Executive SummaryOffice Development Authorization

HEARING DATE: MARCH 19, 2015 CONTINUED FROM: MARCH 5, 2015 Reception: 415.558.6378

1650 Mission St.

CA 94103-2479

Suite 400 San Francisco,

Fax:

415.558.6409

Planning Information: 415.558.6377

Date:March 12, 2015Case No.:2014-002385OFAProject Address:101 Townsend Street

Zoning: MUO (Mixed Use Office) Zoning District

South End Landmark District 105-F Height and Bulk District

Block/Lot: 3794/015

Project Sponsor: Doug Dahlin, Dahlin Group

5865 Owens Drive Pleasanton, CA 94588

Staff Contact: Richard Sucre – (415) 575-9108

richard.sucre@sfgov.org

Recommendation: Approval with Conditions

PROJECT DESCRIPTION

The proposal includes the legalization of a change in use from PDR (Production, Distribution and Repair) to office use for approximately 41,206 square feet on the first, second and third floors. The project would retain approximately 1,600 gross square feet (gsf) of retail use on the ground floor. As proposed, the office use would be leased to an internet security company (d.b.a Cloudflare).

SITE DESCRIPTION AND PRESENT USE

The project site is located on the rectangular lot (measuring 90-ft by 141-ft) on the southwest corner of 2nd and Townsend Streets. The subject lot is developed with a three-story, reinforced concrete former warehouse with approximately 43,519 square feet. Constructed in 1913 by engineer A. E. Hornlein, the existing building features a painted stucco and concrete exterior, steel-sash windows, a flat roof, and defined cornice. 101 Townsend Street is a contributing resource to the South End Landmark District, which is designated within Article 10 of the San Francisco Planning Code.

Currently, the subject property is vacant and is under renovation. In 2013, the subject property featured a furniture showroom on the first floor, and a variety of small business offices, as well as multimedia, design professional, and arts activity uses on the second and third floors.

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SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located in the MUO (Mixed-Use Office) Zoning District along a largely commercial corridor within the East SoMA Area Plan. The project site is approximately one block from AT&T Park. The immediate neighborhood consists of two-to-six-story tall, older brick or reinforced-concrete warehouses (largely converted into office or commercial space). Other properties in the area are residential, commercial or light industrial in nature. To the north of the project site is a narrow two-story commercial building and an older four-story former brick warehouse (now office), while to the south is a similar five-story reinforced concrete former warehouse and a smaller two-story commercial building. Other zoning districts in the vicinity of the project site include: M-2 (Heavy Industrial); SB-DTR (South Beach Downtown Residential); SLI (Service/Light Industrial); SPD (South Park District); and MB-RA (Mission Bay South Redevelopment Plan).

ENVIRONMENTAL REVIEW

Since the project involves legalization of an office use and would not result in a physical change in the environment, the Project is not a project per CEQA Guidelines 15378 and 15060(c)(2).

HEARING NOTIFICATION

ТҮРЕ	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	February 13, 2015	February 13, 2015	20 days
Posted Notice	20 days	February 13, 2015	February 13, 2015	20 days
Mailed Notice	N/A	N/A	February 13, 2015	20 days

The proposal requires a Section 312 neighborhood notification, which was conducted in conjunction with the Office Development Authorization notification.

PUBLIC COMMENT

As of March 12, 2015, the Department has received two correspondences about the proposed project. One of these correspondences expressed concern for the ground floor retail uses and for improvements along the public right-of-way. The other correspondence expressed concern over the lighting of the proposed roof deck.

ISSUES AND OTHER CONSIDERATIONS

- Existing Use/Building History: Originally constructed as a warehouse in 1913, 101 Townsend Street was primarily used as an industrial building until at least the 1950s. As noted by the Project Sponsor, 101 Townsend Street is currently vacant, and was formerly occupied by office tenants on all levels and was formerly used as an auction space (PDR use) with accessory office and storage, and ground floor retail. Since 2010, the building had primarily been occupied by office tenants on the second and third floors.
- Office Development Authorization: The proposed project includes a change in use of approximately
 41,206 gsf from PDR to office use. Within the MUO (Mixed Use Office) Zoning District, office use is

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permitted, pursuant to Planning Code Section 842.66. As of February 26, 2015 there is approximately 1.23 million square feet of "Small" Cap Office Development available under the Section 321 office allocation program.

- East SoMa Plan: The Land Use Chapter of the East SoMa (South of Market) Area Plan contains objectives and policies that encourage the retention of smaller-scale, flexible office spaces throughout East SoMa. The proposal would legalize office use throughout the landmark property, including on the ground floor. This office use would be consistent with the immediate area's mixed use character, and would promote a flexible space for all types of office users. In addition, the Project includes a ground floor retail component (approximately 1,600 square feet), thus continuing the neighborhood's commercial character on 2nd Street.
- <u>Central SoMa Plan</u>: 101 Townsend Street is located outside of the boundaries of the Central SoMa Area Plan, and is not subject to the Central SoMa Plan controls or the associated interim ordinances.
- <u>Interim Zoning Controls for Ground Floor Office Uses facing 2nd Street from King and Folsom Streets:</u> Per Resolution No. 402-14 from the Board of Supervisors, the proposed project is not subject to the interim zoning controls for ground floor office uses, since the subject building contains more than 1,500 square feet of ground floor retail.
- Development Impact Fees: The Project would be subject to the following development impact fees, which are estimated as follows:

FEE TYPE	PLANNING CODE SECTION/FEE	AMOUNT
Transit Impact Development Fee (41,206 gsf – New Office)	411 (@ \$13.87)	\$ 571,527
Jobs-Housing Linkage (41,206 gsf – PDR to Office)	413 (@ \$7.37)	\$303,688
Eastern Neighborhoods Impact Fee (41,206 gsf - Tier 1; PDR to Non-Residential)	423 (@ \$3.64)	\$149,990
	TOTAL	\$1,025,205

Please note that these fees are subject to change between Planning Commission approval and approval of the associated Building Permit Application, as based upon the annual updates managed by the Development Impact Fee Unit of the Department of Building Inspection.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must authorize an Office Development Authorization for approximately 41,206 gross square feet pursuant to Planning Code Sections 321, 322 and 842.66.

BASIS FOR RECOMMENDATION

The Department believes this project is necessary and/or desirable for the following reasons:

- The Project complies with the applicable requirements of the Planning Code.
- The Project is consistent with the objectives and policies of the General Plan.

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- The Project is in a zoning district that principally permits office use and encourages the growth of office development.
- The authorization of office space will contribute to the economic activity in the neighborhood.
- The Project represents an allocation of approximately 3.4 percent of the small cap office space currently available for allocation.
- At current rates, the project will produce approximately \$1,025,205 in fees that will benefit the community and City.

RECOMMENDATION:

Approval with Conditions

Attachments:

Draft Motion

Exhibits:

- Parcel Map
- Sanborn Map
- Zoning Map
- Aerial Photos
- Site Photos

Architectural Drawings Project Sponsor Submittal

Public Correspondence

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CASE NO. 2014-0023850FA 101 Townsend Street

Attachment Checklist:

	Executive Summary		Project Sponsor Sub	omittal
	Draft Motion		Drawings: Existing	<u>Conditions</u>
	Environmental Determination		Check for legib	pility
	Zoning District Map		Drawings: Proposed	d Project
	Height & Bulk Map		Check for legib	pility
	Parcel Map		Health Dept. review	v of RF levels
	Sanborn Map		RF Report	
	Aerial Photo		Community Meetin	g Notice
	Context Photos		Inclusionary Afford Affidavit for Compl	dable Housing Program: liance
	Site Photos		Zoning Administra	
]	Exhibits above marked with an "X" are in	clude	d in this packet	<u>RS</u>
				Planner's Initials



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ☐ Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- ☐ Downtown Park Fee (Sec. 412)
- Transit Impact Development Fee (Sec. 411)
- ☐ First Source Hiring (Admin. Code)
- ☐ Child Care Requirement (Sec. 414)
- Other (Eastern Neighborhoods-Sec. 423)

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95.

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Planning Commission Draft Motion

HEARING DATE: MARCH 19, 2015

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 Case No.:
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Project Address: 101 Townsend Street

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South End Landmark District 105-F Height and Bulk District

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Project Sponsor: Doug Dahlin, Dahlin Group

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Recommendation: Approval with Conditions

ADOPTING FINDINGS RELATING TO AN ALLOCATION OF OFFICE SQUARE FOOTAGE UNDER THE 2014 – 2015 ANNUAL OFFICE DEVELOPMENT LIMITATION PROGRAM PURSUANT TO PLANNING CODE SECTIONS 321 AND 322 THAT WOULD AUTHORIZE UP TO 41,206 GROSS SQUARE FEET OF OFFICE USE AT 101 TOWNSEND STREET, LOT 015 IN ASSESSOR'S BLOCK 3794, WITHIN THE MUO (MIXED-USE OFFICE) ZONING DISTRICT, SOUTH END LANDMARK DISTRICT, AND A 105-F HEIGHT AND BULK DISTRICT.

PREAMBLE

On December 4, 2014, Doug Dahlin of the Dahlin Group (hereinafter "Project Sponsor") filed Application No. 2014-002385OFA (hereinafter "Application") with the Planning Department (hereinafter "Department") for an Office Development Authorization to legalize 41,206 gsf of office use at 101 Townsend Street (Block 3794 Lot 015) in San Francisco, California.

The Project is not considered a "project" for the purposes of the California Environmental Quality Act ("CEQA") as defined in CEQA Guidelines 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

The Planning Department, Jonas P. Ionin, is the custodian of records, located in the File for Case No. 2014-002385OFA at 1650 Mission Street, Fourth Floor, San Francisco, California.

On March 19, 2015, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Office Allocation Application No. 2014-002385OFA.

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 Office Development requested in Application No. 2014-002385OFA, 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 site is located on the rectangular lot (measuring 90-ft by 141-ft) on the southwest corner of 2nd and Townsend Streets. The subject lot is developed with a three-story, reinforced concrete former warehouse with approximately 43,519 square feet. Constructed in 1913 by engineer A. E. Hornlein, the existing building features a painted stucco and concrete exterior, steel-sash windows, a flat roof, and defined cornice. 101 Townsend Street is a contributing resource to the South End Landmark District, which is designated within Article 10 of the San Francisco Planning Code.

Currently, the subject property is vacant and is under renovation. In 2013, the subject property featured a furniture showroom on the first floor, and a variety of small business offices, as well as multimedia, design professional, and arts activity uses on the second and third floors.

3. Surrounding Properties and Neighborhood. The project site is located in the MUO (Mixed-Use Office) Zoning District along a largely commercial corridor within the East SoMA Area Plan. The project site is approximately one block from AT&T Park. The immediate neighborhood consists of two-to-six-story tall, older brick or reinforced-concrete warehouses (largely converted into office or commercial space). Other properties in the area are residential, commercial or light industrial in nature. To the north of the project site is a narrow two-story commercial building and an older four-story former brick warehouse (now office), while to the south is a similar five-story reinforced concrete former warehouse and a smaller two-story commercial building. Other zoning districts in the vicinity of the project site include: M-2 (Heavy Industrial); SB-DTR (South Beach Downtown Residential); SLI (Service/Light Industrial); SPD (South Park District); and MB-RA (Mission Bay South Redevelopment Plan).

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- 4. **Project Description.** The proposal includes the legalization of a change in use from PDR (Production, Distribution and Repair) to office use for approximately 41,206 square feet on the first, second and third floors. The project would retain approximately 1,600 gross square feet (gsf) of retail use on the ground floor.
- 5. **Public Comment**. As of March 12, 2015, the Department has received two correspondences about the proposed project. One of these correspondences expressed concern for the ground floor retail uses and for improvements along the public right-of-way. The other correspondence expressed concern over the lighting of the proposed roof deck.
- 6. **Planning Code Compliance**. The Commission finds and determines that the Project is consistent with the relevant provisions of the Code in the following manner:
 - A. **Permitted Uses in MUO Zoning Districts.** Planning Code Section 842.5 and 842.66 states that retail and office uses are principally permitted within the MUO Zoning District.

The Project would maintain approximately 1,600 gsf of retail use on the ground floor and establish approximately 41,206 gsf of office use on the first, second and third floors. Therefore, the Project meets this Planning Code requirement.

B. **Floor Area Ratio.** Planning Code Section 124 establishes a FAR (Floor Area Ratio) of 7.5 to 1 for properties within the MUO Zoning District and a 65-X Height and Bulk District.

Currently, the Project is located on a lot measuring approximately 12,645 square feet, thus resulting in a maximum floor area ratio of 94,838 square feet. The Project includes 1,600 square feet of retail use and 41,206 square feet of office, thus complying with Planning Code Section 124.

C. **Open Space.** Planning Code Section 135.3 requires one square foot of useable open space for every fifty (50) square feet of occupied floor area of new office use, and one square foot of useable open space for every two hundred and fifty (250) square feet of occupied floor area of new retail use within the MUO Zoning District.

For the proposed 1,600 sq ft of retail space and 41,206 sq ft of office space, the Project is required to provide approximately 862 square feet of useable open space. Previously, the Project received authorization from the Historic Preservation Commission to construct a new roof deck measuring approximately 2,711 square feet (See Case No. 2013.1211A); therefore, the project complies with Planning Code Section 135.3.

D. Parking. Planning Code Section 151.1 outlines the schedule of permitted off-street parking spaces in an Eastern Neighborhood Mixed Use Zoning District. In general, offstreet accessory parking shall not be required for any use and the quantities specified in the aforementioned Planning Code section shall serve as the maximum amount of offstreet parking spaces.

The Project does not currently include off-street parking. In addition, per Planning Code Section 161(k), designated City Landmarks and contributing resources to landmark districts are not required to provide off-street parking or loading.

E. **Bicycle Parking Requirement.** Planning Section 155.2 of the Planning Code requires at least one Class 1 bicycle parking space for every 5,000 occupied square feet of office space and a minimum of two Class 2 bicycle parking spaces for any office uses greater than 5,000 gross square feet plus one Class 2 bicycle parking space for each additional 50,000 occupied square feet. For retail use under 2,500 square feet, Planning Code Section 155.2 states that a minimum of two Class 2 bicycle parking spaces is required.

The Project is required to provide eight Class 1 bicycle parking spaces and four Class 2 bicycle parking spaces for the 1,600 gsf of retail use and 41,206 gsf of office use. Per ZA Bulletin No. 9, Class 1 bicycle parking spaces may be used to satisfy the requirements for Class 2 bicycle parking. The Project provides a total of 8 Class 1 bicycle parking spaces and 4 Class 2 bicycle parking spaces. Therefore, the Project meets this Planning Code requirement.

F. Shower Facility and Clothes Locker Requirement. Planning Section 155.4 of the Planning Code requires at least two showers and twelve clothes lockers when gross square footage exceeds 20,000 square feet but is not greater than 50,000 square feet of the office use floor area.

The Project will provide two showers and twelve clothes lockers on the first floor. Therefore, the Project meets this Planning Code requirement.

G. Transportation Management Program. Planning Section 163 requires the Project Sponsor to execute an agreement with the Planning Department for the provision of onsite transportation brokerage services and preparation of a transportation management program to be approved by the Director of Planning and implemented by the provider of transportation brokerage services for projects within the MUO District, where the gross square feet of new, converted or added floor area for office use equals at least 25,000 square feet

The Project includes 41,206 square feet of office use, thus the Project Sponsor must execute an agreement to provide on-site transportation brokerage services. The agreement will be reviewed by the Planning Department prior to the issuance of a temporary certificate of occupancy, in accordance with Planning Code Section 163.

H. **Transit Impact Development Fee.** Planning Code Section 411 applies the Transit Impact Development Fee to projects cumulatively creating more than 800 gross square feet of non-residential uses, including Retail/Entertainment, Management, Information and Professional Services and Production/Distribution/Repair.

The Project includes the establishment of 41,206 sq ft of office use and approximately 1,600 sq ft of retail use. These uses are subject to the Transit Impact Development Fee at the per gross square foot rate in place at time of building permit issuance.

I. **Jobs-Housing Linkage Program**. Planning Code Section 413 applies the Jobs-Housing Linkage Fee to any project that increases by at least 25,000 gross square feet the total amount of any combination of entertainment use, hotel use, Integrated PDR use, office, research and development use, retail use, and/or Small Enterprise Workspace use

The Project includes 41,206 sq ft of office use and is subject to the Jobs-Housing Linkage Program, as outlined in Planning Code Section 413. The Project Sponsor may elect between the Housing Requirement option, the Payment to Housing Developer option, the In-Lieu Fee Payment option or compliance by combination payment to Housing Developer and payment of In-Lieu Fee at the time of building permit issuance.

J. 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 a change in use from PDR to Non-Residential.

The Project includes a change in use from PDR to Non-Residential, consisting of 41,206 sq ft of office use and 1,600 sq ft of retail use. These 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. **Office Development Authorization.** Planning Code Section 321 establishes standards for San Francisco's Office Development Annual Limit. In determining if the proposed Project would promote the public welfare, convenience and necessity, the Commission considered the seven criteria established by Code Section 321(b)(3), and finds as follows:

I. APPORTIONMENT OF OFFICE SPACE OVER THE COURSE OF THE APPROVAL PERIOD IN ORDER TO MAINTAIN A BALANCE BETWEEN ECONOMIC GROWTH ON THE ONE HAND, AND HOUSING, TRANSPORTATION AND PUBLIC SERVICES, ON THE OTHER.

Currently, there is more than 1.23 million gross square feet of available "Small Cap" office space in the City. Additionally, the Project is subject to various development fees that will benefit the surrounding community and the city. The Project is located in close proximity to many public transportation options, including a number of Muni and transit lines. Therefore, the Project will help maintain the balance between economic growth, housing, transportation and public services.

II. THE CONTRIBUTION OF THE OFFICE DEVELOPMENT TO, AND ITS EFFECTS ON, THE OBJECTIVES AND POLICIES OF THE GENERAL PLAN.

The Project is consistent with the General Plan (See Below).

III. THE QUALITY OF THE DESIGN OF THE PROPOSED OFFICE DEVELOPMENT.

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The Project offers high quality design within a historic building for the proposed office development, which is consistent and compatible with the neighborhood's overall massing and form. In particular, the proposed project is sensitive to the surrounding South End Landmark District, and addresses the architectural vocabulary and composition found among many of the older warehouses within the immediate vicinity.

IV. THE SUITABILITY OF THE PROPOSED OFFICE DEVELOPMENT FOR ITS LOCATION, AND ANY EFFECTS OF THE PROPOSED OFFICE DEVELOPMENT SPECIFIC TO THAT LOCATION.

- a) <u>Use.</u> The Project is located within the MUO (Mixed Use Office) Zoning District, which principally permits office use pursuant to Planning Code Sections 842.66. The subject lot is located in an area primarily characterized by commercial and light industrial development. There are several office use buildings on the subject block, and on blocks to the north and west of the project site.
- b) <u>Transit Accessibility</u>. The area is served by a variety of transit options. The project site is within a quarter-mile of various Muni routes, including the 10-Townsend, 30-Stockton, and 45-Union/Stockton, as well as the King and 2nd Street Muni Stop. Further, the project site is located within two blocks of the Caltrain Station on King and 4th Streets. In addition, the Project would be required to execute a Transportation Management Program per Planning Code Section 163.
- c) Open Space Accessibility. The Project provides a code-complying roof deck to address the non-residential open space requirement. In addition, the project site is located within one block of open space at South Beach Park.
- d) <u>Urban Design</u>. The Project reinforces the surrounding neighborhood character by adaptively reusing a former warehouse. The change of use does not impact the historic character of the subject property. The property owners have demonstrated their good stewardship by obtaining the appropriate approvals for exterior work from the Historic Preservation Commission.
- e) <u>Seismic Safety</u>. The Project would be designed in conformance with current seismic and life safety codes as mandated by the Department of Building Inspection.

V. THE ANTICIPATED USES OF THE PROPOSED OFFICE DEVELOPMENT IN LIGHT OF EMPLOYMENT OPPORTUNITIES TO BE PROVIDED, NEEDS OF EXISTING BUSINESSES, AND THE AVAILABLE SUPPLY OF SPACE SUITABLE FOR SUCH ANTICIPATED USES.

- a) Anticipated Employment Opportunities. The Project includes a total of 41,206 gsf of office space. As noted by the Project Sponsor, the additional office square footage will create new opportunities for employment.
- b) Needs of Existing Businesses. The Project will supply office space in the East SoMa area, which allows office use within MUO Zoning District. The Project will provide office space with high ceilings and large floor plates, which are characteristics desired by emerging technology businesses. This building type offers flexibility for new businesses to further grow in the future. In addition, the

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Project maintains 1,600 gsf of retail use on the ground floor, which would enhance the commercial corridor on 2nd Street.

c) <u>Availability of Space Suitable for Anticipated Uses</u>. The Project will provide large open floor plates, which will allow for quality office space that is suitable for a variety of office uses and sizes. Currently, the surrounding neighborhood has a high demand for office space.

VI. THE EXTENT TO WHICH THE PROPOSED DEVELOPMENT WILL BE OWNED OR OCCUPIED BY A SINGLE ENTITY.

The Project Sponsor has leased the entire building to an internet security business (d.b.a. Cloudflare). The Project also accommodates a ground floor retail use.

VII. THE USE, IF ANY, OF TRANSFERABLE DEVELOPMENT RIGHTS ("TDR's") BY THE PROJECT SPONSOR.

The Project does not include any Transfer of Development Rights.

8. **Section 101.1 Priority Policy Findings.** Section 101.1(b)(1-8) establishes eight priority planning Policies and requires review of permits for consistency with said policies.

The Commission finds and determines that the Project is consistent with the eight priority policies, for the reasons set forth below.

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

The existing building does not and has not contained any neighborhood-serving retail uses. On the ground floor, the most recent uses were a furniture showroom and store. The proposal would enhance the neighborhood-serving retail district by introducing a large number of new employees and potential patrons to the retail uses in the area.

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

The existing neighborhood character will be preserved, since the Project involves an adaptive reuse of a former industrial building. The Project is located in the East SoMa Area Plan and is located within a zoning district that allows office use. Other nearby properties include commercial, office, or light industrial uses.

c) The City's supply of affordable housing be preserved and enhanced.

There is no existing affordable or market-rate housing on the Project Site. The development will contribute fees to the Jobs-Housing Linkage Program. Therefore, the Project is consistent with this priority policy.

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

The area is served by a variety of transit options, including MUNI and Caltrain. It is also near several streets that are part of the City's growing bicycle network. It is not anticipated that commuter traffic will impede MUNI transit or overburden streets or neighborhood parking.

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 involves legalizing and establishing an office use on the subject lot. The Project will provide quality flexible office space that is suitable for a variety of office uses and sizes. This office space will help maintain the local resident employment and demand for neighborhood-serving businesses in the area. The Project would replace a former light industrial use on the ground floor with new office use; however, this new office use would contribute to the surrounding neighborhood economy by providing new employees to the area. Further, the Project provides a limited amount of ground floor retail, which would contribute to the surrounding retail corridor.

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

The Project is designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code.

g) That landmarks and historic buildings be preserved.

The Project preserves and reuses the existing landmark property.

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

The Project would not affect nearby parks or open space.

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

COMMERCE AND INDUSTRY ELEMENT

Objectives and Policies

OBJECTIVE 1:

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

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Policy 1.1:

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

Policy 1.2:

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

Policy 1.3:

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

The proposed office development will provide net benefits to the City and the community in the form of new office space located within a zoning district with the stated intent of encouraging the growth of office use. The nature of the office use has few physical consequences that are undesirable and the standard Conditions of Approval (Exhibit A) will help ensure that the operations will not generate any unforeseen problems.

OBJECTIVE 2:

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

Policy 2.3:

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location

The proposed office development will help attract new commercial activity to San Francisco as it provides a large quantity of vacant office space for use. It also contributes to San Francisco's attractiveness as a firm location as it is within short walking distance of South Park, the amenities encircling South Park and the emerging 3rd Street Corridor near AT&T Park.

TRANSPORTATION ELEMENT

Objectives and Policies

OBIECTIVE 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 the required bicycle parking spaces in a secure, convenient location within the basement level along with required shower and locker facilities.

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.

Overall, the Project complements the existing character of the South End Landmark District, since the Project would adaptively reuse the existing building for a new use. The South End Landmark District is recognized by the City of San Francisco for its unique and historic architectural character.

EAST SOMA PLAN AREA

LAND USE

Objectives and Policies

OBJECTIVE 1.1:

ENCOURAGE PRODUCTION OF HOUSING AND OTHER MIXED-USE DEVELOPMENT IN EAST SOMA WHILE MAINTAINING ITS EXISTING SPECIAL MIXED-USE CHARACTER.

Policy 1.1.2:

Encourage small flexible, office space throughout East SoMa and encourage larger office in the 2^{nd} Street Corridor.

OBJECTIVE 1.4:

SUPPORT A ROLE FOR "KNOWLEDGE SECTOR" BUSINESSES IN EAST SOMA.

Policy 1.4.1:

Permit limited office space throughout East SoMa to support a flexible space for all types of office users.

HISTORIC RESOURCES

Objectives and Policies

OBJECTIVE 8.2:

PROTECT, PRESERVE, AND REUSE HISTORIC RESOURCES WITHIN THE EAST SOMA AREA PLAN.

Policy 8.2.3:

Promote and offer incentives for the rehabilitation and adaptive reuse of historic buildings in the East SoMa area plan.

Generally, the East SoMa Area Plan encourages the reuse of the historic buildings and the production of small, flexible office space. The proposed project is consistent with the policies and objectives of the East SoMa Area Plan, and would establish new office development. The Project will contribute to the economic diversity and mixed-use character of the neighborhood and will reuse a contributing building in a designated landmark district.

- 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 finds that granting the Office Development Authorization in this case would promote the public welfare, convenience and necessity of the City for the reasons set forth above.

Motion No. XXXXX Hearing Date: March 19, 2015

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 Office Development Application No. 2014-002385OFA** subject to the conditions attached hereto as <u>Exhibit A</u>, which is incorporated herein by reference as though fully set forth, in general conformance with the plans stamped <u>Exhibit B</u> and dated February 5, 2015, on file in Case Docket No. 2014-002385OFA.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 321 Office-Space Allocation 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 March 19, 2015.

Jonas P. Ionin Commission Se	ecretary
AYES:	
NAYS:	
ABSENT:	
ADOPTED:	March 19, 2015

EXHIBIT A

AUTHORIZATION

This authorization is for an Office Development Authorization to authorize up to 41,206 gross square feet of office use located at 101 Townsend Street, Lot 015 in Assessor's Block 3794 pursuant to Planning Code Sections 321 and 322 within the South End Landmark District, MUO (Mixed-Use Office) Zoning District and a 105-F Height and Bulk District; in general conformance with plans, dated February 5, 2015, and stamped "EXHIBIT B" included in the docket for Case No. 2014-002385OFA and subject to conditions of approval reviewed and approved by the Commission on March 19, 2015 under Motion No. XXXX. 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 March 19, 2015 under Motion No XXXXXXX.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. **XXXXXX** shall be reproduced on the Index Sheet of construction plans submitted with the site or building permit application for the Project. The Index Sheet of the construction plans shall reference 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 Office Development authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

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

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, <u>www.sf-planning.org</u>

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, <u>www.sf-planning.org</u>

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, <u>www.sf-planning.org</u>

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, <u>www.sf-planning.org</u>

Development Timeline - Office. Pursuant to Planning Code Section 321(d)(2), construction of an office development shall commence within 18 months of the date of this Motion approving this Project becomes effective. Failure to begin work within that period or to carry out the development diligently thereafter to completion, shall be grounds to revoke approval of the office development under this Office Allocation authorization.

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

PARKING AND TRAFFIC

Bicycle Parking. Pursuant to Planning Code Section 155.2, the Project shall provide no fewer than 8 Class 1 bicycle parking spaces and 4 Class 2 bicycle parking spaces for the 41,206 square feet of office use and 1,600 square feet of retail use.

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

Showers and Clothes Lockers. Pursuant to Planning Code Section 155.3, the Project shall provide no fewer than **2** showers and **12** clothes lockers.

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

PROVISIONS

Transportation Brokerage Services - C-3, EN, and SOMA. Pursuant to Planning Code Section 163, the Project Sponsor shall provide on-site transportation brokerage services for the actual lifetime of the project. Prior to the issuance of any certificate of occupancy, the Project Sponsor shall execute an agreement with the Planning Department documenting the project's transportation management program, subject to the approval of the Planning Director.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, <u>www.sf-planning.org</u>

Transit Impact Development Fee. Pursuant to Planning Code Sections 411 (formerly Chapter 38 of the Administrative Code), the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) as required by and based on drawings submitted with the Building Permit Application. Prior to the issuance of a temporary certificate of occupancy, the Project Sponsor shall provide the Planning Department with certification of fee payment.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Jobs Housing Linkage. Pursuant to Planning Code Sections 413, the Project Sponsor shall contribute to the Jobs-Housing Linkage Program (JHLP). The calculation shall be based on the net addition of gross square feet of each type of space to be constructed as set forth in the permit plans. The Project Sponsor shall provide evidence that this requirement has been satisfied to the Planning Department prior to the issuance of the first site or building permit by the Department of Building Inspection.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

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 of the Planning Code.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Interim Zoning Controls-New Ground Floor Office Uses. Pursuant to the Interim Zoning Controls for New Ground Floor Office Uses Facing 2nd Street from King and Folsom Streets (Board of Supervisors Resolution No. 402-14; File 141006), the Project includes more than 1,500 square feet of ground floor retail use and is exempt from these controls.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

MONITORING - AFTER ENTITLEMENT

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

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

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

OPERATION

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.

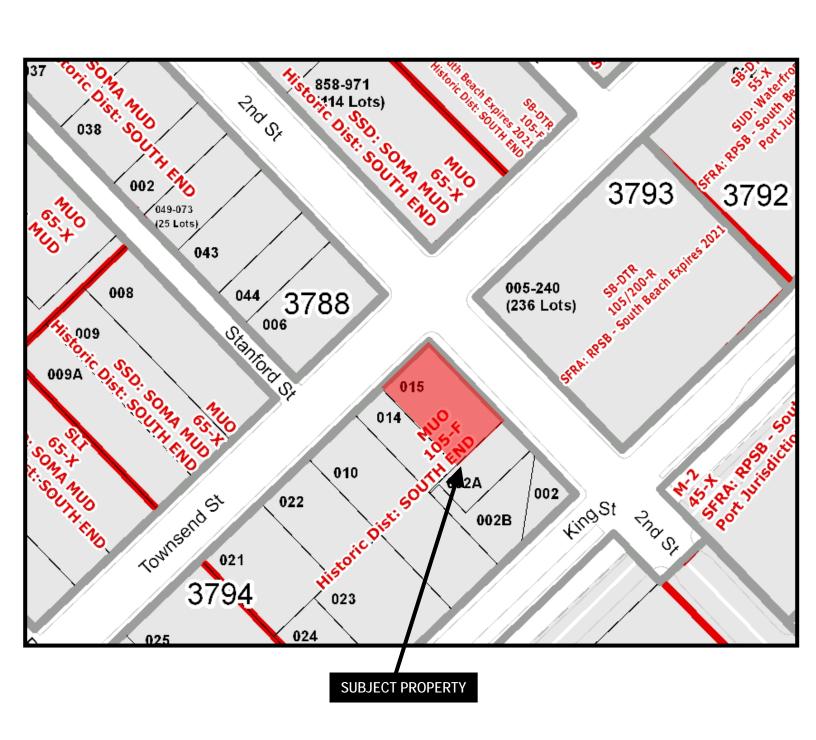
For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, http://sfdpw.org

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.

Motion No. XXXXX CASE NO. 2014-0023850FA Hearing Date: March 19, 2015 101 Townsend Street

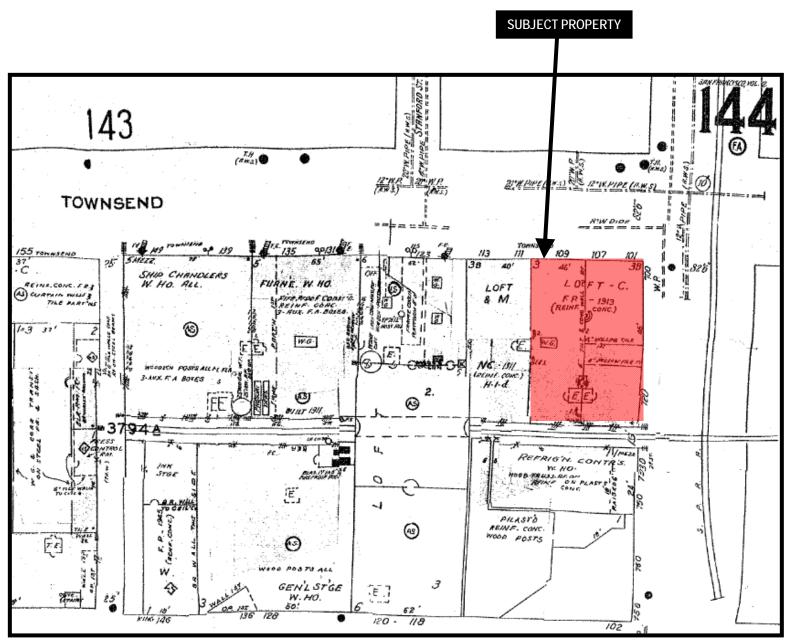
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parcel Map





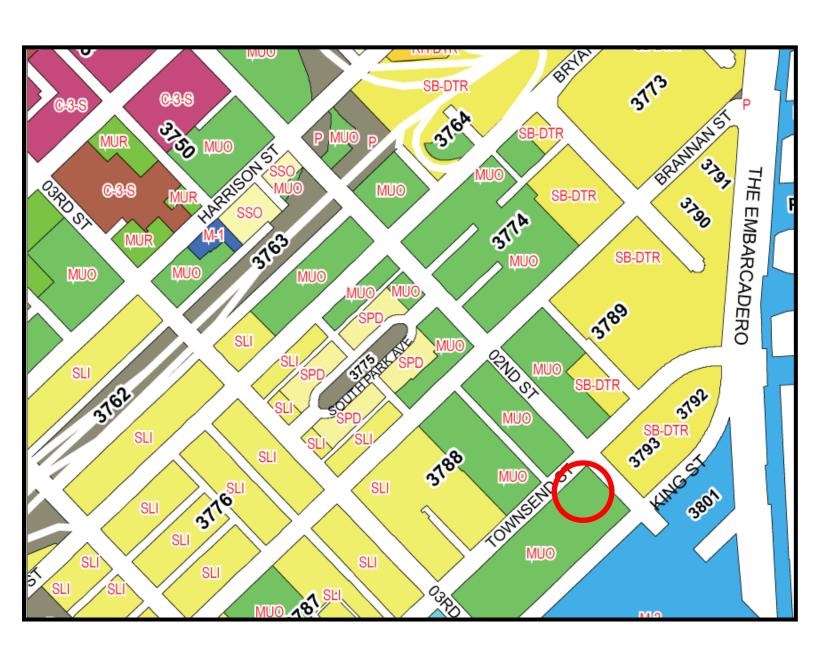
Sanborn Map*



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

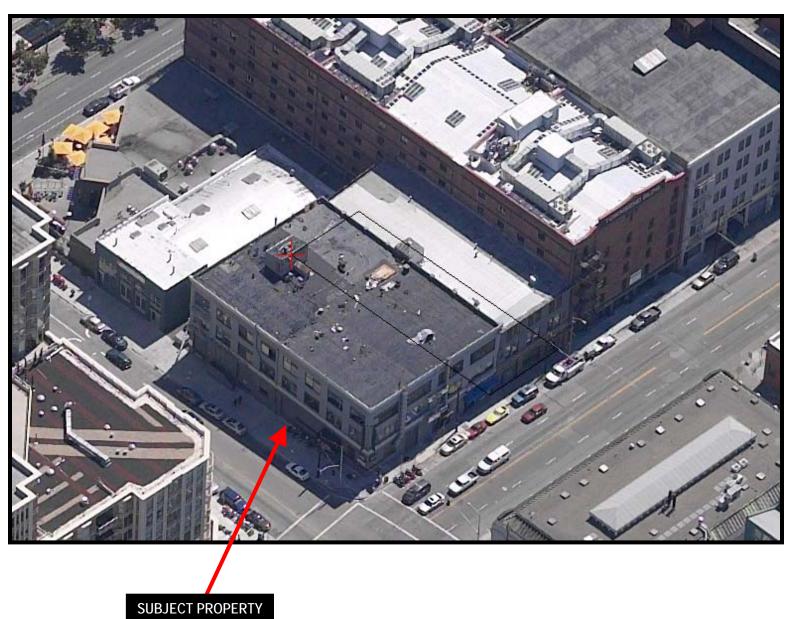


Zoning Map





Aerial Photo



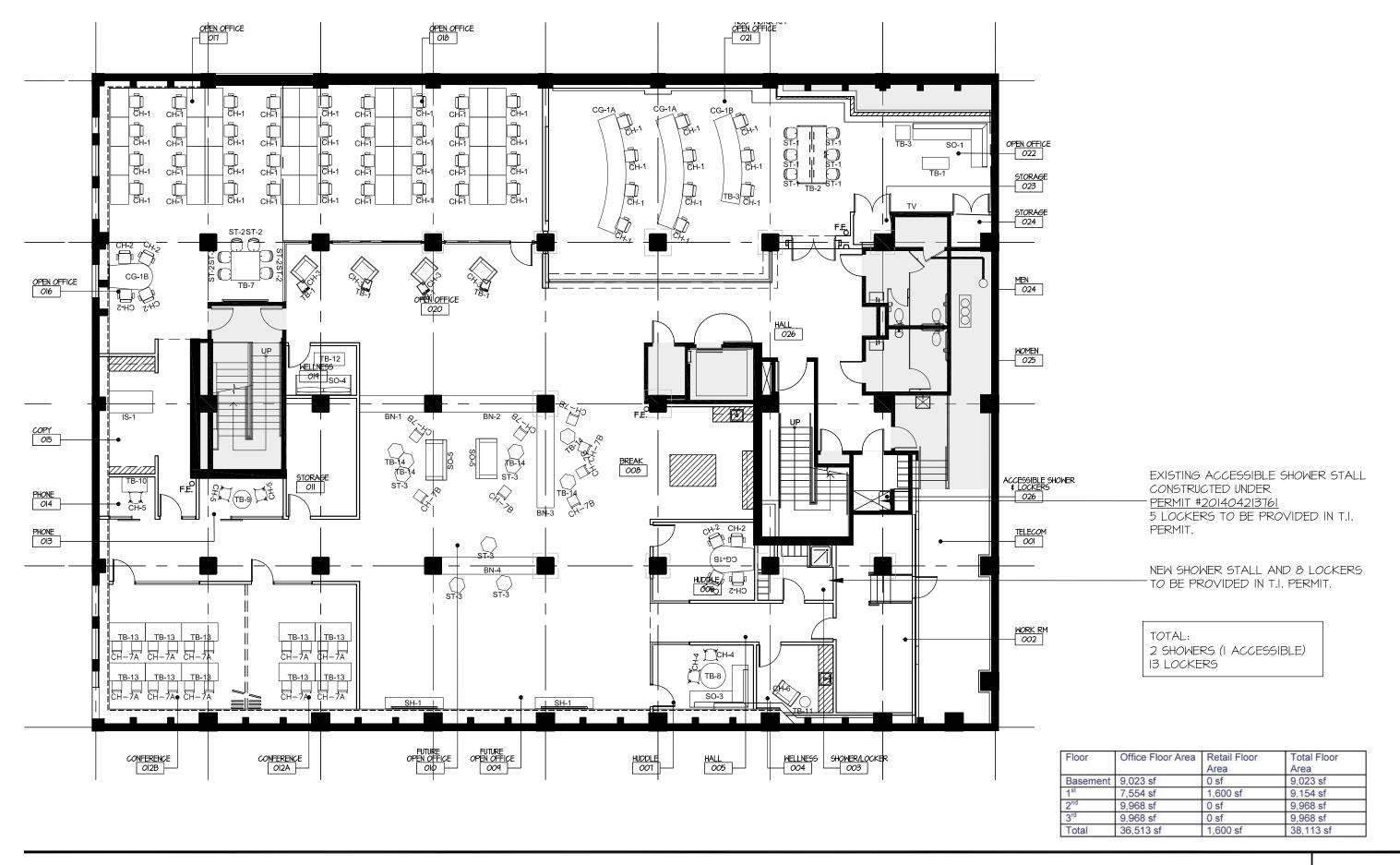


Site Photo



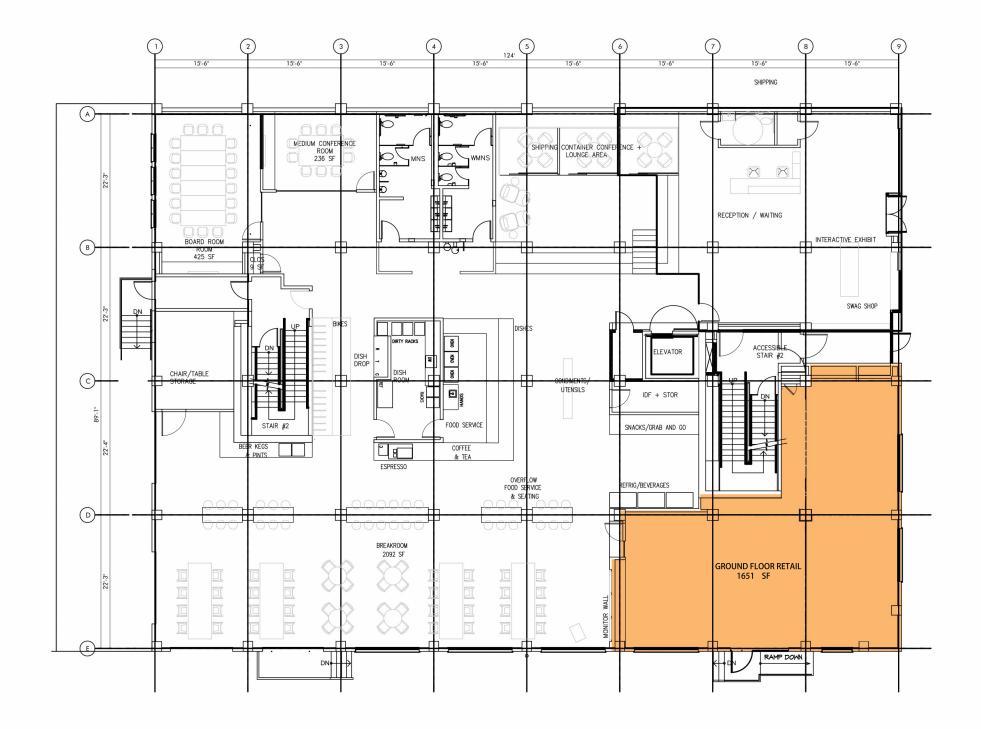
101 Townsend Street (Source: SF Planning Dept, March 2014)

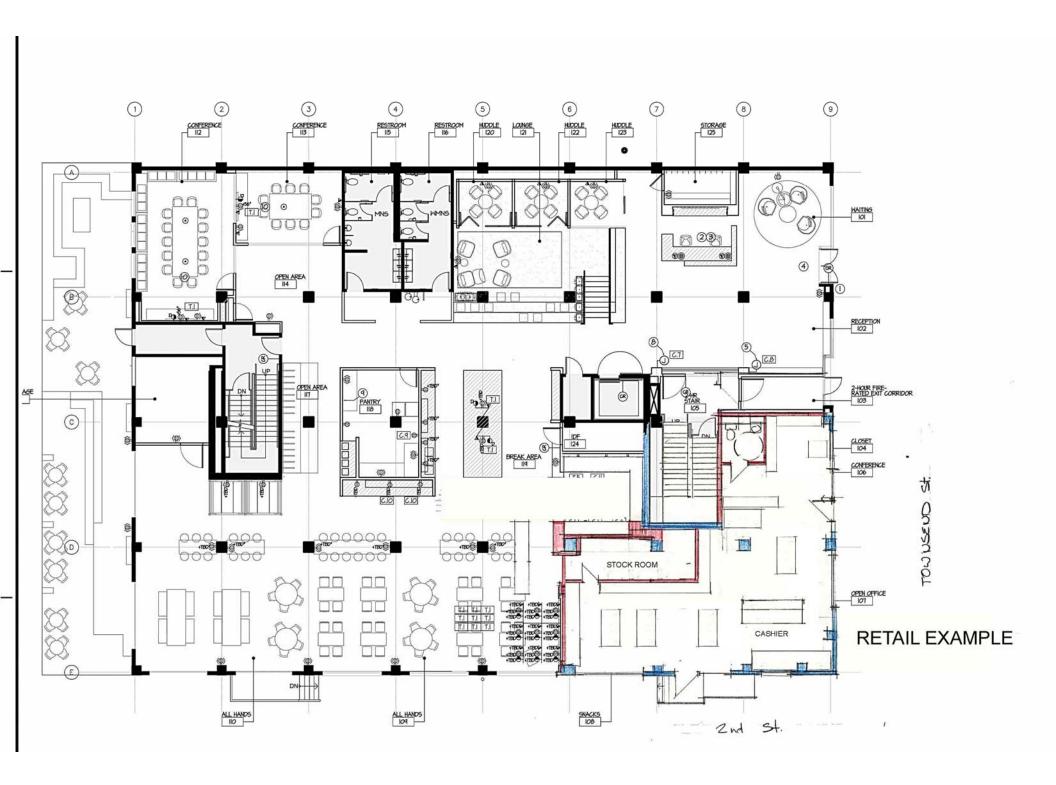
Office Development Authorization Hearing Case Number 2014-002385OFA 101 Townsend Street

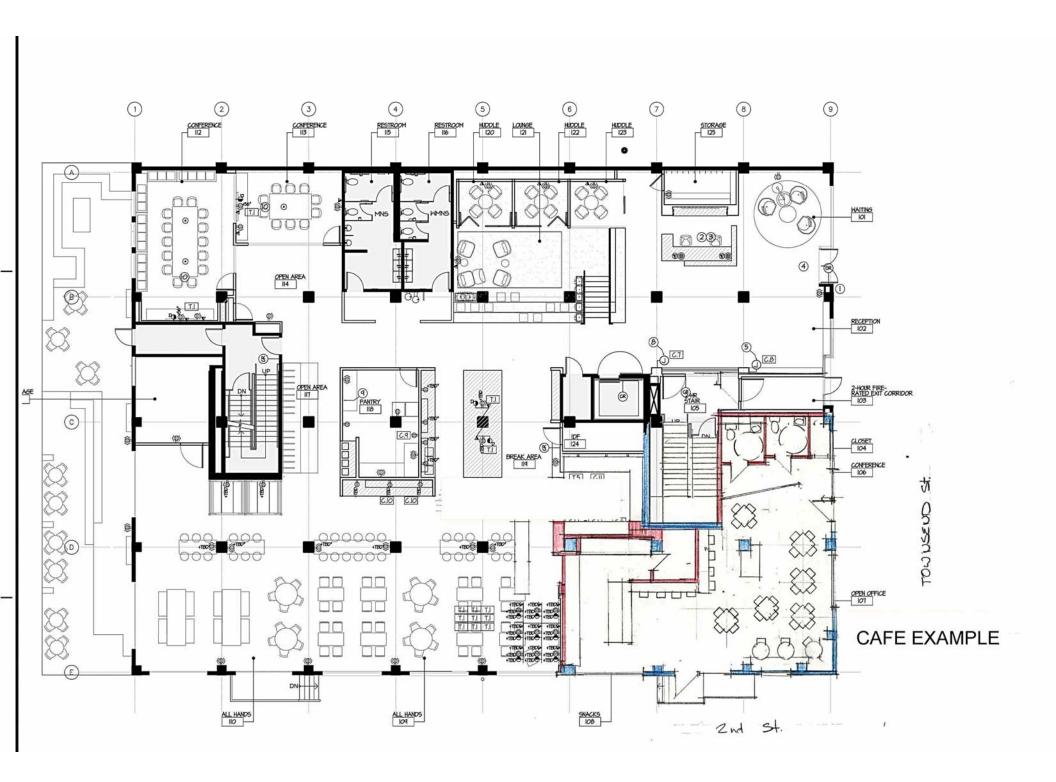


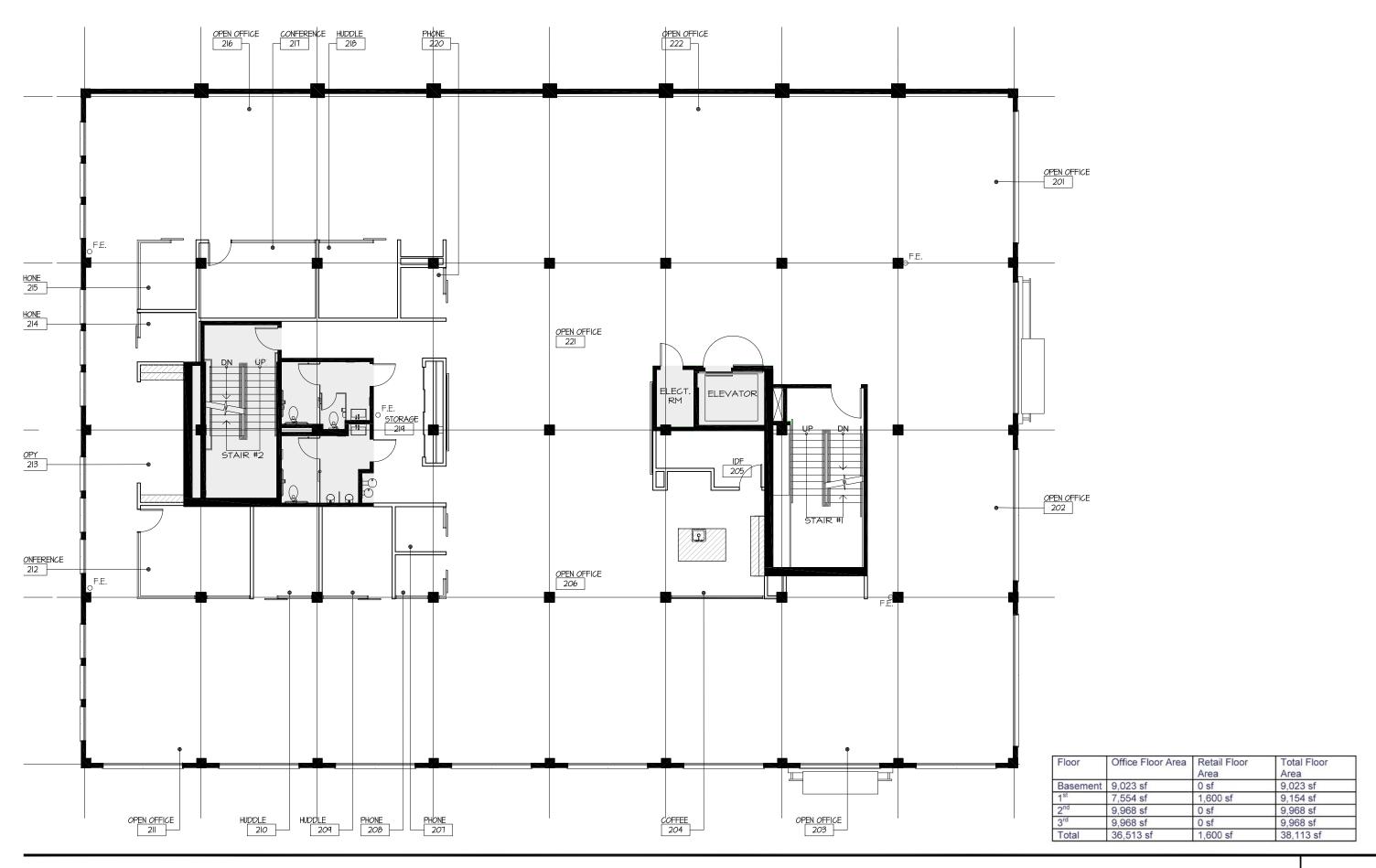
CLOUDFLARE 101 TOWNSEND ST (AT 2ND ST) 02.05.2015 BASEMENT

INTERIORS ARCHITECTURE GRAPHICS



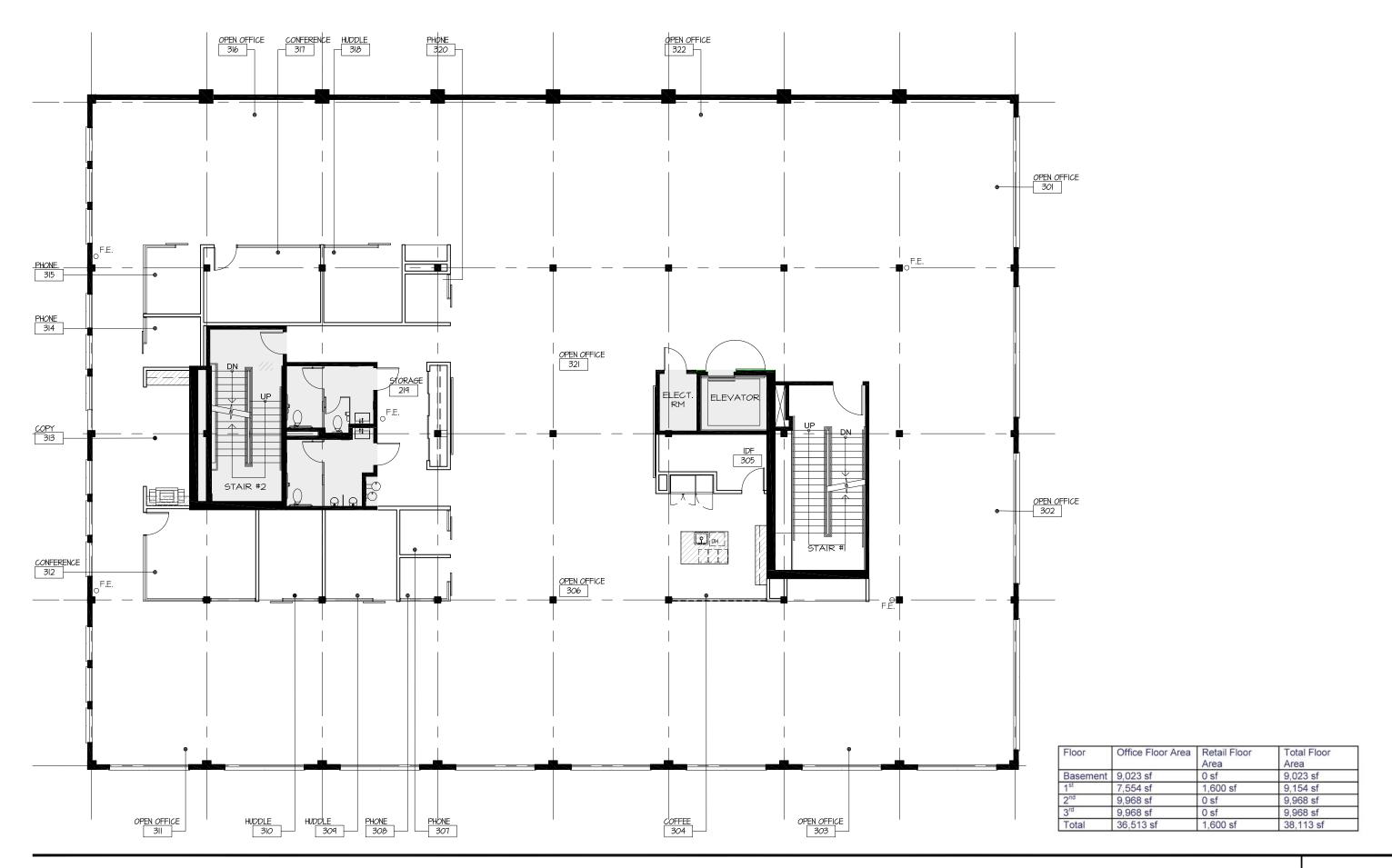






CLOUDFLARE 101 TOWNSEND ST (AT 2ND ST) 02.05.2015 **2ND FLOOR**

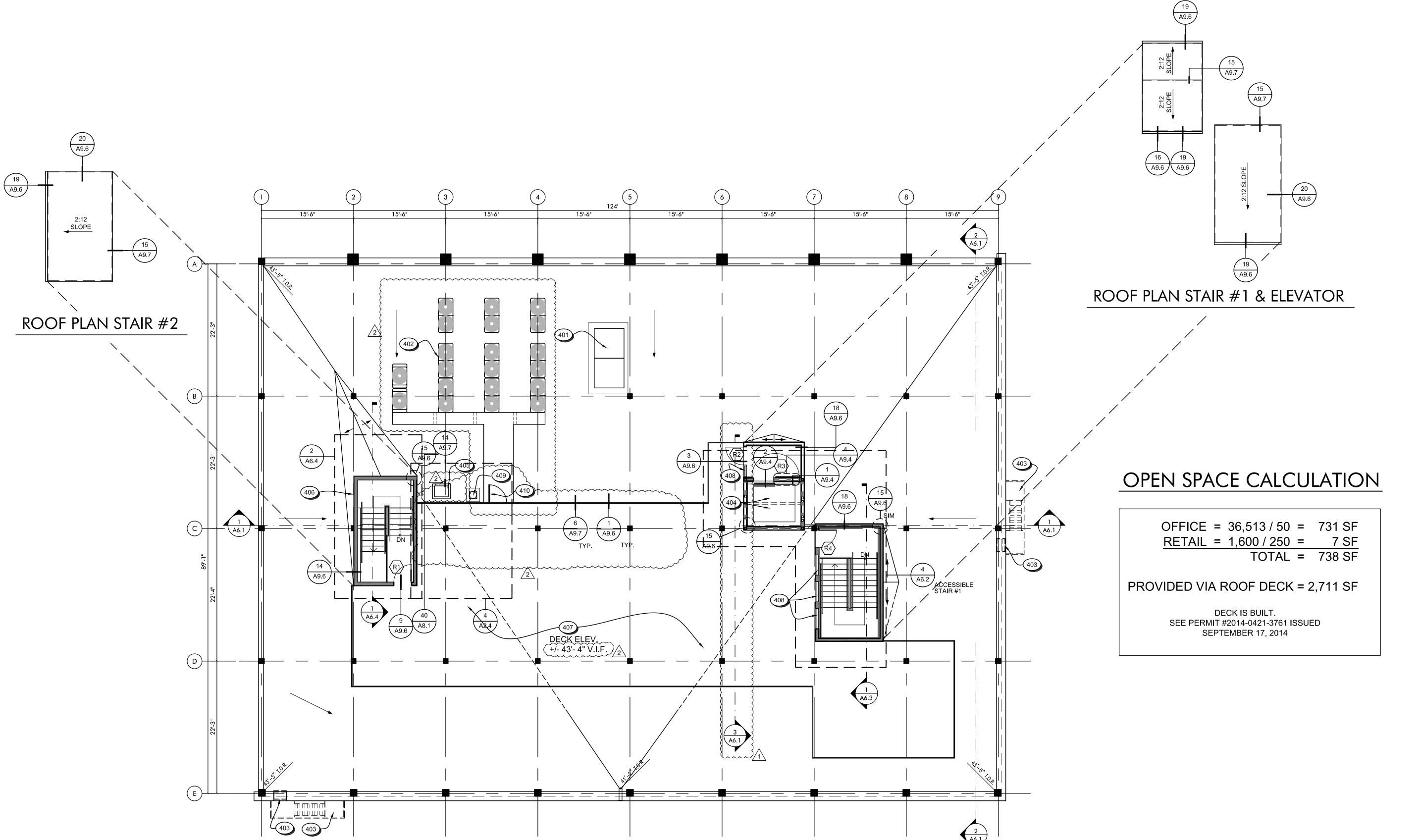
INTERIORS ARCHITECTURE GRAPHICS



CLOUDFLARE 101 TOWNSEND ST (AT 2ND ST) 02.05.2015 **3RD FLOOR**

INTERIORS ARCHITECTURE GRAPHICS

ASD





101 TOWNSEND SAN FRANCISCO CALIFORNIA

PLAN SYMBOLS

EXISTING WALL

NEW 6" METAL STUD WALL - SEE DETAIL 13/A9.2

NEW 2-HOUR 6" METAL STUD FIRE RATED WALL - SEE DETAIL 9/A9.2

GENERAL NOTES

 ALL EXISTING STRUCTURES ARE TO BE VERIFIED IN FIELD PRIOR TO CONSTRUCTION.

KEYNOTES

EXISTING SKYLIGHT TO REMAIN

407

HVAC - S.M.D.

EXISTING FIRE ESCAPE LADDER TO BE REMOVED. PATCH AND REPAIR EXTERIOR TO MATCH EXISTING FINISH.

NEW HOIST BEAMS FOR NEW ELEVATOR - S.S.D.

PIPE OPENING TO BELOW - S.M.D.

REMOVE EXISTING PENTHOUSE DOWN TO CONCRETE CURB AND REPLACE WITH NEW PENTHOUSE - SEE A5.3.

NEW ROOF DECK. SEE A5.3 FOR FURTHER INFORMATION.

STOREFRONT, SEE A5.2

MECHANICAL OPENING TO BELOW - S.M.D.

DECK GATE , SEE A5.3

REVISIONS

PLAN CHECK 04-17-2014

1 BID SET 06-13-2014
2 PC COMMENTS 08-11-2014

ROOF PLAN

NORTH

JOB NO. 900.002 SHEET

DRAWN NK

CHECK RV

DATE 04.17.2014

1



From:	Michael McGreevy <michaelmcgreevy@sbcglobal.net></michaelmcgreevy@sbcglobal.net>
~ ·	T F 17 201F 2 21 DM

Sent: Tuesday, February 17, 2015 3:31 PM

To: Sucre, Richard (CPC) **Subject:** Case 2014-002385ofa

Dear Mr. Sucre,

I have no issue with the permit (2014.10.06.8155) for 101 Townsend per se, but I would like more information on the plans for deck recently installed atop of the roof.

Will there be any controls as to usage of this deck? (That deck is near our residential building, and we don't need partying/celebratory people on the roof at nighttime.) Are there restrictions for use so that this does not happen? If so who do we contact if there is a problem with misuse?

A related issue is the three lights installed at the stair entrances to the roof. Currently they are high wattage and are on all the time, day and night. At night, they are too bright and need to be toned down. The glare is harmful to anyone looking out of their windows. Sensor-controlled switches also need to be installed to make sure that they are on only when needed.

Thank you.

Sincerely,

michael mcgreevy michael mcgreevy 88 King St., Suite 1004 San Francisco,CA 94107 415-904-1004

From: Alice Rogers <arcomnsf@pacbell.net>
Sent: Friday, February 13, 2015 1:16 PM

To: Sucre, Richard (CPC)
Cc: Patrick C. Valentino

Subject: 101 Townsend St (resend with phone contact info)

Hi Richard,

I understand that you are the Planning lead for this project, and that the owner is seeking to introduce significant office use on the ground floor, a space that has been fully retail for decades. Our South Beach/Mission Bay Business Association/SBRMB Neighborhood Association ground floor retail working group has concerns about this and would like to get a full understanding of the current situation and how we might intervene—ideally with the owner directly—to craft a solution that works for all concerned.

I will give you a call on your work number, but wanted to give you some context if we get in a phone tag loop. If it's easiest, I am willing to meet at your office at your earliest convenience.

Regards, Alice Rogers 415 543-6554

Alice Rogers

VP, South Beach|Rincon|Mission Bay NA

SB|R|MB NA

arcomnsf@pacbell.net; sbrmbna.com

From: Alice Rogers <arcomnsf@pacbell.net>
Sent: Tuesday, February 17, 2015 1:01 PM

To: Sucre, Richard (CPC) **Subject:** Re: 101 Townsend, thanks

Rich,

Thanks so much for your prompt and thorough responses. I'm embarrassed to admit I didn't realize that the south side of Townsend wasn't included in the Central SoMa Plan.

Even though our group authored the interim control legislation for 2nd St, I don't have a copy of the final legislation, as approved. May I trouble you to send the full text to me?

Will keep you apprised of our progress. At minimum, we will press for shifting the retail space to the easterly portion of the building, ideally with transparent windows along 2nd St as well as at least the easterly half of the Townsend facade, and we'll advocate for a more community-oriented treatment of at least a portion of their open space.

May I assume that if we ask for outdoor seating along 2nd St between the stairways, and the sponsors agree to it, that the City will not prohibit it?

Thanks longingly, Alice

Alice Rogers 10 South Park St Studio 2 San Francisco, CA 94107

415.543.6554

On Feb 17, 2015, at 10:59 AM, Sucre, Richard (CPC) < richard.sucre@sfgov.org> wrote:

Hi Alice,

The project site at 101 Townsend Street is outside of the Central SoMa Area Plan, and is not subject to the interim controls for PDR Conversion. 2 South Park is located within the Central SoMa Area Plan and <u>is</u> subject to the interim controls for PDR Conversion.

The Interim Controls Ordinance for Ground Floor Uses states:

FURTHER RESOLVED, These controls shall not apply to buildings with more than 1,500 square footage of ground floor retail, as long as a minimum of 1,500 square footage of retail is preserved; and, be it

Sadly, the project at 101 Townsend Street is exempt from the Interim Controls for New Ground Floor Office Uses, since it provides 1,600 sf of ground floor retail use. I've attached the Ordinance for your reference.

Let me know if you have any other questions.

Rich

Richard Sucre

Preservation Technical Specialist/Planner, Southeast Quadrant, Current Planning

Planning Department | City and County of San Francisco 1650 Mission Street, Suite 400, San Francisco, CA 94103

Direct: 415-575-9108 | Fax: 415-558-6409

Email: richard.sucre@sfqov.org
Web: www.sfplanning.org

<image001.png> <image002.png> <image003.png> <image004.png>

From: Alice Rogers [mailto:arcomnsf@pacbell.net]

Sent: Monday, February 16, 2015 2:56 PM

To: Sucre, Richard (CPC)

Cc: Patrick C. Valentino; Mike Anthony **Subject:** Fwd: 101 townsend, questions

Hi again Rich,

Thanks again for sending the materials on 101 Townsend. Doug and I have been in touch and he said he'd arrange for a meeting mid-week.

I'm a little confused on the substance of the hearing as written in the notice (below): the hearing seems (as I read it) to be on legalizing a change from PDR to office use, while 'maintaining' the existing ground floor retail, approximately 1600 gsf.

- I thought the interim control on PDR conversion disallowed consideration of change of use right now. (I also recently received a note related to 2 South Park with this same issues, also attached). Both buildings have had office on the upper floors for years, so they would seem similarly constrained).
- The last ground floor use at 101 Townsend before renovation began was retail (a furniture store), but it covered the entire ground floor, not just the 1600 feet being shown in the new plans. The notice makes it seems as though there is no reduction in the retail use, though the reduction is substantial.

Can you clarify how 101 Townsend is different than 2 South Park re the PDR issue, if it is. And, since the prior retail use for 101 covered the entire ground floor, do we have the latitude to push for that maximum coverage, even though the interim control on 2nd St allows ground floor office conversion if a minimum 1500 sf of retail is preserved, with this caveat:

FURTHER RESOLVED, That for purposes of these interim controls, the Planning Commission shall consider, in addition to the criteria listed in Planning Code Section 303, the effect of the proposed new offices on the ground floor. In so doing, the Commission shall take into consideration the effect of the proposed office on existing neighborhood-serving retail uses, as directed by Planning Code Section 101.1

Thanks in advance, Rich. This is my first experience negotiating with developers and since they will be including their attorney in our discussions, I want to be clear on my negotiating parameters.

Regards, Alice

Alice Rogers
10 South Park St
Studio 2
San Francisco, CA 94107

415.543.6554 <InterimControl-Ground Floor Office Use.pdf>

From: Alice rogers <arcomnsf@pacbell.net>
Sent: Wednesday, February 18, 2015 11:05 PM

To: Doug Dahlin

Cc: Michelle Zatlyn; Karl Danielson; Sucre, Richard (CPC); Patrick C. Valentino; Mike

Anthony

Subject: Re: 101 Townsend meeting, Monday 2/23 2--4 slot

Hi Doug,

Our working group (Patrick, Mike and I) would like to confirm your proffered meeting slot of 2 to 4 on Monday, 2/23; just let us know when to arrive. Either on-site, or at Paragon or elsewhere is fine. Thanks for making your team available.

As you refine your proposed retail placement, please have a read-through the interim zoning legislation that is allowing you to convert a portion of your ground floor to office space without going through a Conditional Use hearing. (I can forward if you need it.) When our group authored that legislation, we wanted to give a fair shake to building owners with large floor plate buildings: since we didn't want to encourage large, franchise retailers, we offered the ability to scale down retail space to no less than 1500 sf (min, not max) to encourage smaller, local businesses....but within the context of making retail the premium feature to activate the street. Non-resident-serving office use is to be secondary at the ground floor.

Our primary concern is shifting the retail space so that it fronts both 2nd St and at least the first section of the facade on Townsend. In other words, flipping it to the northeast corner of the floor plate, and giving it significant window exposure along 2nd St. In keeping with street activation, we'd like to see any non-retail window space kept transparent, rather than frosted, shaded or otherwise offering a blank face to the street.

Your note about some exhibit space is intriguing, so we're hopeful you understand the thrust of the ground floor vision.

We'd also like to discuss some street planting and furnishings to help humanize the sidewalk.

Hoping we'll find everyone in sync with the goal of making the ground floor neighborhood-friendly and integrating your new tenant into the 'hood in the most favorable way.

Regards,

Alice, Patrick and Mike

Sent from my clever but spelling-challenged iPad

On Feb 18, 2015, at 1:38 PM, Doug Dahlin < Douglas. Dahlin@dahlingroup.com > wrote:

I met with Michelle Zatlyn, our (whole building) tenant yesterday and today and we are preparing some more refined sketches of their plans for ground floor retail, office, exhibit, and company break areas.

Could we get together this coming Monday (2/23)? Michelle and I are both available before 1:00pm or between 2:00-4:00 pm. Perhaps at Paragon Restaurant across the street from 101 Townsend.

DOUG DAHLIN AIA

DAHLIN GROUP ARCHITECTURE | PLANNING www.dahlingroup.com

From: Alice rogers [mailto:arcomnsf@pacbell.net]

Sent: Sunday, February 15, 2015 6:46 PM

To: Doug Dahlin

Subject: Re: 101 Townsend

Thanks, Doug. You're right, Monday's a holiday! I forgot.

Will look forward to getting together midweek.

Regards,

Alice

Sent from my clever but spelling-challenged iPad

On Feb 15, 2015, at 5:55 PM, Doug Dahlin < Douglas. Dahlin@dahlingroup.com> wrote:

Alice

Was cc'd on your note to Rich Sucre Saturday. Our office is closed Monday (President's Day).

We will be discussing you're message with our Tenant and John Kevlin our attorney (apparently you know each other) on Tuesday afternoon.

I look forward to getting together with you, probably about mid week.

Thank you for your for your commendation on our restoration and welcome.

If it is important to talk tomorrow, feel free to call my on my cell 925 963 0192.

Thanks

Doug Dahlin

From: Alice Rogers <arcomnsf@pacbell.net>
Sent: Monday, February 23, 2015 5:48 PM

To: Sucre, Richard (CPC)

Cc: Patrick C. Valentino; Mike Anthony

Subject: 101 Townsend--retail enforcement over time

Hi Rich.

We met with the 101 Townsend group today and had a meaty and, we hope, productive conversation. We'll keep you informed as the discussion progresses.

A question did come up for us: what are the mechanisms the Planning Dept. has to enforce that retail use will be maintained going forward, whether with the tenant initially holding the lease, or future tenants?

We ask because, as proposed, the 'retail' space will double as a lobby/reception area for the whole building office tenant and will apparently be 'staffed' by a receptionist; no evening or weekend hours planned. In part, the 'retail' area is informational by design, and beyond that a showcase for the tenants' clients 'wares' which range from the tangible (Fitbit) to not (New York Times web site) so clearly not a profit center. This 'blending' of uses may easily default to pure reception/lobby with client promotional displays as decoration.

Because the 'retail' space will be 'leased' by the whole building office tenant, it is not designed to accommodate any independent retailer and there is no market force to cause turn-over if the space is not active in sales.

Are there ways the retail uses enumerated in the interim controls constrain and shape retail practices? Can the sponsor 'blend' uses as described and still claim 1600 sf of retail space? How is neighborhood-serving retail enforced?

Thanks in advance for your help with this knotty question.

Regards, Alice

Alice Rogers
10 South Park St
Studio 2
San Francisco, CA 94107

415.543.6554