <b>Muhammad A. Nadhiri, Managing Partner</b>	Signature
Name (Print), Title	Name (Print), Title



June 20, 2016

Mr. Rodney Fong, President  
San Francisco Planning Commission  
1650 Mission Street, STE 400  
San Francisco, CA 94103

Re: 2675 Folsom Street (Case No. 2014.000601) – July 7, 2016, Hearing on Conditional Use Authorization and Large Project Authorization

Dear President Fong and Commissioners,

On July 7, 2016, the Planning Commission will consider approving a Conditional Use Authorization<sup>1</sup> and Large Project Authorization<sup>2</sup> for a 4-story, 127,082 gross square foot residential development at 2675 Folsom Street in the Mission Area of the Eastern Neighborhood Plan (“Project”). Axis Development Group (“Axis”), my client, is the Project sponsor for 2675 Folsom.

Over the past two years, Axis has worked diligently with David Baker Architects and Planning Department staff on the design and programming for the Project. From the beginning, Axis has been open to suggestions, redesigning the building to add a mid-block alley to connect Folsom Street and Treat Avenue, increasing the number of walk-up units, enhancing the pedestrian environment by adding a community/art room at the entry to the mid-block alley, and so much more. The result is a project that not only is consistent with the density and intensity of development allowed, but that fits and enhances the neighborhood fabric.

The Project is located adjacent to Parque Ninos Unidos and across from Cesar Chavez Elementary School. It is the perfect location for new housing and a great example of infill development. The Project replaces a commercial use, which given its truck traffic and heavy equipment use was in conflict with surrounding uses, with 117 high quality residential units, including 19 inclusionary housing units. The Project overlooks Parque Ninos Unidos, complementing it with signature green elements, patios and balconies all with the intent to increase the neighborhood feel of the park by providing adjacent residential uses and “eyes on the park.” Given the proximity to Parque Ninos Unidos, the Recreation and Park Department has been consulted to ensure it is compatible and consistent with Parque Ninos Unidos even though the Project is under 40 feet and not subject to Proposition K. Axis will continue to work with Recreation and Park Department staff as the Project moves forward on ways to further support and enhance Parque Ninos Unidos, a neighborhood jewel.

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<sup>1</sup> The Project is seeking a Conditional Use Authorization under Planning Code 209.1 for the development of seven (7) dwelling units on a portion of the Project located in the Residential House:: Three Family (RH-3) District to allow up to one (1) dwelling unit per 1,000 square feet of lot area in the RH-3 District.

<sup>2</sup> The Project is requesting a Large Project Authorization under Planning Code section 329 and, as part of that authorization, exceptions to certain provisions of the Planning Code are also requested.



Axis also has actively engaged with the community, hosting three (3) community meetings at Cesar Chavez Elementary School. Two (2) of the meetings were held in the past few months (May 3<sup>rd</sup> and June 9<sup>th</sup>) to update the community on the status of the Project and to provide opportunities for community members to come and learn more about the Project and provide their input. In addition to these meetings, Axis has met with countless neighbors, businesses and activists throughout the area and in total, outreach has been made to over 300 neighbors, community members and activists.

The Project, as discussed below, meets the density, intensity and height requirements of the Planning Code. It is seeking a few minor modifications, but they are justified and warranted and allow 117 new residential units, including 19 new inclusionary housing units to be built. Neighbors and local businesses support the Project, but there are those that do not support it because they want to see a 100% affordable housing development or increased affordable housing proposed. The Project, however, is not an affordable housing project. It is a market-rate development that complies with the recently adopted increase in inclusionary housing requirement by the Board of Supervisors on May 3, 2016, and established by the voters of San Francisco on June 7, 2016. The Project will add new housing where none currently exists and will include 19 affordable housing units. Priority for those units will be given to existing and/or displaced Mission residents and Axis is committed to working with local groups and individuals to identify those individuals and families.

For all of these reasons and as discussed in more detail below, **Axis respectfully requests that the Planning Commission grant the approvals requested.**

#### **A. Property Background**

The Project site an irregularly shaped property comprised of three lots totalling 36,097 square feet between Folsom Street and Treat Avenue near the corner of 23<sup>rd</sup> Street (Assessor's Block 3963, Lots 006, 007 and 024). Each of the three lots is located in a different Planning District. The largest lot (Block 3963, Lot 6) is located in the Urban Mixed Use ("UMU") District. Lot 7 is located in the Residential House: Three Family ("RH-3") District and Lot 24 is located in the Residential House: Two Family ("RH-2") District. The entire Project Site is in the 40-X Height and Bulk district and is in the Mission Area Plan of the Eastern Neighborhoods Plan Area.

The Project site is immediately adjacent to Parque Ninos Unidos. It includes 242 linear feet of frontage along Folsom Street, 49 linear feet of frontage along Treat Avenue and 294 linear feet along the boundary with Parque Ninos Unidos. It is in an area comprised primarily of residential uses and some commercial uses and is across Folsom Street from Cesar Chavez Elementary School.

Three (3) warehouse and storage structures totaling 21,599 square feet currently exist on Lot 6 of the Project site. Lots 7 and 24 are comprised of surface parking and storage areas. The existing structures are currently occupied by Charyn Asset Management, an asset management and auction service company for surplus food service equipment. As discussed below, Charyn Asset Management has been seeking to relocate for awhile. Axis and Charyn Asset Management have come to an agreement whereby Charyn Asset Management will be allowed to terminate their lease early, vacating the property by October 31, 2016, in exchange for relocation benefits. It is our understanding they will be relocating to the East Bay to a location more suitable for large truck deliveries and the use of heavy equipment.

## B. Project Description

The Project is a multi-family residential development consisting of 117 residential units, including nineteen (19) below market rate units. It includes two (2) three-bedroom units, forty-five (45) two-bedroom units, forty-six (46) one-bedroom units and twenty-four (24) studios. Ninety (90) parking spaces and one (1) off-street service loading space and one hundred and eighteen (118) Class 1 bicycle parking spaces are provided in a below grade basement level accessed via Treat Avenue. Seven (7) Class 2 bicycle parking spaces are also provided along Folsom Street.

The Project includes significant improvements and activation along Folsom Street. Five (5) of the proposed six (6) units along Folsom Street have direct street access. A twenty (20) foot wide mid-block alley connecting Folsom Street to Treat Avenue is included in the Project, providing new public open space for the neighborhoods. At the northern end of the Project site, a residential lounge and leasing/art gallery space showcasing Mission artists is also included. Combined, this equates to over 90 percent of the Folsom Street linear frontage being activated.

Because of the extensive linear frontage of the Project both along Folsom Street and the boundary with Parque Ninos Unidos, great care was taken to incorporate design features and modulation into the building to reduce its bulk and mass. First, the building is broken into three components. A 20-foot wide mid-block alley separates the various building mass. Façade breaks are also incorporated, at regular intervals, to provide visual depth to the building pushing and pulling the facade in a series of setbacks and projections. This creates the image of smaller, distinct buildings. Decks, patios and variations in color and style are also incorporated and green features added along the Parque Ninos Unidos to complement the park and create visual interest from the park perspective.

Finally, the Project includes a significant amount of open space. In total, there is 11,600 square feet of private and common open space in ground floor patios, balconies, roof deck and outer courts and in public open space. Only 10,060 square feet is required.

## C. Project Approvals

The Project is located in three Planning Districts. Under Planning Code section 209.1, a Conditional Use authorization is required for the property located in the RH-3 District to allow one (1) dwelling unit per 1,000 square feet of lot area. Under Planning Code section 329, a Large Project Authorization is required for development of any structure over 25,000 square feet in the UMU District. As part of the Large Project Authorization, four (4) modifications from the strict requirements of the Planning Code are requested. **The modifications requested are minor, appropriate and warranted.**

### 1. Conditional Use Authorization

The Project site includes a 7,350 square foot lot in the RH-3 District. Under Planning Code section 209.1, seven (7) dwelling units are allowed with a Conditional Use authorization. A Conditional Use authorization is warranted for the following reasons:

*The density proposed for the lot is compatible with the neighborhood and surrounding community.*

The surrounding neighborhood is comprised of a mix of residential and commercial buildings. To the west, across Folsom Street, is Cesar Chavez Elementary School. To the north, along Folsom Street are two to three story multi-family residential units. To the east, facing Treat Avenue, are mostly multi-family residential units with some commercial buildings and immediately adjacent to the proposed Project site, to the south, is Parque Ninos Unidos.

The residential use of the Project site at the density proposed is consistent with the goals and objectives of the Mission Area Plan of the Eastern Neighborhoods Planning Area. All frontages will include improved pedestrian amenities such as landscaping and sidewalk improvements to create a pedestrian scale that is compatible with the surrounding neighborhood.

*The density proposed will not be detrimental to the health and safety of people or property.*

The lot in the RH-3 District, fronts along Folsom Street and will include five (5) two-bedroom units and two (2) one-bedroom units. The structure in which the units are located will be solely within the RH-3 parcel, but will be connected to the 110 residential units proposed for the remainder of the Project site. The lot has 40-feet of frontage along Folsom Street and is located adjacent to the 20-foot wide mid-block alley that runs the length of the Project site from Folsom Street to Treat Avenue. The building is designed to reach a maximum height of 40-feet, but steps down ten (10) feet to 30-feet as it approaches the adjacent dwelling unit to the north along Folsom Street. It is of a size and scale that is consistent and compatible with the surrounding neighborhood and adjacent structures.

Development on the lot also complies with the City's Better Streets and Neighborhood Requirements. Access to the resident lounge and leasing/art galley space is provided off Folsom Street and/or the mid-block alley. The remainder of the frontage is used for the mid-block alley, providing a constant active use of the site. The structure itself is also set back from the property line, providing additional opportunities for low level landscaping and potentially street furniture.

The lot in the RH-3 District also includes significant open space, including a portion of the mid-block alley and a 3,796 square foot rear yard used a common open area for residents. This is more than three times (3x) the amount of open space required under the Planning Code.

The proposed Project includes 14,919 square feet of open space which is 48% more open space than is required by code. On Lot 007, a total of 3,796 square feet of open space is provided in a rear yard. The rear yard is comprised of common open area and a portion of the mid-block alley. This is over three (3) times the amount of open space required by the Planning Code.

*The density proposed is consistent with the Planning Code and does not adversely impact the Master Plan.*

Development on the lot in the RH-3 District is consistent with the Planning Code. The Project as a whole requires minor modifications from the Planning Code, as discussed below, but the development on the RH-3 District lot is code compliant. It is also consistent with the Master Plan and the Mission Area Plan.

**For all these reasons, a Conditional Use authorization to authorize seven (7) units on the RH-3 parcel is warranted.**



## 2. Large Project Authorization

Pursuant to Planning Code section 329, a Large Project Authorization is required for new construction in excess of 25,000 square feet in the Eastern Neighborhoods Mixed Use Zoning District. The Project is a 127,000 gross square foot residential development on a 36,097 square foot site with one hundred seventeen (117) residential units (including nineteen (19) on-site permanently affordable units) which requires a Large Project Authorization. While the Project is consistent with the size and intensity of development allowed under the Planning Code, and anticipated under the Eastern Neighborhoods Mission Area Plan, the Project is seeking four (4) modifications from the strict standards of the Planning Code as part of its Large Project Authorization. The exceptions include rear yard (Planning Code section 134), exposure (Planning Code section 140), off-street loading garage clearance (Planning Code section 154b), and horizontal mass (Planning Code section 270.1).

The exceptions requested are minor and appropriate, and are in harmony with the general purpose and intent of the Planning Code. Granting them allows construction of the Project which contains a range of unit sizes as well as on-site affordable housing. Furthermore, the exceptions allow the development of Project that is more harmonious to its surroundings than the currently non-conforming uses. As noted, the Project site is adjacent to Parque Ninos Unidos and across the street from Cesar Chavez School. The current warehouse, storage, and loading and unloading that occurs near the park and the school are truly in conflict with those uses. Development of this in-fill property will eliminate that conflict and activate a stretch of Folsom Street that is characterized now with fencing, surface parking, barbed wire and a warehouse.

### *a. Rear Yard*

Planning Code Section 134 requires a rear yard equal to 25 percent of the total depth of the lot, but in no case less than 15 feet. The Project Site is 36,097 square feet. A twenty-five percent (25%) rear yard is 9,024 square feet. The Project does not provide 25% of the site as rear yard due its triangular shape, but does exceed the required rear yard through a combination of courtyards, unit patios, and stoops.

The Project includes courtyards, unit patios and stoops totaling 11,133 which is 23% more space than is required under Section 134 for rear yards. The Project site consists of three legal lots that combined form a triangle pattern with a long linear frontage along Folsom Street and long linear hypotenuse along Parque Ninos Unidos. As a result compliance with the rear yard requirement is impractical and the Project is in fact better served by outward facing stoops and unit patios and interior courtyards that are likely to generate neighbor interaction than a traditional rear yard.

**For all of these reasons, an Exception to the rear yard requirements is warranted.**

### *b. Exposure*

Planning Code section 140 requires that each unit have one room that faces either a public street measuring at least 25 feet in width, a code complying rear yard, or an interior court that measures 25 feet in every horizontal dimension increasing by five feet at each successive level above the second floor. Due to the unusual triangular shape of the lot and the fact that the Project shares a

property line with Parque Ninos Unidos, forty four (44) of the Project's units do not meet the dimensional requirements of the Planning Code.

While the Project overlooks Parque Ninos Unidos, a 0.53 acre property under the control of the Recreation and Park Department, because Parque Nino Unidos is not a code complying rear yard, street or code complying interior court, none of the units that overlook it comply with the exposure requirements of the Planning Code. All other units in the Project, however, comply with the exposure requirements. Even though the units overlooking Parque Nino Unidos do not comply with the Planning Code requirements for exposure, they do overlook a 0.53 acre park and are provided with ample light and air.

**For all these reasons, an exception to the exposure requirements is warranted.**

*c. Off Street Loading*

Planning Code section 152.1 requires one off-street freight loading space for residential use in the Eastern Neighborhood Mixed Use District when the gross floor area is more than 100,000 square feet. Two (2) service vehicle spaces can be substituted for one off-street freight loading space under Planning Code section 153(a)(6). The Project is providing one 35-foot service vehicle space in the underground garage for loading and unloading, and a curbside loading space along Folsom Street.

Access to the off-street parking and loading area is provided via a 10-foot drive aisle off of Treat Avenue. Given the unique shape of the Project site, a code compliant off-street loading and/or service vehicle space is not feasible without expanding the drive aisle width and extending the underground ramp. As the design of the garage opening was minimized to blend into Treat Avenue, expanding the garage entry and increasing the clearance to 12-feet, which would be necessary to meet the dimension requirement of the Planning Code for off street loading is inconsistent with the design philosophy. As designed, the garage clearance and the underground dedicated loading space can accommodate vans and pick-up trucks, but not "SU-30" delivery trucks. It is anticipated that tenant move-ins will not typically require the use of oversized delivery/moving trucks as the majority of the dwelling units in the Project range in size from 346 square feet to 1000 square feet.

**For all of these reasons, an exception to the off-street loading is warranted.**

*d. Horizontal Mass*

Planning Code Section 270.1 requires a horizontal mass reduction for all new construction projects with street frontage greater than 200-ft in length. As noted above, the Project has approximately 242-ft of frontage along Folsom Street. Under the Planning Code, the Project is required to incorporate certain mass reduction techniques. The Project breaks up the frontage along Folsom Street with a mid-block passage so that the longest uninterrupted segment is 169 feet. However, pursuant to the Planning Code, the mid-block passage opening is required to have a 60 foot minimum depth and a 30 foot minimum width. The Project as proposed complies in all respects to the horizontal mass reductions requirements except that the mid-block passage is 25 foot wide and 42 feet deep.

The design for the project has employed several strategies to reduce the mass of the project along Folsom Street. Alternating bays and the use of varied materials along Folsom Street reflect the

surrounding street context and help break up the mass and fit in with the surrounding context. The full height mass reduction at the mid-block connection relieves the Folsom Street facade and is marked by a corner element with a metal facade and ground floor storefront windows at the lobby and gallery. The mass reduction, as proposed at 25 feet wide by 42 feet deep, is a welcoming entrance into the mid-block connection, meets the intent of the code section, is in scale with the building and surrounding context and maintains circulation continuity to improve the efficiency of the building and provide more residential units on the site.

#### **D. Mission Interim Controls**

The Project is located within the Mission Interim Control area. Additional findings related to Large Projects and Displacement, Demolition or Conversion of Certain Uses under the interim controls were prepared and submitted as part of the overall Project. The findings and analysis prepared was based on a review of data contained in published reports identified in Planning Commission Resolution No. 19548 (“Published Reports”).

The Published Reports analyzed different time periods and data points, but collectively agreed that (1) the demographics in the Mission have changed over the past 10-15 years and; (2) an insufficient amount of new housing has been built in the Mission to accommodate the growing housing demand. Depending on the particular Published Report, the Project, which would add 117 new residential units including 19 new below market rate units, would result in a 18 percent increase in new residential units which would meet 1% of the City’s overall annual housing needs.

According to the Published Reports, over the past two decades, the amount of new housing built in the City and the Mission has fallen woefully short of demand. Some estimates are that over the past ten (10) years, only 17% of the total amount of housing needed was built in the City. In the Mission, that figure is even lower with some estimates that less than five (5) percent of the total number of housing units planned for the Mission area under the Eastern Neighborhoods planning process have been built. Approximately 37.3% of the units that have been built, however, are affordable housing units. The Published Reports indicate there is a strong need for new housing of all kinds and found no link between the construction of market-rate housing and increased displacement. The Project will also not result in any direct displacement of residential units as the Project site was previously and historically used for commercial purposes.

Two businesses have operated on the Project site over the past three (3) years. The first, Charyn Asset Management (“Charyn”) offers both asset management and auction services that allow businesses to sell surplus food service assets. Charyn’s facility also serves as a storage and refurbishment location for equipment. Charyn’s lease term expires in August 2018. Due to the fact that the business is located in the heart of a residential neighborhood, across from an elementary school and next to a children’s park, operating the business (which involves large trucks and heavy equipment) has been challenging. As a result, Charyn has communicated its interest in relocation for a year. Charyn will likely relocate to the East Bay in an area which suits their needs better and is more



consistent with surrounding land uses. Charyn has been offered and has accepted relocation assistance from the Project sponsor and is supportive of the Project; as part of this agreement, Charyn will vacate the building by October 31, 2016.

The second business, Royal Inc. (“Royal”), is an after-school non-profit organization that offers counseling and mentoring services to disadvantaged youth. Royal’s lease expired in the spring and a lease extension was not requested nor was it offered. Royal has successfully relocated to another location in San Francisco.

We believe that the information provided meets the standards and requirements set forth in Planning Commission Resolution 19548. In sum, based on the findings prepared, the Project, will not result in any direct or indirect displacement of Mission residents and will provide much needed new housing, including affordable housing, in the Mission. While the Project does eliminate a commercial building, the tenants have both voluntarily relocated and Charyn’s intensive use was incompatible with the adjacent park and nearby school.

**For all these reasons, we respectfully request that the Planning Commission find that the Project has met the intent of the Mission Interim Controls and grant the approvals requested.**

## E. Project Benefits

The Project includes significant neighborhood and citywide benefits as well as providing exceptional design. David Baker Architects designed the Project, creating a building that fits contextually within its surroundings adjacent to a park and along Folsom Street with the focus outward instead of inward and would activate a section of Folsom Street that is currently fenced and physically walled off. In addition to the exceptional design, the Project Benefits include:

- Infill Residential Development: The Project will develop 117 high quality residential rental units near major transit and arterial roadways. In developing the Project Site with residential uses, the Project provides much needed residential units in an ideal location for infill development.
- Job Creation: The Project **will create over 350 construction jobs over a 24-month period**. When complete the Project will employ three (3) full time managers and at least two (2) full time maintenance staff.
- Inclusionary Housing Commitment: The Project will provide 19 on-site inclusionary housing units.
- Impact Fees: The Project is estimated to pay over \$1,400,000 in development fees including over \$725,000 in the Eastern Neighborhoods Impact Fee.

\* \* \* \* \*

In sum, the Project before you is an excellent example of an infill development, adding 117 new dwelling units to the City’s housing stock in an area with significant transit that provides 16% of

the units (19 units) as on-site affordable housing and transforms a stretch of Folsom Street. The Project creates a residential use that is compatible with the surrounding neighborhood and proposes a design that integrates with the neighborhood and community while replacing a use that is incompatible with its surroundings.

This is an exceptional Project and one that we respectfully request you support and approve.

Very truly yours,



-for-

Alexis M. Pelosi

**MISSION 2015 INTERIM CONTROLS**  
**ADDITIONAL FINDINGS (2675 Folsom Street)**

**Large Projects:** Any residential or mixed-use project that would include the net addition or new construction of more than 75,000 gross square feet or includes more than 75 dwelling units shall require Conditional Use authorization under Planning Code Section 303(c). An application for conditional use shall include the following information:

1. **Demographic Changes:** Provide information about the socio-economic characteristics of the neighborhood and evaluate how the proposed project would affect existing and future residents, businesses and community-serving providers of the area.

**Demographics:** Information regarding demographics of the Mission neighborhood was obtained from the October 27, 2015 City and County of San Francisco, Board of Supervisor’s Budget and Legislative Analyst’s Office Policy Analysis Report, “Displacement in the Mission District” (“Mission District Displacement Report”).

**Table 1** is a summary of the Mission neighborhood demographics.<sup>1</sup>

<b>Table 1</b>	
<b>Demographics of Mission Neighborhood 2009-2013</b>	
Total Population	38,287
Hispanic/Latino	18,372
Hispanic/Latino % Total	48%
# Households	14,454
Average Household Size	2.6
Households w/ Children	3,041
% Total	21%
# Households: Related Individuals	6,263
% Total	43%
# Households: Unrelated Individuals	8,191
% Total	57%
Owner-occupied Units	3,655
% Total	25%
Renter-occupied Units	10,789
% Total	75%

**Demographic Trends:** The Mission District Displacement Report included a discussion of the demographic and socio-economic and income changes that occurred in the Mission neighborhood from 2000 to 2009-2013. **Table 2**<sup>2</sup> below is a summary of demographic trends and **Table 3**<sup>3</sup> is a summary of income changes during this same time period.

<sup>1</sup> Information in **Table 1** comes from the Mission District Displacement Report Exhibit 2 and Exhibit 9.

<sup>2</sup> Information in **Table 2** comes from Exhibit 2 and Exhibit 9 of the Mission District Displacement Report.

<sup>3</sup> Information in **Table 3** comes from Exhibit 12 of the Mission District Displacement Report.



<b>Table 2</b> <b>Demographic Trends in Mission Neighborhood</b>			
	<b>2000</b>	<b>2009-2013</b>	<b>% Change</b>
Total Population	42,266	38,281	-9%
Hispanic/Latino	25,180	18,372	-27%
Hispanic/Latino % Total	60%	48%	-12%
# Households	13,071	14,454	+11%
Average Household Size	3.2	2.6	-19%
Households w/ Children	4,088	3,041	-26%
% Total	31%	21%	-10%
# Households: Related Individuals	6,655	6,263	-6%
% Total	51%	43%	-8%
# Households: Unrelated Individuals	6,416	8,191	+28%
% Total	49%	57%	+8%
Owner-occupied Units	2,482	3,655	+48%
% Total	19%	25%	+6%
Renter-occupied Units	10,589	10,789	+2%
% Total	81%	75%	-6%

The Mission Displacement Report also indicates that if current trends continue, the Mission District's Hispanic/Latino population will decline from 48 percent of the total population to 31 percent by 2025.

<b>Table 3</b> <b>Income Trends in Mission Neighborhood</b>			
<b>Annual Household Income</b>	<b>2000</b>	<b>2009-2013</b>	<b>% Change</b>
Less than \$35,000	3,682	4,592	+25%
\$35,000 – 99,999	5,798	5,060	-13%
\$100,000 – 149,999	1,972	2,100	+6%
More than \$150,000	1,633	2,702	+65%

The University of California Berkeley's Center for Community Innovation's July 2015 "case studies on Gentrification and Displacement in the San Francisco Bay Area" ("[Berkeley Mission District Case Study](#)") also included information regarding demographic changes and income trends in the Mission neighborhood. **Table 4**<sup>4</sup> below is a summary of the [Berkeley Mission District Case Study](#) demographic information.

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<sup>4</sup> Information in **Table 4** comes from the [Berkeley Mission District Case Study](#) Table 4.1, Figure 4.2, Figure 4.3

<b>Table 4</b> <b><u>Berkeley Mission District Case Study Demographic Information</u></b>			
	<b>2000</b>	<b>2013</b>	<b>% Change</b>
Total Population	54,428	51,578	-5%
Hispanic/Latino	50%	38%	-12%
Family Households	41%	38%	-3%
Median Income	\$70,199	\$76,762	+8%

**Project Information:** The proposed Project is 119,000 square foot, 40-foot tall residential building with 117 dwelling units, 90 off-street parking spaces in a subterranean garage accessed off of Treat Avenue. The Project contains 11,600 square feet of open space, a mid-block alley, connecting Folsom Street and Treat Avenue and includes twenty-four (24) studios, forty-six (46) one-bedroom units, forty-five (45) two-bedroom units and two (2) three-bedroom units. Car sharing and bicycle parking spaces are also included.

The Project includes nineteen (19) on-site affordable housing units, a rental development, as set forth in Planning Code section 415, the affordable housing units will be affordable to individuals making 55% of Area Mean Income (AMI).

### **Discussion of Demographic Changes**

Reviewing the demographic information provided and available, the overall population in the Mission has decreased by 5-9% from 2000 to 2013. The Hispanic/Latino population has decreased by 12-27%, the number of families has decreased 3-10%, the overall number of owner-occupied units has increased 6% and the number of renter-occupied units has decreased by 6% during this same time period.

Socio-economically, the Mission District Displacement Report indicates that from 2000 to 2009-2013, the number of households in the Mission neighborhood making less than \$35,000 increased by 25% and the number of households making more than \$100,000 increased by 71% and the number of households making \$35,000-\$99,999 decreased by 13 percent.

From 2010 to 2014, according to the May 29, 2015 City and County of San Francisco, Board of Supervisor's Budget and Legislative Analyst's Office Policy Analysis Report, "Housing Development in the Mission District" ("Housing Development in the Mission Report"), the Mission District gained approximately 627 housing units. Only 498 of those housing units resulted from new construction and the remaining 145 units resulted from alterations of existing units. Approximately 16 housing units were also demolished during this timeframe. Of the 627 new units, 60 units (or 10%) were affordable residential units (40 units for low income and 20 for moderate income). This is consistent with the findings of the Berkeley Mission District Case Study which found that "the Mission District has failed to see significant increases in its housing stock," identifying only 96 new housing units being built

since 2010.<sup>5</sup>

In September 2015, John Rahaim, the Director of Planning, prepared a summary to the Board of Supervisors of the Housing Balance Report (“Housing Balance Report Summary”). According to that summary, from the 3<sup>rd</sup> quarter 2005 until the 2<sup>nd</sup> quarter 2015, only 1,707 net new housing units were built in the Mission neighborhood with 637 of the units built considered affordable housing units.<sup>6</sup> As a result, 37.3% of the total new housing built in the Mission over the past 10 years has been affordable housing.<sup>7</sup>

According to the September 10, 2015, Office of the Controller – Office of Economic Analysis report entitled “Potential Effects of Limiting Market-Rate Housing in the Mission” (“Controller’s Report”), the amount of housing built or in the pipeline in the Mission under the Eastern Neighborhoods Plan is “only a small fraction of the development capacity [envisioned].”<sup>8</sup> According to the report, the “Eastern Neighborhoods planning process provided for 15,005 new housing units in the Mission, of which approximately 500 are either under construction or have been built since 2008, when the plan was passed.”<sup>9</sup> This means there are another 14,500 remaining units under the plan to be built in the Mission.

The Project is constructing 117 new residential units, including 19 on-site affordable units. According to the Housing Development in Mission Report, which looked at new housing construction from 2009 to 2013, the Project would result in a 18% increase in new residential units in the Mission District and a 28% increase in the number of new affordable units. According to the Housing Balance Report Summary, which looked at new housing construction from 2005-2015, the Project would result in a 7% increase in new residential units and a 2% increase in affordable units. The Project would also only represents 1% of the total number of new housing units envisioned under the Eastern Neighborhood Plan. This new housing will help address the housing shortfall and housing pressure in the Mission neighborhood that the Berkeley Mission District Case Study and the Mission District Displacement Report both identified. Unfortunately, this is only a “drop in the bucket” of the total demand for new housing in the City or the Mission.

According to the Mission District Displacement Report, from 1980 to 2010 the City added an average of 2,011 housing units per year. Its estimated annual demand during that period was 15,300 new housing units per year. This resulted in a 13,289 unit per year shortfall and a total shortfall of 398,666 units from 1980 to 2010.<sup>10</sup> The Housing Balance Report Summary found that from the third quarter 2005 to the second quarter of 2015, city-wide 22,605 new housing units were constructed.<sup>11</sup> **If 15,300 new housing units per year were required, the total shortfall in housing build during this period was 130,395 units or only 17% of the total**

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<sup>5</sup> Berkeley Mission District Case Study p. 29, Table 4.2.

<sup>6</sup> Housing Balance Report Summary, Table 2.

<sup>7</sup> Housing Balance Report Summary, Table 2.

<sup>8</sup> Controller’s Report, p. 10.

<sup>9</sup> Controller’s Report, p. 10.

<sup>10</sup> Housing Balance Report As a result of the shortfall, the Legislative Analyst’s Office estimates the City’s housing need was 561% greater than the housing supply produced during that period. Mission District Displacement Report, pgs. 4 and 27.

<sup>11</sup> Housing Balance Report Summary, Table 1.



**amount of housing needed was built.**

Given the significant shortfall in housing units constructed, constructing any housing will be beneficial to meet housing demand. Whether that new housing will push out, price out or force out existing residents and businesses in the Mission neighborhood was analyzed in the September 10, 2015, Controller's Report.<sup>12</sup> Looking only at the rise in income levels and the limited construction of new market-rate housing, the Controller's Report determined a link between market-rate housing construction and gentrification was unlikely. The data analyzed found no link between market-rate housing construction and "no statistical relationship between housing prices and evictions, in the Mission or in the city as a whole."<sup>13</sup> Instead, it found that reducing market-rate housing construction does not slow the changes that are occurring in the Mission and would likely only place additional stress on housing affordability by further constraining housing supply.

This finding was further substantiated by a recently published study from the California Legislative Analyst Office dated February 9, 2016 titled "Perspectives on Helping Low Income Californians Afford Housing" ("LAO Report") which found that when new construction is abundant in communities around the State, middle-income households looking to upgrade the quality of their housing often move from older, more affordable housing into new housing which in turn frees up the older housing for lower income households. The LAO Report, looking at both Los Angeles and San Francisco, concluded that the more constrained the supply of new housing is to increased demand, the greater the probability that an affordable unit will move out of the affordable housing stock to a middle income or even higher income household.

The Controller's Report also looked at population changes and frequency of movement. It found that "[r]ather than the construction of new and demolition of old housing, the population change in the Mission since the 1990s has largely occurred through changes in the occupancy of the existing housing stock."<sup>14</sup> It found that approximately 5,000 new residents move to the Mission each year.<sup>15</sup> Given that the overall population of the Mission has declined during that period, it indicates people are leaving the Mission as quickly as new residents are entering the Mission, but that the change is not linked to new housing construction. If the Mission has only been adding approximately 193 new housing units per year since 2000, the demand for new housing is significant.

The Project will construct 98 new market-rate housing units and 19 affordable housing units. It will increase the housing supply by 18% over what was constructed from 2009 to 2013. Based on the evidence included in the reports cited above, the Project will not impact the demographic changes occurring in the Mission.

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<sup>12</sup> Controller's Report, pgs. 22-23.

<sup>13</sup> Controller's Report, pg. 18.

<sup>14</sup> Controller's Report, p. 7.

<sup>15</sup> Controller's Report, p. 7.

**2. Economic Pressure: Provide information about the additional housing supply provided by the project and evaluate how that may affect affordability of newly vacant units of housing (indirect displacement) and the rate of evictions (direct displacement) within the neighborhood.**

The Project would provide 117 new residential units, including 19 on-site affordable units. Approximately 58% of the total Project units will be studios or one-bedroom units and 40% of the units will be two-bedrooms and three-bedrooms. As noted in the Mission District Displacement Report, the annual demand for new housing in the City is 15,300 new housing units per year.<sup>16</sup> The Project in constructing 117 new residential units would meet 1% of the City's estimated annual housing demand.

According to the Berkeley Mission District Case Study, the Mission is "host to a sizable stock of subsidized housing: nearly 2,000 units."<sup>17</sup> The Controller's Report also found that from 2001 to 2013, of the 1,464 units constructed in the Mission, 51% of them were affordable units with 646 units developed in 100% affordable projects and 97 units developed in market-rate projects.<sup>18</sup>

### **Indirect Displacement**

The Controller's Report defines "Indirect Displacement" as housing price inflation caused by the development of new housing nearby. The theory behind "Indirect Displacement" is that construction of new market-rate housing can increase the overall price of adjacent existing housing. The Controller ran three separate pricing models with one model looking at the impact of proximity to market-rate housing built in the Mission in the previous year on home sale prices and the other two models looking at the impact of proximity of market-rate housing built in the Mission over a two (2) and three (3) year period. The results of the modeling found that new market-rate housing had a **negative** effect on nearby house prices. Specifically, the Controller's Report analyzed a property 250 feet from 75 units of new market-rate housing. The report found that construction of the new market-rate housing would result, at a maximum, in a 5.9% **lower** price for the existing property.<sup>19</sup> As a result, the construction of new housing did not increase surrounding land prices or result in indirect displacement. This is also consistent with the Controller's Report's findings, as noted above, that there is not "statistical relationship between housing prices and evictions."<sup>20</sup>

The LAO Report also looked at displacement and found that as market-rate housing construction tends to slow the growth in prices and rents, it can make it easier for low-income households to afford their existing homes. This can help to lessen the displacement of low-income households. The LAO analysis of low-income neighborhoods in the Bay Area actually suggested a link between increased construction of market-rate housing and reduced displacement.<sup>21</sup>

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<sup>16</sup> Mission District Displacement Report, pgs. 4 and 27.

<sup>17</sup> Berkeley Mission District Case Study, p. 31.

<sup>18</sup> Controller's Report, p. 7.

<sup>19</sup> Controller's Report, p. 26.

<sup>20</sup> Controller's Report, p.18.

<sup>21</sup> LAO Report, p. 9.

## Direct Displacement

The Controller's Report defines "Direct Displacement" as the no-fault eviction of a household **in order to demolish its housing unit**, so that new market-rate housing may be constructed on the parcel. The Controller's Report found that since 1997, 3,835 eviction notices have been filed in the Mission neighborhood, but that only 2.6% of those notices have been for the demolition of a residential unit, or "Direct Displacement" as that term is defined.

The Rent Control Board maintains a database of evictions within the City. This database does not capture buy-outs and other "non-official" eviction proceedings. The March 23, 2015, Annual Report by the Rent Control Board to the Board of Supervisors found a total of 2,120 eviction notices were filed **in the City** from March 1, 2014 through February 28, 2015. This includes 145 notices for failure to pay rent. A breakdown of notices by neighborhood was not available.

The Berkeley Mission District Case Study found that between 2009 and 2013 there were 71 Ellis Act evictions in the Mission District and from 2008 to 2014 "165 or about 28% of the total share of buyouts."<sup>22</sup> Buyouts are not required to be reported and may therefore be under reported. While Ellis Act evictions, buyout and other "Direct Displacement" is occurring in the Mission neighborhood, because the Project site has been used for commercial purposes for the last approximately 64 years, no "Direct Displacement" of residential units will occur.

**3. Total Housing Production: Provide information about i) the maximum allowable dwelling unit density the site could accommodate and ii) the density of the proposed project, then iii) evaluate how effectively the proposed project would house future residents – add or change the net supply of housing for all income levels and types of tenure.**

The Project is located primarily in the Urban Mixed Use ("UMU") zone with a portion of the site in the RH-2 and RH-3 zones and is in the 40-X Height and Bulk District. The Project site is approximately 36,000 square feet. Under the UMU zoning, the maximum allowable density on the Project site is dictated by the physical requirements of the Planning Code such as height, bulk, setback, open space, exposure, unit mix, and other requirements. Under the RH-2 zoning and the RH-3 zoning, the number of units allowed in each zone is two units and three units respectively.

The Project site is over 1/2 of an acre. Assuming a modification from the setback, open space, exposure and unit mix requirement, the maximum allowable dwelling units density the Project site could accommodate is **approximately 150** new dwelling units.

The Project is proposing 117 new dwelling units, which is a reduction of 33 units from the maximum buildout scenario or 30% fewer overall units.

The Project includes 19 permanently affordable units. These housing units will be restricted for individuals and families making 55% of AMI in perpetuity pursuant to Planning Code Section

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<sup>22</sup> Berkeley Mission District Case Study, pgs. 33-34.



415.8. These new affordable housing units increase by 28% the number of affordable units in the Mission based on the figures in the Housing Development in the Mission Report.

The remaining 98 residential units will provide long-term housing for a mix of individuals and families. The 24 studio units will likely house one (1) person while the 46 1-bedroom units may house a combination one (1) person or two (2) people. The 47 2- and 3-bedroom units are likely to house families and/or unrelated individuals living together (i.e., roommates). The tenure of residents cannot be determined, but the development is a rental product with regular turnover of units expected.

According to the Controller's Report, based on the 5-year census data collected from 2009 to 2013, "87% of Mission residents lived in the same house one year previously, and 13% moved from another location. More than half of the movers – 8% of the total in the Mission moved from somewhere else in San Francisco into the Mission."<sup>23</sup> This "population churn" is lower than the citywide average of 16 percent. As a result, the housing units being built will likely be occupied by Mission residents for more than one year.

The residential units being developed are affordable by design. They include smaller sized units ranging from 357 to 538 square feet for studios, 527 to 630 square feet for 1-bedrooms, 700 to 1,322 square feet for 2-bedrooms, and 1,500 to 1,700 square feet for the two (2) 3-bedroom units. Assuming rents based on a price per square foot, the smaller size of the units combined with the limited building amenities offered creates a market rate rental development that is affordable by design.

**4. Affordable Housing Production: Provide information about whether additional affordable housing could be provided on the site, through the availability of public financing or financial incentives, or through use of the State Density Bonus Law, Government Code Section 65915 or other applicable affordable housing incentive program to provide an economic incentive or financial support for additional affordable units on the site.**

The Project site is located within the Mission Area of the Eastern Neighborhoods Community Plan. Because it is within a recently adopted comprehensive plan area, it is not eligible for the proposed Local Bonus Program. The Project is eligible for the State Density Bonus Law, but its use is not feasible or practical.

In August 2015, Seifel Consulting Inc. prepared a "Financial Analysis of San Francisco's Proposed Affordable Housing Bonus Program" ("Seifel Report"). That report analyzed key financial factors that were likely to influence the inclusion of additional affordable housing on project sites through either the proposed Local Bonus Program or the State Density Bonus Law. In reviewing the cases studied, the Seifel Report found a link between the ability to use of the State Density Bonus Law and land costs, hard construction costs, soft costs, construction financing, revenues and impact fees. Projects were more likely to utilize the State Density Bonus Law where a development benefitted from "economies of scale" or spreading development costs across more units. Unfortunately, simply adding more units to a development does not necessarily achieve "economies of scale" as adding more units increase certain costs while decreasing others. The Seifel Report found that the

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<sup>23</sup> Controller's Report, p. 7.

State Density Bonus Law “made sense” when “project sponsors have owned the property for a long time or developers are able to purchase sites at favorable terms” or in “higher priced areas where the increased number of market rate units at high price levels could more than offset the increased number of BMR units, or where development costs are significantly less than estimated.”<sup>24</sup> Here, the Project sponsor recently purchased the Project site, which means the land costs are market-rate, the types of units being developed are affordable by design which means they are not intended for higher prices or in a higher priced area and construction costs are at all all-time high. For all these reasons, including the site constraints, utilization of the State Density Bonus Law is not feasible.

The Project will provide 19 on-site inclusionary housing units. It is, however, a market-rate development. Housing subsidy financing from the State and Federal government is very competitive and a market-rate development with affordable housing would not meet the minimum qualifications for such financial awards. Those subsidies are targeted toward 100% affordable projects. Similarly, the value of City affordable housing dollars is better leverage or maximized by supporting 100% affordable projects. As a result, the Project is highly unlikely to qualify for or receive any financial incentives to construct more affordable housing.

**5. Housing Preservation: Provide information about existing housing on the project site in terms of occupancy types, relative affordability, adaptability rent-control and other tenant-features.**

The Project site does not have any existing housing.

**6. Tenant Displacement: Provide information about whether the Rent Board has recorded a history of evictions or buyouts on the property.**

The Project site has been in commercial use since 1952. The Rent Board confirmed via telephone on January 27, 2016, that there is “[n]o record of any evictions at that address” (i.e., 2675 Folsom Street Avenue).

**Additional Information for Displacement, Demolition or Conversion of Certain Uses: If the project would displace, demolish or convert Assembly, Recreation, Arts & Entertainments, Light Manufacturing, Auto Repair, Trade Shops or Institutional uses in any zoning district in making its Conditional Use Authorization Application the application shall include the following analysis:**

The Project site is occupied by one tenant. The tenant is Charyn Auctions, a reseller of food service equipment. Charyn Auctions occupies 16,000 square of the site and stores, as well as repairs, commercial kitchen equipment. Another tenant, Royal Inc., a non-profit organization that provides counseling to youth, recently vacated the property. They formerly occupied 4,000 square feet on the second floor of the existing building.

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<sup>24</sup> Seifel Report, p. 7.

**(a) Relocation assistance in non-PDR zoning districts:** In zoning districts other than PDR districts, provide information about the existing or last known Assembly, Recreation, Entertainment, PDR or Institutional tenants, for the last-known tenant the information required would be limited to uses that have been operating within three years prior to the entitlement date of the project, and disclose whether the tenant has relocated or relocation benefits have been or will be provided.

The Project site is located in the UMU and RH-2 and RH-3 zones. It is not located in a PDR district. In the past three years, there have been two businesses operating on the project site.

The first business, Charyn Asset Management (“Charyn”) provides asset management and auction services to businesses selling surplus food service assets (i.e., industrial equipment, fixtures, furniture, appliances, etc.). Charyn’s operations on-site include storage and refurbishment of appliances and other equipment to be sold at auction. Given the nature of its business, large trucks regularly frequent the Project site, picking up and dropping off appliances, equipment and other assets. This creates a potential conflict with the adjacent children’s park (Parque Ninos Unidos) and elementary school (Cesar Chavez Elementary). This conflict is one reason why Charyn has been looking to relocate for several years.

Charyn’s lease term expires in August 2018. Prior to the expiration of its lease, Charyn approached the Project Sponsor seeking an early termination of its existing lease. The Project Sponsor and Charyn came to an agreement to allow Charyn to terminate its lease early and relocation assistance has been provided. Under the agreement, Charyn will vacate the building by October 31, 2016. Charyn’s is in the process of obtaining a new space for their business. Given its regional and national presence, Charyn is looking for a location along major truck route with easy access to and from the freeway. Because of the nature of the business, it is also looking to locate in a neighborhood with similar types of surrounding uses to avoid potential conflicts with adjacent users.

The second business is Realizing Our Youth As Leaders (ROYAL), Inc. (“Royal”). Royal is an after-school non-profit organization that offers counseling and mentoring services to disadvantaged youth. They have two locations in the City including one in the South of Market Area and one in the Excelsior. Royal’s lease expired on March 31, 2016, and they did not seek to renew the lease, nor was a lease renewal offered. No relocation benefits were offered or provided to Royal.

**(b) Businesses and Community Building Uses:** If the existing Assembly, Recreation, Entertainment, PDR or Institutional tenants have not been relocated or offered relocation benefits then the applicant shall provide information regarding potential impacts to the community and benefits of the project as described below:

Charyn has been offered and has accepted relocation assistance. Royal successfully relocated to locations in the South of Market Area and the Excelsior upon the expiration of their lease. No relocation benefits were provided to Royal.



**(c) Jobs & Economic Profile: An analysis of the economic and fiscal impact of the proposed project. Towards this end, the application shall include an analysis of the loss of the existing use compared to the benefit of the proposed use, including an estimate, if known, of permanent job creation and/or job retention in the community of the proposed use compared to the existing use and associated wages and benefits for both;**

The two uses on the Project site have or will be relocating. One use, Royal, an educational non-profit, has relocated to other sites in the South of Market and Excelsior neighborhoods. The second use, Charyn, is planning to relocate to the East Bay. The actual employment figures, salaries and benefits provided by Royal or Charyn are unknown. The following is a discussion of likely employees, salaries and benefits based on research conducted as part of preparing these findings.

Royal, a non-profit afterschool program, would typically work with independent contractors, employees and interns. Employees would likely be a program director and support staff. According to PayScale, an on-line wage comparison platform, the range of salaries for a non-profit program director is \$43,000 to \$70,000 depending on education and experience and the range of salaries for non-profit support staff is \$35,000 to \$60,000, again depending on education and experience. Independent contractors in the education space receive an hourly wage of \$15 to \$35 per hour and interns are either unpaid or paid minimum wage. Independent contractors and interns would both be part-time workers with their wages and hours varying depending on the case load. Given the likely size of Royal, it is unlikely that there are benefits offered. Royal has relocated to within the community, which means there will be no loss of jobs or benefits from their relocation.

Based on research conducted, it appears that Charyn employs six (6) full-time employees. They include one (1) sales person and five (5) support/administrative and warehouse employees. According to PayScale, an on-line wage comparison platform, the range in salary for a full-time sales person is \$31,000 to \$93,000 depending on education and experience and the range in salary for a support, administrative and warehouse employee is \$36,000 to \$64,000 depending on education and experience. It is unknown what benefits are provided. Charyn is likely to relocate to the East Bay.

The Project will provide a variety of employment opportunities. Short-term employment will be provided to construction workers, including union labor, during the 24-month construction period. The average wages and benefits of the construction jobs created varies depending on the trade. Once completed, the Project will create three (3) full-time management and one (1) to two (2) maintenance jobs. According to PayScale, the range in salary for the full-time management position is \$35,000 to \$77,000 depend on education and experience and the range in salary for part-time maintenance technicians is \$13 to \$22 per hour, which equates to \$13,000 to \$23,000 a year, assuming 20 hours per week. The benefits offered with these jobs is unknown at this time.

Based on the research conducted, the Project will replace some of the jobs that exist on the site at comparable income levels and likely comparable benefits. As it is unknown if the individuals working at Charyn are community residents, or individuals that travel to the Project site from other locations and jurisdictions, the impact on jobs in the community is

unknown.

**(d) Available Space in the Mission. Discuss whether sufficient vacant space for the use type being demolished or removed exists in the neighborhood; and**

The Project will demolish an existing approximately 22,111 square foot Industrial building that contains some office space. Based on an April 19, 2016, search of LoopNet, an online commercial real estate platform that lists and tracks commercial real estate in the United States, there are approximately 149,000 square feet of industrial properties/buildings between 3,000 and 35,000 square feet within a one (1) mile radius of 2675 Folsom Street Avenue. A table of the properties identified in that search is attached. A similar search for office space with the same parameters yielded a total of approximately 33,000 square feet of vacant office space with 5,000 square feet or less of space and approximately 12,000 square feet of vacant office space at 3,000 square feet or less.

Based on a search of LoopNet the loss of the existing building will not impact the type of space available in the neighborhood.

**(e) Affordability of Community-Building Uses. Provide an assessment of the affordability of community-building uses. Community-building uses shall include but not be limited to arts, nonprofit services and childcare uses. This assessment should discuss the nature of the community-building uses, the affordability of the uses and the amount of space provided for such uses on the existing site compared to similar uses associated with the proposed project, if any.**

The existing building on the Project site is a commercial/industrial building and is occupied by Charyn a commercial tenant. A non-profit, Royal, previously occupied the second floor of the building in approximately 4,000 square feet. Royal has since relocated, voluntarily to new locations in the South of Market area and the Excelsior.

The Project will include approximately 800 square feet of art gallery space. The space will be used as a rotating community gallery showcasing local artists. Give that the previous building was a commercial structure not intended for a community use, its loss is not significant in the community and a comparison of it to the proposed new community space being provided is not warranted.

**(f) Non-Residential Displacement. Discuss existing businesses or non-profit organizations that will not be retained in the proposed project, or offered an opportunity to lease space in the proposed project, in terms of length of lease, number of employees, whether the use is minority owned and a non-restaurant or bar use, and if a business is retail whether that business is formula retail. Discuss whether a commercial tenant has been displaced through rent increases or lack of lease renewal in the last 12 months.**

As noted above, the existing tenant on-site, Charyn, has desired to voluntarily relocate to a

superior location for quite some time. Charyn will relocate to a location in the East Bay with more compatible surrounding land uses. Charyn's operations are not compatible with the surrounding land uses that currently exist or with a residential development. As a result, they will not be offered space in the proposed Project. As noted above, Charyn employs six (6) individuals in varying capacities. It is unknown if Charyn is minority owned. It is a wholesale business and will be relocating, voluntarily due to business concerns. They have been offered and have accepted relocation benefits that will allow them to successfully relocate to a location of their choice.

Royal is a non-profit that relocated in March 2016. Royal's lease expired on March 31, 2016, and they did not seek to renew the lease nor was a lease renewal offered. It is unknown if Royal is a minority owned business. Royal is a non-profit in the education space. It is unknown how many employees work at Royal on a full-time or part-time basis. As Royal has already successfully relocated to new spaces in the South of Market area and the Excelsior, they will not be offered space in the proposed Project.



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West Bay Law  
Law Office of J. Scott Weaver

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June 23, 2016

**Via U.S. Mail and email**

Richard Sucre  
Jeff Joslin  
San Francisco Planning Department  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

[Richard.sucre@sfgov.org](mailto:Richard.sucre@sfgov.org)  
[Jeff.joslin@sfgov.org](mailto:Jeff.joslin@sfgov.org)

**Re: Case No. 2014-000601ENV – 2675 Folsom St. and 790 Treat**

Dear Mr. Sucre and Mr. Joslin,

I am writing on behalf of the Calle 24 Latino Cultural District, an organization consisting of businesses, residents, and nonprofits living and working along the 24<sup>th</sup> Street corridor. In May of 2014, the Mayor and Board of Supervisors designated the geographic area between Mission and Potrero Avenue, 22<sup>nd</sup> Street and Cesar Chavez Blvd. as the Calle 24 Latino Cultural District. For clarity sake, this geographic area will hereafter be referred to as the “LCD.” I am writing to express my concern regarding the likely impact that the project proposed for 2675 Folsom Street will have on the existing businesses, residents, and nonprofits in the LCD, both short term and over time.

The proposed project cannot be considered solely inside the bubble in which it is built. It will add 98 “market rate” households to the neighborhood, households many of whose incomes will exceed 200% AMI – that’s 4 times the AMI of adjoining census tracts. In so doing, it would put in place economic forces that will adversely affect the neighborhood. These high earning households will interact with the neighborhood on a daily basis, creating demands for high end services and products, and thereby putting existing businesses – many of whom are on short term leases – at risk. Likewise, the proposed project will exacerbate demand for affordable housing (see reference to Nexus Analysis below). As we have seen over and over again, the economic climate created by such gentrification will provide landlords with incentives to displace residents using various means at their disposal (including Ellis Act Evictions, OMI evictions, or more commonly, threats and harassment).



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Compounding this problem is the fact that several other projects are now proposed that are either in or adjacent to the LCD. This proposed development is one of several that will bring into the Mission approximately 500 high earning households and create an economic force that will be impossible for commercial and residential landlords to resist. Anyone skeptical of this impact need only to look at the changes on Valencia Street between 17<sup>th</sup> and 21<sup>st</sup> Streets, where less than 100 market rate units have been built, but visible gentrification has occurred. Thus, the cumulative impacts of these proposed projects must be assessed.

We know that those displaced residents and businesses will no longer be able to afford residential or business leases in the Mission. We have seen displaced residents forced to move to far reaches of Northern California, Vallejo, Antioch, Tracy, Sacramento and even Modesto. Many with ties to the community must make long commutes to their places of employment, their children's schools, and to services that are not otherwise available in these further locales. At the very least, the cumulative impacts of these projects creates an indirect physical impact on the environment in terms of greenhouse gases and traffic congestion, and thus implicates a CEQA analysis.

These likely impacts should be evaluated and adequate mitigation measures put in place before considering the proposed project and other projects so affecting the LCD. Whether you care to view this in terms of CEQA, for the purpose of consistency (or inconsistency) with the Eastern Neighborhoods Plan, for the purpose of evaluating socioeconomic impacts under MAP 2020, or for the policy purposes enunciated in the creation of the LCD, it is imperative that these issues be analyzed before any project can be approved.

### **Substantial New Information Negates the Exemption From Environmental Review.**

The Department has issued a Community Plan Exemption which allows the Department to use the Eastern Neighborhoods Plan EIR (PEIR) instead of a project EIR - except with respect to areas of concern unique to the project. The use of the PEIR in this way presupposes that it is sufficiently current to address all areas required under CEQA.

Unfortunately, circumstances on the ground have rendered the 2008 PEIR out of date, and it cannot be a reliable measure of environmental impacts of market rate development in the Mission. It is well recognized that the Mission has already experienced extensive displacement of its residents, so much so, that it is now in an advanced stage of gentrification. <http://missionlocal.org/2015/09/sf-mission-gentrification-advanced/> Should the project proceed, it will cause significant economic and social changes in the immediate area that will result in physical changes, not the least of which is displacement of

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residents and businesses which will affect air quality, traffic and transportation, as well as negative impacts on the Cultural District. (See CEQA guidelines, 15604 (e).

A 2007 Nexus Study, commissioned by the Planning Department, concluded that the production of 100 market rate rental units generates a demand of 19.44 lower income households through goods and services demanded by the market rate tenants. [These conclusions were made in 2007, well before housing prices began their steep upward trajectory. Today, new “market rate” two bedroom apartments rented in the Mission begin at about \$6,000 per month – requiring an annual household income of \$240,000.] At the time, the PEIR anticipated a 15% inclusionary rate. The current Nexus study waiting to be released is expected to show a demand of 28 affordable units for every 100 built. With a 12% inclusionary rate, there is a need for 16 additional affordable units per hundred market rate units produced. (28 minus 12 = 16) This was not anticipated in the PEIR. One must ask: how will these low income households created by the demand of market rate units live? and how will they get to work? School? Services? and what is the impact on air quality and transportation? These questions should be addressed by the Department.

When substantial new information becomes available, CEQA Guidelines require comprehensive analysis of these issues. (CEQA Guidelines Sec. 15183). The situation on the ground has changed substantially since the PEIR was prepared in 2008.

- The unanticipated additional demand for affordable housing as described above.
- Notably with respect to this proposed project, the PEIR did not, nor could it have considered the impact of a project on the LCD because the LCD did not exist at the time. Where, as here, the offsite or cumulative impacts were not discussed in the prior PEIR, the exemption provided by Section 15183 does not apply. (See 15183(j))
- The PEIR was prepared during a recessionary period. Since then, both rents and evictions have increased dramatically, especially impacting the Mission. This has led to the development of luxury units and high end retail that was not anticipated in the PEIR.
- The PEIR did not anticipate the “advanced gentrification” of the neighborhood, along with the extensive displacement of Latino families and businesses, the reverse commute to distant areas, and that impact on greenhouse gas emissions and on traffic congestion.
- The PEIR assumed that the Eastern Neighborhoods Plan and the Mission Plan would meet their goals of providing over 60% low, moderate, and middle income



housing. This goal has not come close to materializing, further exacerbating the problems of displacement.

- The PEIR did not anticipate the impact of tech shuttles from a traffic standpoint, nor from that of the demand for housing. The specter of living within a few blocks of a free ride to work has caused many tech employees to move to areas where the shuttles stop – predominantly in the Mission. As such we have high earning employees exacerbating the already high demand for housing. The anti-eviction mapping project has documented the connection between shuttle stops and higher incidences of nofault evictions. ( see <http://www.antievictionmappingproject.net/techbusevictions.html> )
- Finally, the production of housing in the Mission both built and in the pipeline now exceeds projections under any of the three scenarios envisioned when the Eastern Neighborhoods Plan created. According to Planning Department Data, projects containing 2,451 housing units have either been completed or are under environmental review as of 2/23/16. Option A of the EIR envisioned 782 units, Option B 1,118 units and Option C 2054 units, with a Preferred Project at 1696 units. As such, the environmental impacts of the proposed project has not been evaluated from a cumulative standpoint.

These changed circumstances render the current PEIR obsolete. The Community Plan Exemption is therefore no longer relevant.

**The Impact of the Proposed Project on the Calle 24 Latino Cultural District is Subject to Environmental Review.**

CEQA defines “environment” as “the physical conditions which exist within the area which will be affected by a proposed project, including land, air, water, minerals, flora, fauna, noise, and objects of historic or aesthetic significance.” 14 CCR Sec. 15131(a). See eg. *Eureka Citizens for Responsible Government v City of Eureka* (2007) 147 Cal.App.4<sup>th</sup> 357, 363. The LCD falls under CEQA because (1) it is both “physical” in terms of the buildings, its residents, the businesses, and the nonprofits, and (2) it is “historic” as defined in the Public Resources Code and the CCR. Further, the indirect impacts of displacement are “environmental” in that the displacement causes greenhouse gas emissions and exacerbates already strained transportation infrastructure.

The near and long term preservation and enhancement of the LCD is a stated goal of the City. This, of necessity, includes the physical presence of its residents, businesses, and non-profits, which we submit are endangered by the extensive market rate development slated for the area. The displacement, whether direct, or indirect (i.e. via gentrification) certainly will

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have a physical effect on the environment because increased commuting distances for the displaced will result in greenhouse gas emissions. (See checklist in Appendix G of the Guidelines). Due to the unexpected rise in rents throughout the Bay Area, displaced residents are now required to commute distances as far as Vallejo and Tracy, distances we do not believe was contemplated in the PEIR for the Eastern Neighborhoods.

Lead agencies have the responsibility to evaluate projects against the CRHR criteria prior to making a finding as to a proposed project's impacts to historical resources (California Public Resources Code, Section 21084.1). A historical resource is defined as any object, building, structure, site, area, place, record, or manuscript that: a) Is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, or cultural annals of California; and b) Meets any of the following criteria: (1) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage; (2) Is associated with the lives of persons important in our past; (3) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or (4) Has yielded, or may be likely to yield, information important in prehistory or history (14 CCR 15064.5(a)(3)). These businesses and nonprofits in the LCD have been recognized as an important cultural and commercial resource for the City.

The businesses and nonprofits in the LCD have been recognized as an important cultural and commercial resource for the City. The Ordinance creating the LCD noted that "The Calle 24 Latino Cultural District memorializes a place whose richness of culture, history and entrepreneurship is unrivaled in San Francisco." The District was established "to stabilize the displacement of Latino Businesses, and residents, preserve Calle 24 as the center of Latino culture and commerce, enhance the unique nature of Calle 24 as a special place for San Francisco's residents and tourists, . . ." and that its contribution will provide "cultural visibility, vibrancy, and economic opportunity for Latinos in the City and County of San Francisco."

Unfortunately, we have begun to see the impact of demographic changes along the LCD, without significant market rate development, the proposed project, along with the 540 other units in the pipeline will make the intersection of class, race, and culture, further impair the viability of the LCD. For instance, at a proposed project on 24<sup>th</sup> and York, the owner plans to build 12 condo townhomes which will cover a mural that has been on there over 30 years and is part of the Precita eyes mural tours. The famous Carlos Santana mural on 22nd and South Van Ness was completely covered when the lot in front built housing. In balmy alley new owners of a property wanted to remodel and add a second unit which faced balmy ally, covering a 40 year old mural.

More disturbing has been complaints against neighboring Latino owned businesses from the owner and residents of the Vida on Mission Street. A group of new residents on

Harrison St. calling themselves “the gang of five” said they would sue to stop Carnival. During Sunday Streets on 24th a group of neighbors did not want the low riders on Harrison Street, saying that they were intimidated by them. Additionally, neighbors have complained about “Mexican” music on 24<sup>th</sup> Street. Problems such as these will only get worse with the influx of hundreds more “gentrifiers”, all to the detriment of the residents, businesses, and nonprofits that the City said it wanted to protect when it created the LCD. As we have seen on Valencia Street we can foresee gentrifiers requesting the police to move Latino youths, and adults, off “their” street corners.

The proposed project itself will result in the influx of approximately 98 households earning 200% AMI. In the pipeline are projects proposing over 200 units within the LCD (in addition to the 98 units proposed), and 350 proposed market rate units adjacent to the LCD. It is no leap of faith to anticipate that the proposed project will, both individually and cumulatively, result in higher rents on properties within the LCD. High wage earners have much more disposable income than most residents of the area. According to 2009-2013 census estimates, the median income for residents in the census tract on which the proposed project site is situated was \$51,510 (or 50% Median Income for a family of four). In addition to having significantly more disposable incomes and ability to purchase higher priced goods and services, these newcomers are more likely to have different consumer preferences, affecting both price and the nature of the goods and services provided by businesses in the 24<sup>th</sup> Street corridor. We might ask “how can the City provide economic opportunities for Latinos if its land use policies and practices price Latinos out of the market?” We only need look at Valencia Street to see how, with only modest market rate development (currently, about 100 units) fortifies the influx of higher wage earners and impacts a commercial corridor, substituting for mom and pop businesses with high end restaurants and clothing stores. Envisioning a similar result along 24<sup>th</sup> Street is reasonably foreseeable and must be guarded against.

**Cumulative Impacts of Market Rate Development on the Calle 24 Latino Cultural District Should be Examined.**

As previously mentioned, the impacts from the proposed project cannot be examined in isolation. The proposed project is not constructed inside a bubble. Both the project and its residents interact with the immediate community in multiple ways. Similarly, the environmental impacts of this project cannot be examined apart from other proposed projects currently in the pipeline. Proposed projects located within the boundaries of the LCD are: 1515 South Van Ness (140 market rate units), 3314 Cesar Chavez (52 units), 2600 Harrison St. (20), 2799 24th St. (8), and 3357 26<sup>th</sup> St. (8). Proposed projects immediately adjacent to the LCD are: 1198 Valencia St. (52 units), 2918 Mission St. (38), 1298 Valencia St. (35), 2600 Mission (20). Two blocks from the LCD is 2000-2070 Bryant Street (195 units). Additional proposed projects are likely to be added to the pipeline as planning continues to give the green light to market rate developers.



Under Public Resources Code Section 21083 subdivision (b)(2).) "The possible effects of a project are individually limited but cumulatively considerable. As used in this paragraph 'cumulatively considerable' means that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects." Stated otherwise, a lead agency shall require an EIR be prepared for a project when the record contains substantial evidence that the "project has possible environmental effects that are individually limited but cumulatively considerable." (Guidelines section 15065 subdivision (a) (3).)

Therefore, the impact of the proposed project (consisting of 98 market rate units) should be evaluated in conjunction with the cumulative impacts it and the additional 586 units would have on the LCD.

**Evaluation Requested.**

In addition to whatever evaluation that the Department may deem appropriate, we are requesting that the Department evaluate the proposed project, both individually and cumulatively, with respect to the potential impacts of the extensive market rate development on the existing residents, businesses, and non-profits in the Calle 24 Latino Cultural District. This inquiry should address the concerns stated above and include, but not be limited to, the following:

- The amount of income that households will be required to have in order to afford the market rents of the proposed project.
- The amount of anticipated disposable income of the households moving into the market rate units at the proposed project.
- The consumer preferences for goods and services of households moving into the market rate units at the proposed project, as compared to those Latino residents in the LCD earning 50% AMI.
- The potential venues where those consumer preferences are likely to be met.
- The short and long term impacts on neighborhood serving Latino businesses that new market rent paying households, with higher disposable incomes, will have on commercial rents in the Latino Cultural District – both from the standpoint of the proposed project and from the standpoint of the cumulative impact of the projects listed above.

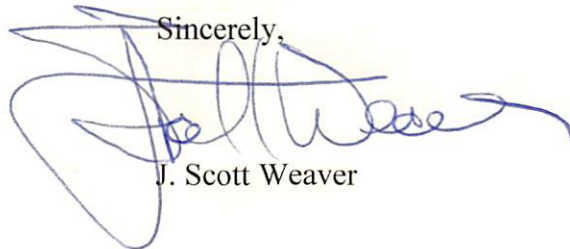
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- The short and long term impact that rents at the proposed project (and cumulative proposed projects) will have on rents of vacant resident units in the immediate areas.
- The short and long term impact that the proposed project (and cumulative proposed projects) will have on displacement of Latinos and families now living in the Calle 24 Latino Cultural District.
- The housing alternatives of residents now living in the Calle 24 Latino Cultural District should they be displaced.
- The short and long term impact that the proposed project (and cumulative proposed projects) will have on the percentage of Latino residents and businesses living and working in the Calle 24 Latino Cultural District.
- Mitigation alternatives that, if employed, would stabilize commercial rents in the Latino Cultural District.

I have not had the opportunity to thoroughly discuss all the potential issues that would inform the impacts of the proposed project both individually and cumulatively and may request that you add to this inquiry in the future.

In light of the foregoing, you are requested to undertake the evaluation requested before considering the proposed project, or any of the other projects listed above that would have an impact on the Calle 24 Latino Cultural District. At your convenience, please let me know if the Department intends to undertake this evaluation as requested.

Sincerely,



J. Scott Weaver

Jsw:sme

cc. Calle 24 Latino Cultural District  
Our Mission No Eviction  
PODER  
MEDA  
John Rahaim  
Members, San Francisco Planning Commission  
Members, San Francisco Board of Supervisors

2887 Folsom Street  
San Francisco, CA 94110  
August 25, 2015

Justin Horner  
San Francisco Planning Department  
1650 Mission Street, Suite 400  
San Francisco, CA 94103  
(By email)

RE: 2675 Folsom Street/970 Treat Avenue—Notification of Project Receiving Environmental Review  
Case No: 2014-000601ENV

Dear Mr. Horner:

I have lived in the Mission District since January, 1992, moving to my present address in June, 2005 after a no-fault Ellis Act eviction from an apartment I shared with my wife, a year after a no-fault Owner Move In eviction from a shared apartment I had inhabited since August, 1992.

I have lived within two blocks of 2675 Folsom Street for 22 of the last 23 years so I am aware that the housing stock in this area of the Mission District consists almost entirely of one to four family houses and small apartment buildings. The 21 unit apartment building in which I now reside is one of the largest in the area.

The proposed development at 2675 Folsom Street/970 Treat Avenue would include 117 apartments, completely out of scale with the present character of the neighborhood. Accordingly, your department must require a full Environmental Impact Review of this project.

Such an EIR will discover the following impacts:

- Shadow casting on the adjacent Parque Niños Unidos and Cesar Chavez Elementary School.
- Increased traffic and vehicle emissions exacerbated by the proposed 90 off-street parking spaces.
- Wind tunnel effects.
- Environmental impacts beyond my quick review.

Of course, this proposed monstrous development will lead to further involuntary displacement through increased no fault evictions and landlord harassment as is happening in other parts of the Mission District, other neighborhoods in San Francisco, and other cities nationwide. It will also destroy an existing business that provides good working class jobs and the beautiful Jamestown Community mural on the existing building.

This neighborhood needs housing affordable to current working class and poor residents, not luxury housing that will displace us and degrade the environment.

Thank you for letting me share my thoughts with you. I look forward to your recommendation for a full Environmental Impact Review for the proposed 2675 Folsom Street/970 Treat Avenue development.

Sincerely,  
Edward Stiel

Cc: Richard Sucre, SF Planning Department  
John Rahaim, Director, SF Planning Department  
San Francisco Planning Commissioners  
Supervisor David Campos



## Sucre, Richard (CPC)

---

**From:** Juliana Sloane <juliana@againstthestream.org>  
**Sent:** Tuesday, August 25, 2015 11:32 AM  
**To:** Horner, Justin (CPC)  
**Cc:** Sucre, Richard (CPC)  
**Subject:** Re: Neighbor concern for Case 2014-000601ENV

Thanks so much, Justin.

Upon further reflection and discussion with our neighbors, I also wanted to mention one additional concern, regarding parking and traffic. This part of the neighborhood already has terrible parking problems, and 90 spaces seems like far too few for a 117 unit, multi-bedroom, building. There will inevitably be far more than 90 cars coming in and out of this building and that is not only going to be a serious nuisance for everyone else in the neighborhood (I already field so many parking complaints, believe me), but I'm also concerned about safety with the school and park so close by. I would urge the developers to spend more time considering the impact this will have on parking and traffic flow.

Thanks again,  
Juliana

On Tue, Aug 25, 2015 at 11:25 AM, Horner, Justin (CPC) <[justin.horner@sfgov.org](mailto:justin.horner@sfgov.org)> wrote:

Thank you, Juliana, for the detail. As a public commenter, you'll be added to the list of those who will be kept informed of the progress.

Justin Horner, MCP

Environmental Planner

Planning Department, City and County of San Francisco  
1650 Mission Street, Suite 400, San Francisco, CA 94103  
Direct: [415-575-9023](tel:415-575-9023)

Email: [justin.horner@sfgov.org](mailto:justin.horner@sfgov.org)  
Web: [www.sfplanning.org](http://www.sfplanning.org)

**From:** Juliana Sloane [mailto:[juliana@againstthestream.org](mailto:juliana@againstthestream.org)]  
**Sent:** Tuesday, August 25, 2015 11:08 AM  
**To:** Horner, Justin (CPC)  
**Subject:** Re: Neighbor concern for Case 2014-000601ENV

Hi Justin,

Thank you so much for your quick response. This is really helpful.

Our schedule is (basically) as follows:

Monday through Friday--

AM sitting groups from 7:30am until 8:30am

PM sitting groups starting at 5:30pm until 9pm

Weekends: We have daylong retreats about 3x a month from 9am-5pm, usually on a Saturday, as well as a Sunday 5:30 sit.

Since our center is fairly new, we are adding in more groups every couple months, however, these are definitely our main times. If there is going to be construction noise taking place during these times, we'll definitely need to ask for some kinds of special accommodation for noise. I see in the regulations you've shared that the hours are 7am-8pm-- so the first hour and last three hours of that window will be when we have the most people sitting.

I would love to be kept in the loop as the situation evolves, and know if there are any other things you suggest we do in the meantime.

Much appreciation for your help on this,

Juliana

On Tue, Aug 25, 2015 at 10:20 AM, Horner, Justin (CPC) <[justin.horner@sfgov.org](mailto:justin.horner@sfgov.org)> wrote:

Ms. Sloane,

Thank you for your email and for sharing your concerns regarding construction noise. Noise issues are covered by the environmental review process, so your question is entirely appropriate and properly directed to me.

I am happy to talk to you, although I may not be able to offer more than general information at this point. We are waiting for more specific information regarding construction duration, methods, equipment proposed to be used, and

phasing. Below, I've copied what our most general noise regulations are which I expect will apply to the project. These may become more or less stringent for the proposed project, depending on our analysis and the public comment we receive. It would be helpful to me if you were able to summarize your sitting schedule, so we can have as much specific information as possible.

I hope the above is helpful. Please feel free to contact me if you have any additional questions or would like more information.

**Justin Horner, MCP**

#### **Environmental Planner**

Planning Department, City and County of San Francisco  
1650 Mission Street, Suite 400, San Francisco, CA 94103  
Direct: [415-575-9023](tel:415-575-9023)

Email: [justin.horner@sfgov.org](mailto:justin.horner@sfgov.org)  
Web: [www.sfplanning.org](http://www.sfplanning.org)

All construction activities would be subject to and would comply with the San Francisco Noise Ordinance ([Article 29 of the San Francisco Police Code](#)) (Noise Ordinance). Construction noise is regulated by the Noise Ordinance. The Noise Ordinance requires that construction work be conducted in the following manner: (1) noise levels of construction equipment, other than impact tools, must not exceed 80 dBA at a distance of 100 feet from the source (the equipment generating the noise); (2) impact tools must have intake and exhaust mufflers that are approved by the Director of the Department of Public Works (DPW) or the Director of the Department of Building Inspection (DBI) to best accomplish maximum noise reduction; and (3) if the noise from the construction work would exceed the ambient noise levels at the site property line by 5 dBA, the work must not be conducted between 8:00 p.m. and 7:00 a.m. unless the Director of DPW authorizes a special permit for conducting the work during that period.

Where environmental review of a development project undertaken subsequent to the adoption of the proposed zoning controls determines that construction noise controls are necessary due to the nature of planned construction practices and the sensitivity of proximate uses, the Planning Director shall require that the sponsors of the subsequent development project develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the Department of Building Inspection to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include as many of the following control strategies as feasible:

- Erect temporary plywood noise barriers around a construction site, particularly where a site adjoins noise-sensitive uses;



- Utilize noise control blankets on a building structure as the building is erected to reduce noise emission from the site;
- Evaluate the feasibility of noise control at the receivers by temporarily improving the noise reduction capability of adjacent buildings housing sensitive uses;
- Monitor the effectiveness of noise attenuation measures by taking noise measurements; and
- Post signs on-site pertaining to permitted construction days and hours and complaint procedures and who to notify in the event of a problem, with telephone numbers listed.

**Sucre, Richard (CPC)**

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**From:** Thomas Rogers <throgers@yahoo.com>  
**Sent:** Wednesday, July 06, 2016 9:31 AM  
**To:** Rodney Fong; cwu.planning@gmail.com; Richards, Dennis (CPC); wordweaver21@aol.com; Johnson, Christine (CPC); mooreurban@aol.com; richhillissf@yahoo.com  
**Cc:** Secretary, Commissions (CPC); Sucre, Richard (CPC)  
**Subject:** 2675 Folsom Street (2014-000601CUA/ENX) - support

Planning Commissioners,

I support the proposed 2675 Folsom Street project that's on your agenda for tomorrow (staff report: <http://commissions.sfplanning.org/cpcpackets/2014-000601ENX.pdf>). As I've written to you on some other projects- this is a great location for car-free/car-light living, helping SF address climate change, and I'm glad the developer isn't asking for an exception for extra parking spaces. I'm also glad to see they're providing on-site affordable units, and I think the David Baker design is top-notch! This is a challenging site, with the triangular shape and the park right next door, but the architects have done a great job. I happen to live near a big David Baker project in Potrero Hill ("Potrero 1010", or formerly "Daggett Place"), and it's really becoming an asset to the neighborhood- hope this will do the same for this area!

Thanks for your consideration,  
Thomas Rogers



June 29, 2016

Members of the Planning Commission,

We would like to inform you that a representative from Mission Kids plans to attend the July 7th hearing to speak about the proposed project at 2675 Folsom Street. While we do not oppose the project, we feel it is important to provide information to the Planning Commission and to developers considering projects in the Mission District about the strong community need for childcare in this area. We want the Planning Commission and developers to understand how suitable this space would be for childcare and to highlight the need for this type of space in this neighborhood.

While it is admirable and necessary to allocate space to serve local artists, we feel it is important to point out that a nonprofit focused on showcasing local artists' work may not be the most suitable ground floor tenant. It is incredibly difficult to solve for childcare, especially in the Mission, given the state licensing requirements for ground floor occupancy and accessible open space. The site at 2675 Folsom is uniquely suitable for childcare use as the space intended for nonprofit use is on the ground floor and is adjacent to a community park with accessible open space.

The need for childcare in the city is staggering. Over 3500 children in San Francisco are waiting for subsidized childcare slots to become available, including 360 in the Mission and 2500 in adjacent neighborhoods. Mission Kids has a long waiting list year after year and is having incredible difficulty finding space to expand to serve these families in need. We would like for the Planning Commission and developers considering projects in the Mission to understand this need. Mission Kids has a Capital Expansion Committee in place and has been working for years in partnership with LIIF, MOH, and First 5 of SF to identify a space to expand its program.



Mission Kids has been recognized as an exemplary program by these funding partners and provides the highest level of service to families of San Francisco. Mission Kids has the requisite administrative capacity and capital funding relationships to expand its program and serve the increasing number of families in need. However, given the current real estate reality, we need the support of the Planning Commission to identify and secure space for this essential community resource.

Respectfully,



Christina Maluenda Marchiel  
Director, Mission Kids  
[christina@missionkidsco-op.org](mailto:christina@missionkidsco-op.org)  
415.710.9319



United Brotherhood of Carpenters  
and Joiners of America

UNION LOCAL NO. 22

**RECEIVED**

**JUN 23 2016**

**CITY & COUNTY OF S.F.**  
DEPT. OF CITY PLANNING  
ADMINISTRATION

June 22, 2016

Mr. John Rahaim, Director of Planning  
San Francisco Planning Department  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

Sent via U.S. mail and e-mail  
[John.Rahaim@sfgov.org](mailto:John.Rahaim@sfgov.org)

Re: 2675 Folsom Street

Dear Mr. Rahaim:

On behalf of more than 3000 members, Carpenters Local Union 22 proudly supports Axis Development Group's project at 2675 Folsom Street.

Axis Development Group has committed to use Union Signatory General Contractor Fisher Development. This project will create hundreds of local union jobs with living wages, health and retirement benefits. In addition 2675 Folsom Street will be a gateway for local workers to enter into union apprenticeship and training programs for a sustainable career in the construction industry.

This project will provide 117 units including 19 below market rate units onsite, thus helping to relieve the current housing crisis in San Francisco. The approximately 127,000 square foot mixed use project is also very pedestrian friendly and public transit-oriented.

We encourage you to support Axis Development Group's project to ease San Francisco and the Mission's housing crisis.

Sincerely,

Todd Williams  
Senior Field Representative

## Sucre, Richard (CPC)

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**From:** Emily Kuehler <ekuehler@gmail.com>  
**Sent:** Saturday, June 20, 2015 11:38 AM  
**To:** Sucre, Richard (CPC)  
**Subject:** 2675 Folsom Project

Hi Richard,

I've heard (hopefully correctly) that you are the project planner for the 2675 Folsom development. I'm a close neighbor over at 942 Treat and while I think this project will largely do good things for the neighborhood, I certainly have concerns.

Foremost is the impact of the garage entrance / exit that is currently planned to be on Treat. The project sponsor has indicated that this was a decision largely driven by the city due to the bike lane on Folsom. Given the size of the garage (Mr. Nadhiri indicated 98 spots), and how narrow Treat is, it doesn't make sense to put the exit on Treat.

Furthermore, if the garage is on Treat, I'm assuming move-in/outs will also be required to be on Treat so as not to block that bike lane. I recently moved in on this street and it was nearly impossible for cars to pass when the truck was on the street. With a 117 unit rental building on the block, the move-ins really need to take place somewhere else.

I understand it's early in the process and these concerns seem small, but they make a huge difference in day to day life for close neighbors so getting them addressed puts us at ease about the project in general.

Thanks,  
Emily Kuehler



March 21, 2016

Mr. Rich Sucre  
San Francisco Planning Department  
1650 Mission Street, STE 400  
San Francisco, CA 94103

Re: 2675 Folsom Street (Case No. 2014.00601)

Dear Mr. Sucre,

We are the current tenants at 2675 Folsom Street, and are writing in support of Axis Development Group's proposed residential project on the site. Our business, Charyn Auctions and SF Restaurant Supply, helps food industry businesses liquidate assets through the sale and disposition of restaurant and kitchen equipment, machinery, furniture, etc. as well as selling restaurant supplies. We work with local, regional and national food related businesses and one of the keys to our success is the ability to store and maintain a steady inventory of goods for customers.

Our location at 2675 Folsom Street is located in the heart of a residential neighborhood, across from an elementary school and next to a children's park (Parque Ninos Unidos). Operating our business, which involves large trucks and heavy equipment in this location has been challenging. As a result, for years we have been discussing the possibility of relocating. We are looking to relocate to somewhere in the East Bay/Alameda County where we believe we will find more affordable and appropriate warehouse space for our business.

Axis Development Group has provided us with in-kind and financial assistance to help make that a reality and we hope to announce soon that we are relocating to new facility. Relocating to the East Bay will be a better fit for our business and our employees who all live in the East Bay and will greatly appreciate the shorter commute.

While we enjoyed our time at 2675 Folsom Street, we believe that the property is better served as housing than a commercial use. Its proximity to the school and park makes it an ideal housing site and, as you know, the Mission needs more housing. Axis Development Group is not only providing new market-rate housing, but also affordable housing; providing 17 new on-site affordable units. This is something that will truly benefit the community.

If you have any questions about our relocation, please let us know. We support Axis Development Group's plans and they have been working with us to make our transition to our new home as easy as possible.

Regards,

  
Ronald Charyn, CEO  
Charyn Auctions

## Sucre, Richard (CPC)

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**From:** Lucia Bogatay <bogarch@ix.netcom.com>  
**Sent:** Tuesday, June 21, 2016 2:43 PM  
**To:** Sucre, Richard (CPC)  
**Subject:** RE: 2675 Folsom St Plans & 2000 Bryant St Plans

Rich,

Thanks so much. That is a lovely project! I think David Baker is a good architect...

Lucia

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**From:** Sucre, Richard (CPC) [<mailto:richard.sucre@sfgov.org>]  
**Sent:** Tuesday, June 21, 2016 10:33 AM  
**To:** [bogarch@ix.netcom.com](mailto:bogarch@ix.netcom.com)  
**Cc:** Jardines, Esmeralda (CPC) <[esmeralda.jardines@sfgov.org](mailto:esmeralda.jardines@sfgov.org)>  
**Subject:** 2675 Folsom St Plans & 2000 Bryant St Plans

Hello Lucia,

Attached are the plans for the 2675 Folsom St. This project is scheduled for hearing on July 7, 2016.

You can download the plans for 2000 Bryant St at:

<http://sf-planning.org/meeting/planning-commission-may-19-2016-agenda-0>

Just click on the Case No. 2013.0677CUA, and you can download a pdf of the site. In general, you can download plans from our website for projects that require public hearing.

I'll have Esmeralda Jardines follow-up with you and send along the plans for 2600 Harrison Street.

Rich

**Richard Sucre**  
**Acting Team Leader & Preservation Technical Specialist,**  
**Southeast Quadrant, Current Planning Division**

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1650 Mission Street, Suite 400, San Francisco, CA 94103  
Direct: 415-575-9108 | Fax: 415-558-6409  
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