



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary

SECTION 309 DETERMINATION OF COMPLIANCE CONDITIONAL USE AUTHORIZATION OFFICE ALLOCATION

HEARING DATE: DECEMBER 8, 2016

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Date: November 23, 2016
Case No.: **2015-000878DNX/CUA/OFA**
Project Address: **300 GRANT AVENUE/272 SUTTER STREET**
Zoning: C-3-R (Downtown Retail) District
80-130-F Height and Bulk District
Downtown Plan Area
Block/Lot: 0287/013, 014
Owner: Grant Avenue Properties LLC
C/O St. Bride's Managers LLC Attn: John Loehr
Two Stamford Landing, Suite 115
69 Southfield Avenue
Stamford, CT 06902
Project Contact: Steve Atkinson, Arent Fox LLP
55 2nd Street, Ste. 2100
San Francisco, CA 94105
Staff Contact: Marcelle Boudreaux - (415) 575-9140
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Recommendations: **Approve Section 309 Determination of Compliance with Conditions**
Approve Conditional Use with Conditions
Approve Office Allocation with Conditions

PROJECT DESCRIPTION

The proposed project involves demolition of the two subject buildings, merger of the two parcels and construction of one six-story with basement commercial building, approximately 83-foot-tall extending to approximately 96 feet 1 inch of architectural features, to be comprised of retail use on floors basement through three, and approximately 29,703 gross square feet office use on floors four through six.

The building will occupy the entire project site with three visible facades facing Sutter Street, Grant Avenue, and Harlan Place. The building is proposed to be constructed to the property line, except for the approximate 2-foot setback at the ground story. Improvements to Harlan Place are proposed to enhance the public realm, and streetscape improvements are proposed at all three frontages. No off-street parking is proposed, and loading is proposed on-street at the Harlan Place alley.

The vertical tripartite design as proposed is consistent with the surrounding buildings that are composed of well-defined components of a base, shaft and capital. The façades of the proposed building will be divided into bays, characteristic of the District, demarcated by cement columns that extend into vertical

metal piers. At the street level, each bay module is defined by bulkhead, coated aluminum storefront glazed system, and demarcated by ovoid white cement columns. The continuous vertical piers are expressed through the cement columns at the base that extend into coated steel piers to articulate the façade and provide a sense of scale. Further, the continuous vertical piers anchor the base of the building and strongly define the storefront bay modules. The new construction proposes to respond to the character of the District in a contemporary manner. Although an external screen is not typical, the incorporation of the screen helps define the tripartite building composition, while providing texture and depth, Details which are compatible with the surrounding buildings and the District.

SITE DESCRIPTION AND PRESENT USE

The proposed 10,500-square-foot subject site area would encompass two parcels at the northeast corner of Grant Avenue and Sutter Street: 300 Grant Avenue (290 Sutter Street) and 272 Sutter Street. The 300 Grant Avenue building, currently occupied by a variety of retail tenants, is three stories. The 272 Sutter Street building is a one-story building, with mezzanine level, occupied by retail use.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The Project Site is located in the Downtown Plan Area, two blocks from the Union Square, and also located within the Kearny-Market-Mason-Sutter Conservation District. Land uses in the vicinity consist primarily of retail uses in buildings ranging from two to ten stories.

This District is a regional center for comparison shopper retailing and direct consumer services. It covers a compact area with a distinctive urban character, consists of uses with cumulative customer attraction and compatibility, and is easily traversed by foot. Like the adjacent Downtown Office District, this District is well-served by City and regional transit, with automobile parking best located at its periphery. Within the District, continuity of retail and consumer service uses is emphasized, with encouragement of pedestrian interest and amenities and minimization of conflicts between shoppers and motor vehicles. A further merging of this District with adjacent, related Districts is anticipated, partially through development of buildings which combine retailing with other functions.

ENVIRONMENTAL REVIEW

In January 2007, the San Francisco Planning Commission (Planning Commission) adopted the 300 Grant Avenue Mitigated Negative Declaration, Case No. 2004.1245E, (MND). On July 12, 2007, the Planning Commission held a duly noticed public hearing on two appeals of the MND and declined to uphold the MND pending changes to the document. An Amended Mitigated Negative Declaration (AMND) was published on May 29, 2008 to address revisions to the project as well as the Planning Commission's comments. The Planning Commission held a subsequent public hearing on June 12, 2008 at which time the Planning Commission rejected the appeals and adopted a Final Mitigated Negative Declaration, as amended (FMND) in Motion No. 17614. An appeal of the FMND was filed with the San Francisco Board of Supervisors (Board of Supervisors) on July 2, 2009 and at a duly noticed public hearing on August 12, 2008, the Board of Supervisors upheld the FMND in Motion No. M08-135.

On September 2, 2016, the Planning Department mailed a "Notification of Project Receiving Environmental Review" to community organizations, tenants of the affected property and properties

adjacent to the project site, and those persons who own property within 300 feet of the project site. No comments related to environmental review were received in response. The Planning Department has prepared an Addendum to the Final Mitigated Negative Declaration (Addendum to FMND) pursuant to California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Addendum to FMND finds that since the preparation of the FMND in 2008, there have been no changes in the project or the project's circumstances or no new information leading to new significant impacts not previously analyzed in the FMND, or to a substantial increase in the severity of previously-identified significant impacts, or to new mitigation measures that would reduce the project's significant impacts, but that the project sponsor declines to implement. Therefore, the analysis in the FMND remains valid and no supplemental environmental analysis is necessary.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	November 18, 2016	November 16, 2016	22 days
Posted Notice	20 days	November 18, 2016	November 10, 2016	28 days
Mailed Notice	20 days	November 18, 2016	November 18, 2016	20 days

The original hearing date was scheduled for November 17, 2016. Posted notices did not receive the adequate posting timeframe, therefore hearing date was continued. All hearing notifications were re-noticed to reflect the revised public hearing date.

PUBLIC COMMENT/COMMUNITY OUTREACH

- To date, the Department has received one communication from a member of the public in support of the project.
- A letter of concern was submitted to the Historic Preservation Commission from the representative of the Triton Hotel.

PREVIOUS APPROVALS

On June 12, 2008, the Planning Commission held a duly noticed regularly scheduled public hearing (Case No. 2004.1245!EKVX), and approved Motion No. 17615 for Downtown Project Authorization (Section 309 of the Planning Code) with exceptions for rear yard, off-street parking, building height and bulk, for a revised Project proposing to demolish two commercial buildings and construct a 10-story, mixed use building containing 45 dwelling units and 16,000gsf retail on the ground and second floors. In addition, 40 underground parking spaces were proposed. The Zoning Administrator granted Variances required for the project to proceed.

On October 6, 2011, the Planning Commission held a duly noticed regularly scheduled public hearing (Case No. 2011.0567VX), and approved Motion No. 18460 to extend the performance period for a previously approved project, as referenced above Motion No. 17615.

ISSUES AND OTHER CONSIDERATIONS

Historic Preservation Commission

In Motion No. 0291, the Historic Preservation Commission approved the Major Permit to Alter for the demolition of two Category V- Unrated buildings and new construction of a six-story, with basement, mixed-use commercial building. The HPC found that the new construction is consistent with the Massing and Composition, Scale, Materials and Colors, and Detailing and Ornamentation, of the Kearny-Market-Mason-Sutter Conservation District per the Guidelines of Article 11 of the Planning Code. In addition, the new construction was found in conformance with the Secretary of the Interior's Standards as the proposed design exhibits a contemporary design vocabulary that distinguishes it from the contributing buildings in the Conservation District.

Exceptions for Height, Bulk and Off-Street Loading (Section 309 of the Planning Code)

The project is requesting exceptions from Planning Code requirements for "Exceptions to Height Limits in 80-130-F Height and Bulk Districts", "Freight Loading", "Bulk".

- Height in Exceedance of 80 Feet: The proposed six-story mixed-use commercial building will replicate the prevailing three-part vertical compositions found throughout the District, with a height of approximately 83 feet (to top of roof), and a "capital" consists of vertical scrim framing members extending approximately 6 feet above the top of the scrim and terminating it with a projecting steel plate, extending this architectural feature to a height of approximately 96 feet 1 inch. Within the KMMS Conservation District, building heights generally range from four to eight stories, although a number of taller buildings exist. Buildings on the block and immediately across the streets range from 3 to 11 stories. The proposed 6-story building, adjacent to a four-story commercial building and across Harlan Place from a 7-story hotel is an appropriate transition in an area of varied building heights.
- Bulk Exceedance: Projects within "-F" Bulk Districts have defined bulk dimensions starting at height of 80 feet and greater, with requirements in plan as follows: the maximum length is 110 feet and the maximum diagonal dimension is 140 feet. At 83 feet, the Project would have a length of 118'4" and a diagonal of 153'1"; and at the architectural feature (96 feet 1 inch), the Project would have a length of 125'5" and a diagonal of 156 feet. These exceedances occur at the top of the sixth, and final, floor and the area of the capital. The proposed six-story mass at the streetwall is consistent with the Kearny-Mason-Market-Sutter Conservation District and consistent with the urban form created by the surrounding buildings and Conservation District, in that the building is composed in a vertical tripartite composition and its façades express a continuous streetwall at all sides and all levels.
- Off-Street Loading: The Project requires two-off street loading spaces, but does not propose any off street loading spaces. Both Sutter Street and Grant Avenue are protected frontages, therefore proposing curb cuts at these locations would be in conflict with the General Plan. Further, providing direct off-street loading space to the basement would need to be accessed from either Grant Avenue or Sutter Street and would detract from providing active uses with lively street frontages. Because of the narrowness of Harlan Place, providing a full-sized loading space from Harlan would be problematic. A roll-up door and loading dock area, accessible from Harlan Place, a dead-end alley, is incorporated at the north facade. Spaces for delivery functions can be

accommodated at the adjacent curb on Harlan Place and along a loading zone on Grant Avenue and would not significantly interfere with transit operations or traffic conditions.

Conditional Use Authorization for Office Use in C-3-R Zoning District

Non-residential uses greater than 5,000 square feet or above the ground floor within the C-3-R zoning district requires Conditional Use Authorization to proceed. The Sponsor requests office use at the newly proposed floors four through six of the new building. The Department recommends approval, with conditions, of Conditional Use Authorization for office use at floors four through six.

The project proposes a new mixed-use building with retail as the primary use from the basement up through floor three, which preserves the existing retail use conditions at the site. The new floors four through six are proposed with new office use at the site. The proposed six-story corner building is consistent with the character of the KMMS Conservation District, completes the streetwall, and is designed with a commercial storefront system at all three street frontages. Primary retail entryways are located on both Grant Avenue and Sutter Street facades, with a secondary access to the Harlan Place open space.

At street level, the Project's proposed three facades, which are primarily dedicated to retail use, exceed Planning Code requirements for storefront transparency and ground floor ceiling heights. In addition, access to the retail use is proposed from all three frontages. A discrete entry point to the top three floors of office use is accessible from a lobby on Harlan Place, the alley frontage, providing the retail storefront frontage on all three facades for three floors of height. Improvements to Harlan Place alley include repaving with high-quality pavers and creation of a daytime pedestrian seating plaza to enhance the public realm. In addition, the pedestrian improvements to Harlan Place provide a midblock connection east to the pedestrian alley at Mark Lane. This plaza would provide reprieve from the busy sidewalks one block from the Chinatown Gates along Grant Avenue.

These design elements prioritize the retail use at the corner of Grant Avenue and Sutter Street, consistent with and complementary to the three other buildings at this intersection, properties all within the C-3-R Zoning District. The project site's existing condition is proposed to remain.

The Sponsor indicates that the retail tenant is not known, but that the space could be occupied by one or several tenants. The General Plan notes that "[r]etail services, such as hairdressers, travel agencies, and medical professionals, occupy approximately three million square feet in downtown San Francisco. A large number of these services are located in upper story office space in the C-3-R district." Preserving upper floor space - in this case as proposed by the sponsor on the second and third floors - for general or personal service retail is an important tool to promote diverse downtown retail types and satisfies several Objectives and Policies in the General Plan.

According to the Downtown Plan Monitoring Report (2015), the rate of office vacancy is lower in the neighborhood of the subject site (Union Square) than for the City overall. This report should not be used as a discrete analysis of current conditions, but it does provide a snapshot of supply and demand for office space, which illustrates that office space supply may be short and demand high in this area. Economic cycles must be balanced with the long-term concerns of expanded office space. This concern was outlined in the early 1980s Downtown Plan, and added as a subsection of the General Plan. Converting the second or third floors to office would replace existing retail uses on site, in conflict with

the General Plan, which notes specifically “concern[s] about encroachment of office development into the traditional retail areas. Upper story space traditionally used by retail services could easily be converted for office users able to pay higher rents.” And as noted above, preserving upper floors for personal service retail is outlined as a policy in the General Plan. By contrast, adding new floors to the site, which would be occupied by office, does not convert existing retail space to office use.

The Department supports the Conditional Use Authorization to permit office use in the C-3-R Zoning District, because, due to a combination of factors as discussed above, the office use in newly proposed floors four through six does not detract from the existing retail focus of the District.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must 1) Determine that the Project complies with Planning Code Section 309, granting requests for exceptions as discussed under “Issues and Other Considerations”, above; 2) Authorize Conditional Use to establish a nonresidential use (office use) on floors 4-6 (Code Sections 210.2 and 303), as discussed under “Issues and Other Considerations”, above; and 3) Allocate office square footage under the 2016-2017 Annual Office Development Limitation program pursuant to Sections 320 through 325 of the Planning Code.

BASIS FOR RECOMMENDATION

- The ground floor design prioritizes retail use and the first two upper floors are proposed as retail. The proposed office use on new floors four through six, in combination with these other features, do not detract from the District’s primary function as retail.
- The project meets the goals and objectives of the Downtown Plan and the C-3-R zoning district to preserve upper level retail space.
- The project will add employment within an intense, walkable urban context.
- Employees and patrons would be able to walk or utilize transit to commute and satisfy convenience needs without reliance on the private automobile. This pedestrian traffic will activate the sidewalks and proposed adjacent open space.
- The Project is, on balance, consistent with the Objectives and Policies of the General Plan and meets all applicable requirements of the Planning Code, with exceptions requested pursuant to Planning Code Section 309.

RECOMMENDATION:	Approval with Conditions
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Attachments:

Draft Section 309 Motion
Exhibit C: Improvement and Mitigation Monitoring Report Program (IMMRP)
Draft Section 303 Motion
Draft Section 321 Motion
Amended Mitigated Negative Declaration, October 31, 2016
Historic Preservation Commission Motion No. 0291
Block Book Map
Sanborn Map
Aerial Photographs

Executive Summary
Hearing Date: December 8, 2016

CASE NO. 2015-000878DNX/CUA/OFA
300 Grant Avenue/ 272 Sutter Street

Public Correspondence (Neighbor email + Triton Hotel letter)
Project Sponsor Submittal
Exhibit B: Graphics Package from Project Sponsor

Attachment Checklist

- | | |
|---|--|
| <input checked="" type="checkbox"/> Executive Summary | <input checked="" type="checkbox"/> Project sponsor submittal |
| <input checked="" type="checkbox"/> Draft Motions | Drawings: <u>Existing Conditions</u> |
| <input checked="" type="checkbox"/> Environmental Determination | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Zoning District Map | Drawings: <u>Proposed Project</u> |
| <input checked="" type="checkbox"/> Height & Bulk Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Parcel Map | 3-D Renderings (new construction or significant addition) |
| <input checked="" type="checkbox"/> Sanborn Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Aerial Photo | <input type="checkbox"/> Wireless Telecommunications Materials |
| <input checked="" type="checkbox"/> Context Photos | <input type="checkbox"/> Health Dept. review of RF levels |
| <input checked="" type="checkbox"/> Site Photos | <input type="checkbox"/> RF Report |
| | <input type="checkbox"/> Community Meeting Notice |
| | <input type="checkbox"/> Housing Documents |
| | <input type="checkbox"/> Inclusionary Affordable Housing Program: Affidavit for Compliance |

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

MWB

Planner's Initials



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- | | |
|--|---|
| <input type="checkbox"/> Inclusionary Housing (Sec 415) | <input checked="" type="checkbox"/> Public Open Space (Sec 138) |
| <input checked="" type="checkbox"/> Childcare Requirement (Sec 414) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code) |
| <input checked="" type="checkbox"/> Jobs Housing Linkage Program (Sec 413) | <input checked="" type="checkbox"/> Transportation Sust. Fee (Sec 411A) |
| <input checked="" type="checkbox"/> Downtown Park Fee (Sec 412) | <input checked="" type="checkbox"/> Public Art (Sec 429) |

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Planning Commission Draft Motion Downtown Project Authorization

HEARING DATE: DECEMBER 8, 2016

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Case No.: **2015-000878DNX/CUA/OFA**
Project Address: **300 GRANT AVENUE/272 SUTTER STREET**
Zoning: C-3-R (Downtown Retail) District
80-130-F Height and Bulk District
Downtown Plan Area
Block/Lot: 0287/013, 014
Owner: Grant Avenue Properties LLC
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Staff Contact: Marcelle Boudreaux - (415) 575-9140
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ADOPTING FINDINGS RELATING TO A DOWNTOWN PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 309, TO ALLOW A PROJECT THAT INCLUDES THE DEMOLITION OF TWO COMMERCIAL BUILDINGS AND CONSTRUCTION OF ONE APPROXIMATELY 72,905 SQUARE FOOT COMMERCIAL BUILDING COMPRISED OF RETAIL AND OFFICE USES, APPROXIMATELY 83-FOOT-TALL, EXTENDING TO 96 FEET 1 INCH ARCHITECTURAL FEATURES, WITH EXCEPTIONS FOR FREIGHT LOADING (SECTIONS 152.1 AND 161), HEIGHT LIMITS IN 80-130-F ZONING DISTRICT (SECTION 263.8), AND BULK (SECTION 272), LOCATED AT THE NORTHEAST CORNER OF GRANT AVENUE AND SUTTER STREET, LOTS 013 AND 014 IN ASSESSOR'S BLOCK 0287, WITHIN THE 80-130-F HEIGHT AND BULK DISTRICTS, THE C-3-R (DOWNTOWN, RETAIL) ZONING DISTRICT, AND DOWNTOWN PLAN AREA.

PREAMBLE

WHEREAS, on September 17, 2015, Steve Atkinson, Arent Fox LLP ("Applicant") filed an application on behalf of the Owner with the San Francisco Planning Department (hereinafter "Department") for a Downtown Project Authorization for a Determination of Compliance pursuant to Section 309 with requested exceptions from Planning Code ("Code") requirements for "Exceptions to Height Limits in 80-130-F Height and Bulk Districts", "Freight Loading", "Bulk", for a project involving demolition of two Category V (Unrated) buildings and new construction of one 72,905 square foot, six-story, mixed-use commercial building, on the subject property located on Lot 013 and Lot 014 in Assessor's Block 0287; and

WHEREAS, In January 2007, the San Francisco Planning Commission (Planning Commission) adopted the 300 Grant Avenue Mitigated Negative Declaration, Case No. 2004.1245E, (MND); and

On July 12, 2007, the Planning Commission held a duly noticed public hearing on two appeals of the MND and declined to uphold the MND pending changes to the document; and

An Amended Mitigated Negative Declaration (AMND) was published on May 29, 2008 to address revisions to the project as well as the Planning Commission's comments. The Planning Commission held a subsequent public hearing on June 12, 2008 at which time the Planning Commission rejected the appeals and adopted a Final Mitigated Negative Declaration, as amended (FMND) in Motion No. 17614; and

An appeal of the FMND was filed with the San Francisco Board of Supervisors (Board of Supervisors) on July 2, 2009 and at a duly noticed public hearing on August 12, 2008, the Board of Supervisors upheld the FMND in Motion No. M08-135; and

On September 2, 2016, the Planning Department mailed a "Notification of Project Receiving Environmental Review" to community organizations, tenants of the affected property and properties adjacent to the project site, and those persons who own property within 300 feet of the project site. No comments related to environmental review were received in response; and

The Planning Department has prepared an Addendum to the Final Mitigated Negative Declaration (Addendum to FMND) pursuant to California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

The Addendum to FMND finds that since the preparation of the FMND in 2008, there have been no changes in the project or the project's circumstances or no new information leading to new significant impacts not previously analyzed in the FMND, or to a substantial increase in the severity of previously-identified significant impacts, or to new mitigation measures that would reduce the project's significant impacts, but that the project sponsor declines to implement. Therefore, the analysis in the FMND remains valid and no supplemental environmental analysis is necessary.

The Planning Department, Office of the Commission Secretary, is the custodian of records for this action, and such records are located at 1650 Mission Street, Fourth Floor, San Francisco, California.

WHEREAS, On September 10, 2015 the Project Sponsor submitted a request for a Major Permit to Alter for the demolition of two Category V (Unrated) buildings and new construction under Article 11 of the Planning Code, located within the Kearny-Market-Mason-Sutter Conservation District (Case No. 2015-000878PTA). On November 2, 2016, the Historic Preservation Commission conducted a duly noticed public hearing at a regularly scheduled meeting and adopted Motion No. 0291, approved the requested Major Permit to Alter; and

WHEREAS, On December 8, 2016, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No. 2015-000878DNX/CUA/OFA. 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, the Planning Department staff, and other interested parties; and

MOVED, that the Commission hereby authorizes the Downtown Project Authorization requested in Application No. 2015-000878DNX/CUA/OFA, subject to the conditions contained in **Exhibit A** of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and also constitute findings of this Commission.
2. **Site Description and Present Use.** The proposed 10,500-square-foot subject site area would encompass two parcels at the northeast corner of Grant Avenue and Sutter Street: 300 Grant Avenue (290 Sutter Street) and 272 Sutter Street. The 300 Grant Avenue building, currently occupied by a variety of retail tenants, is three stories. The 272 Sutter Street building is a one-story building occupied by retail use.
3. **Properties and Neighborhood.** The Project Site is located in the Downtown Plan Area, two blocks from the Union Square, and also located within the Kearny-Market-Mason-Sutter Conservation District. Land uses in the vicinity consist primarily of retail uses in buildings ranging from two to ten stories.

This District is a regional center for comparison shopper retailing and direct consumer services. It covers a compact area with a distinctive urban character, consists of uses with cumulative customer attraction and compatibility, and is easily traversed by foot. Like the adjacent Downtown Office District, this District is well-served by City and regional transit, with automobile parking best located at its periphery. Within the District, continuity of retail and consumer service uses is emphasized, with encouragement of pedestrian interest and amenities and minimization of conflicts between shoppers and motor vehicles. A further merging of this District with adjacent, related Districts is anticipated, partially through development of buildings which combine retailing with other functions.

4. **Proposed Project.** The proposed project involves demolition of the two subject buildings, merger of the two parcels and construction of one six-story with basement commercial building, approximately 83-foot-tall extending to approximately 96 feet 1 inch of architectural

features, to be comprised of retail use on floors basement through three, and approximately 29,703 gross square feet office use on floors four through six.

The building will occupy the entire project site with three visible facades facing Sutter Street, Grant Avenue, and Harlan Place. The building is proposed to be constructed to the property line, except for the approximate 2-foot setback at the ground story. Improvements to Harlan Place are proposed to enhance the public realm, and streetscape improvements are proposed at all three frontages. No off-street parking is proposed, and loading is proposed on-street at the Harlan Place alley.

The vertical tripartite design as proposed is consistent with the surrounding buildings that are composed of well-defined components of a base, shaft and capital. The façades of the proposed building will be divided into bays, characteristic of the District, demarcated by cement columns that extend into vertical metal piers. At the street level, each bay module is defined by bulkhead, coated aluminum storefront glazed system, and demarcated by ovoid white cement columns. The continuous vertical piers are expressed through the cement columns at the base that extend into coated steel piers to articulate the façade and provide a sense of scale. Further, the continuous vertical piers anchor the base of the building and strongly define the storefront bay modules. The new construction proposes to respond to the character of the District in a contemporary manner. Although an external screen is not typical, the incorporation of the screen helps define the tripartite building composition, while providing texture and depth. Details which are compatible with the surrounding buildings and the District.

5. **Public Comment/Public Outreach.** The Planning Department has received one communication in support of the project. A letter of concern was submitted to the Historic Preservation Commission from the representative of the Triton Hotel.
6. **Planning Code Compliance:** The Commission finds and determines that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Floor Area Ratio (Sections 123, 124, and 210.2).** Planning Code Section 124 establishes basic floor area ratios (FAR) for all zoning districts. For C-3 zoning districts, the numerical basic FAR limit is set out in Section 210.2. The FAR for the C-3-R District is 6.0 to 1. Under Section 123, FAR can be increased to 9.0 to 1 with the purchase of transferable development rights (TDR).

The Project Site is 10,500 square feet in size, after the merger of two lots. Therefore, up to 63,000 square feet of gross floor area ("gfa") is allowed under the basic FAR limit, and up to 94,500 square feet of gfa is permitted with the purchase of TDR. The Project's total gross floor area is approximately 69,550 gfa, for a floor-area ratio of approximately 6.62-to-1. Conditions of Approval are included to require the Project Sponsor to purchase TDR for the increment of development between 6.0 to 1 FAR and 9.0 to 1 FAR (approximately 6,550 square feet).

The Project, which is compatible with the character of the Kearny-Mason-Market-Sutter Conservation District and in conformance with the Secretary of the Interior's Standards, would be constructed

according to current local building codes and would comply with all current seismic safety standards, in order to insure a high level of seismic safety.

- B. **Publicly Accessible Open Space (Section 138).** Planning Code Section 138 requires new buildings in the C-3-R zoning district to provide public open space at a ratio of one square foot per 100 square feet of all uses except residential, institutional, or use in a predominantly retail/personal services building. The public open space must be located on the same development site or within 900 feet.

The Project proposes approximately 69,550 square feet (gsf) of non-residential use. It requires a total of 696 square feet of non-residential publicly-accessible open space. The Project proposes to improve the adjacent Harlan Place, a dead-end alley by re-paving approximately 4,400 square feet of the asphalt-paved street with high quality pavers to improve the pedestrian experience. Other improvements include installation of a temporary bollard system at the intersection with Grant Avenue to block off vehicular traffic, and programming the street for daytime use by people, at minimum between 11 a.m. and 3 p.m., through the installation of temporary moveable tables and chairs into the Harlan Place alley for use by the general public. The Sponsor shall be responsible for ensuring that the trash dumpsters by use at the subject site and other properties along Harlan Place do not linger in the Alley, so as to provide an enhanced pedestrian experience. In addition, the Sponsor will engage with the nearby food service vendors, including but not limited to the food service at the adjacent Triton Hotel and the Irish Bank at the end of the alley, which will enhance public use of the area.

The Sponsor is required to submit a Programming and Maintenance Plan, to be approved by the Planning Department, Department of Public Works and Fire Department, prior to approval of Architectural Addenda. Other improvements under strong consideration, with review and approval by Planning, Public Works and Fire Department, include development of a shared street on Harlan Place to match the street frontage of the Project, or sidewalk widening, for benefit of pedestrian access, tree planting and/or landscaping, inclusion of permanent benches and potentially installation of public art, as appropriate for this location.

The Project Sponsor shall comply with this requirement.

- C. **Streetscape and Pedestrian Improvements (Section 138.1).** Planning Code Section 138.1(b) requires that when a new building is constructed in C-3 Districts, street trees, enhanced paving, and other amenities such as lighting, seating, bicycle racks, or other street furnishings must be provided.

The Project Sponsor shall comply with this requirement. The conceptual plan shows a curb bulb-out on Grant Avenue, enhanced paving on Grant Avenue, Sutter Street and Harlan Place, raised crosswalk at Harlan Place, bicycle parking, and potential installation of street trees, lighting, and street furniture on Harlan Place. The precise details of the streetscape improvements will be further refined throughout the building permit review process.

- D. **Street Frontage in Commercial Districts (145.1(c)).** Section 145.1(c)(3) of the Planning Code requires that within Downtown Commercial Districts, space for “active uses” shall be provided within the first 25 feet of building depth on the ground floor. Spaces such as

lobbies are considered active uses only if they do not exceed 25% of the building's frontage at the ground level, or 40 feet, whichever is greater. Section 145.1(c)(2) of the Planning Code requires that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new or altered structure parallel to and facing a street shall be devoted to parking and loading ingress or egress. With the exception of space allowed for parking and loading access, building egress, and access to mechanical systems, space for active uses as defined in Subsection (b)(2) and permitted by the specific district in which it is located shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. Section 145.1(c)(4) of the Planning Code requires that ground floor non-residential uses in all C-3 Districts shall have a minimum floor-to-floor height of 14 feet, as measured from grade. Section 145.1(c)(5) requires the floors of street-fronting interior spaces housing non-residential active uses and lobbies shall be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces. Section 145.1(c)(6) of the Planning Code requires that within Downtown Commercial Districts, frontages with active uses must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building.

The proposed ground floor base is a double-height commercial space approximately 19 feet in height, defined by a bronze-colored aluminum storefront display system, with transparent glazing, and pedestrian-scale awnings, which are compatible with the District.

The proposed active retail use at ground floor extends greater than 25 feet of building depth along the Sutter Street and Grant Avenue, with exception for required egress along Sutter Street. The interior spaces housing the retail use are as close as possible to the grade along Grant Avenue; the primary entry points to the ground floor retail space are accessible from the flat corner from the Sutter Street and Grant Avenue streets. Although Harlan Place is not 40 feet wide, the Harlan Place frontage is lined with code-compliant active use –retail and a small lobby for the upper floor office use, with the easternmost bay dedicated to the loading bay and egress, measuring approximately 25% of total frontage. The Project complies with this Code section.

- E. **Shadows on Public Sidewalks (Section 146).** Section 146(a) establishes design requirements for buildings on certain streets in order to maintain direct sunlight on public sidewalks in certain downtown areas during critical use periods. Section 146(c) requires that other buildings should be shaped so as to reduce substantial shadow impacts on public sidewalks, if doing so would not create an unattractive design and without unduly restricting the development potential of the site in question.

Section 146(a) does not apply to Grant Avenue or Sutter Street, and therefore does not apply to the project. Regarding Section 146(c), due to the height of the existing structure the Project would create new shadows on sidewalks adjacent to the Site. A shadow analysis was conducted for the originally proposed 130-foot-tall Project (Final Amended Mitigated Negative Declaration, Case No. 2004.1245E; certified June 12, 2008), which shows that the Project would cast some additional shadow on the block of Grant Avenue between Sutter and Bush Streets during the

morning hours only. Compared to an 80 foot building, a 113 foot high project (as was approved in 2008) would cast approximately one-half hour of additional shadow on Grant Avenue's west sidewalk; however, the shadow would generally leave the west sidewalk by between 10: 30 A.M. and 10: 45 A.M. each day. Also, the shadow from the previously analyzed Project would never reach the Chinatown Gate. Generally, the new shadows created would not exceed levels commonly expected in urban areas. Shadows from the proposed 83 foot tall project would expected to be less than those from the previously approved 113-foot-tall project.

- F. **Off-Street Parking (Section 151.1).** Planning Code Section 151.1 does not require any off-street parking spaces be provided, but instead provides maximum parking amounts based on land use type.

The Project does not propose any off-street parking, therefore meets this requirement.

- G. **Protected Pedestrian-, Cycling-, and Transit-Oriented Street Frontages (Section 155(r)).** Section 155(r) prohibits curb cuts along Mission Street between the Embarcadero and Annie Street for garage entries, private driveways, or other direct access to off-street parking or loading, except when the curb cut would create new publicly-accessible streets and alleys.

Both Sutter Street and Grant Avenue are protected frontages. No curb cuts exist or are proposed at these frontages. The Project meets this requirement.

- H. **Bicycle Parking (155.1-155.2).** Sections 155.1- 155.2 establish bicycle parking requirements for new developments, depending on use. For office, one Class 1 space is required for every 5,000 occupied square feet, and two Class 2 spaces are required for the first 5,000 gross square feet, plus one Class 2 space for each additional 50,000 occupied square feet. One Class 1 space is required for every 7,500 square feet of occupied floor area devoted to Restaurants, Limited Restaurants, and Bars. One Class 2 space is required for every 750 square feet of occupied retail area devoted to Restaurants, Limited Restaurants, and Bars, and in no case less than two Class 2 spaces. A Class 1 space is located in a secure, weather-protected facility and intended for long-term use by residents and employees. A Class 2 space is located in a publicly-accessible and visible location, and intended for use by visitors, guests, and patrons.

The Project requires a total of 9 Class 1 bicycle parking spaces, by use: 4 spaces (retail), 5 spaces (office). The Class 1 parking spaces are provided in secure rooms in the basement accessed by an elevator. The Project requires 13 Class 2 bicycle parking spaces, by use: 11 spaces (retail), 2 spaces (office). In the conceptual plan, Class 2 bicycle parking is shown located on the sidewalks. The Project complies with this Code Section 155.1-155.2.

- I. **Shower Facilities and Lockers (Section 155.4).** Section 155.4 requires shower facilities and lockers for new developments, depending on use. For non-retail sales and services uses (i.e. office), two showers and 12 lockers are required where occupied floor area exceeds 20,000 square feet but is no greater than 50,000 square feet. For retail sales and services uses, one shower and six clothes lockers are required where occupied floor area exceeds 25,000 square feet but is no greater than 50,000 square feet.

The Project provides 3 showers and 18 lockers on the basement level, adjacent to the Class 1 bicycle parking spaces, meeting Code Section 155.4. The Project complies with Code Section 155.4.

- J. **Height (Section 260).** Section 260 requires that the height of buildings not exceed the limits specified in the Zoning Map and defines rules for the measurement of height. The project is located within the 80-130-F Height and Bulk District.

The Project proposes construction of one commercial building with height of approximately 83 feet, to top of roof, extending to approximately 96 feet 1 inch to architectural features. The project requires an exception through Section 309 of the Planning Code for exceeding the base height of 80 feet pursuant to Section 263.8 of the Planning Code, as discussed in Section #7A of this Motion.

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

For this Project, a preliminary shadow fan did not indicate that the proposed building height (approximately 83 feet to top of roof and extending to architectural features of 96 feet) would result in net new addition of shadow on properties under the jurisdiction of the Recreation and Parks Department. Further, a shadow analysis was conducted for the originally proposed 130-foot-tall Project (Final Amended Mitigated Negative Declaration, Case No. 2004.1245E; certified June 12, 2008), which concluded that a 130 foot-high building on the site would not introduce net new shadow on properties under the jurisdiction of the Department of Recreation and Parks (Rec and Park). Since the current proposal is designed as a shorter building, the finding remains as such, in that the Project does not add net new shadow to properties under the jurisdiction of Rec and Park.

- L. **Transportation Sustainability Fee (TSF) (Section 411A).** Projects that result in more than twenty new dwelling units or new construction of a non-residential use exceeding 800 square feet are required to pay the TSF to help meet the demands imposed on the City's transportation system by new developments, funding transit capital maintenance, transit capital facilities and fleet, and pedestrian and bicycle infrastructure.

The Project Sponsor shall comply with this requirement and pay the fee.

- M. **Downtown Parks Fee (Section 412).** Section 412 requires all new office projects within the C-3 zoning districts to pay a fee for additional public park and recreation facilities in downtown.

The Project Sponsor shall comply with this requirement and pay the fee.

- N. **Jobs-Housing Linkage Fee (Section 413).** Section 413 requires new commercial projects to pay a fee to mitigate the increased burden caused by large-scale commercial development projects on low- and moderate-income housing in San Francisco.

The Project Sponsor shall comply with this requirement and pay the fee.

- O. **Child Care Requirement in C-3 (Section 414).** Section 414 requires large-scale office and hotel developments over 25,000 gross square feet in size to pay a fee to fund construction of child care facilities in C-3 districts, or otherwise directly contribute to the construction of a facility.

The Project Sponsor shall comply with this requirement and pay the fee.

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

The Project Sponsor shall comply with this Section by dedicating one percent of its construction cost to works of art.

7. **Exceptions Request Pursuant to Planning Code Section 309.** The Planning Commission has considered the following exceptions to the Planning Code, makes the following findings, and grants each exception to the Project as further described below:

- A. **Height Limits in 80-130-F Height and Bulk District.** Section 263.8 establishes design requirements meant to limit height to 80 feet in the 80-130-F districts. Specifically, the purpose of allowing additional height above 80 feet only as an exception is to ensure that height above 80 feet will not adversely affect the scale of the affected area or block sunlight access to public sidewalks and parks. Pursuant to Section 263.8(b), exceptions to this requirement can be granted if the following specific criteria are met.

- (1) The height of the building or structure does not exceed 130 feet; and
- (2) The additional height will not add significant shadows on public sidewalks and parks; and
- (3) The structure provides an appropriate transition to adjacent higher or lower buildings; and
- (4) The additional height of the structure is set back an appropriate distance from the street frontage to maintain continuity of the predominant streetwall on the block.

The total height of the Project is less than the 130-foot maximum height limit as zoned for the parcel. The Project is designed as a 6-story building form, at a height of 83 feet to top of roof, which extends to a steel plate supported by the vertical piers of the scrim, measuring approximately 96-feet-tall. The additional habitable height beyond 80 feet is approximately only 3 feet. Extending beyond the 83-foot top of roof is a 4-foot extension of the architectural scrim that acts as a parapet and the termination of the building at 96 feet of a steel plate projecting cornice.

Within the KMMS Conservation District, building heights generally range from four to eight stories, although a number of taller buildings exist. Buildings on the block and immediately across the streets range from 3 to 11 stories. The proposed 6-story building, adjacent to a four-story commercial building and across Harlan Place from a 7-story hotel is an appropriate transition in an area of varied building heights. The continuity of the streetwall is maintained.

Pursuant to Section 295 of the Planning Code, a shadow analysis was conducted for the originally proposed 130-foot-tall Project (Final Amended Mitigated Negative Declaration, Case No. 2004.1245E; certified June 12, 2008), which concluded that a 130 foot-high building on the site The Project would not introduce net new shadow on properties under the jurisdiction of the Department of Recreation and Parks (Rec and Park). Since the current proposal is designed as a shorter building, the finding remains as such, in that the Project does not add net new shadow to properties under the jurisdiction of Rec and Park. Pursuant to Section 146 of the Planning Code, additional shadow analysis in the 2008 AMND shows that the Project would cast some additional shadow on the block of Grant Avenue between Sutter and Bush Streets during the morning hours only. Compared to an 80 foot building, a 113 foot high project (as was approved in 2008) would cast approximately one-half hour of additional shadow on Grant Avenue's west sidewalk; however, the shadow would generally leave the west sidewalk by between 10: 30 A.M. and 10: 45 A.M. each day. Also, the shadow from the previously analyzed Project would never reach the Chinatown Gate. Generally, the new shadows created would not exceed levels commonly expected in urban areas.

Therefore, it is appropriate to grant an exception to the height limit pursuant to Section 309.

- B. Off-street Freight Loading (Section 161).** Pursuant to Section 152.1 of the Code, in C-3, Eastern Neighborhoods Mixed Use and South of Market Mixed Use Districts, two (2) off-street freight loading spaces are required for retail stores, restaurants, bars, nighttime entertainment and drugstores uses between 30,001 – 50,000 gross floor area (square feet).

The Project proposes approximately 40,147 gross square feet retail uses, therefore requires two off-street freight loading spaces. The Project would not provide any off street loading spaces, but would include a roll up door and loading dock area, accessible from Harlan Place, which is a dead-end alley. Both Sutter Street and Grant Avenue are protected frontages, therefore proposing curb cuts at these locations would be in conflict with the General Plan. Because of the narrowness of Harlan Place, providing a full-sized loading space from Harlan would be problematic. Providing direct off-street loading space to the basement would need to be accessed from either Grant Avenue or Sutter Street and would detract from providing active uses with lively street frontages. Spaces for delivery functions can be accommodated at the adjacent curb on Harlan Place and along a loading zone on Grant Avenue and would not significantly interfere with transit operations or traffic conditions.

Due to the proposal to satisfy the privately-owned public open space requirement by improvements to Harlan Place, including activation of the street as a pedestrian plaza at daytime between the hours at minimum 11 a.m. through 3 p.m., the freight hours will be limited to times outside of these open space activities, with hours also designated in consideration of adjacent uses.

Therefore, it is appropriate to grant an exception pursuant to Section 309.

- C. Bulk (Section 272).** The subject property is located within the 80-130-F Height and Bulk district. Pursuant to Section 270, projects within “-F” Bulk District have defined bulk dimensions starting at height of 80 feet and greater, with requirements in plan as follows: the maximum length is 110 feet and the maximum diagonal dimension is 140 feet.

From 80 feet to the approximately 83 feet height of the roof, the Project would have a length of 118'4" and a diagonal of 153'1". At the halo element, with a maximum approximate height of 96'1", the Project would have a length of 125'5" and a diagonal of 156 feet. The increased diagonal of the halo element compared to at the roof level results from the flat metal top element, which extends out 3 feet beyond the property line.

These exceedances occur at the top of the sixth, and final, floor and the area of the parapet. The proposed six-story mass at the streetwall is consistent with the Kearny-Mason-Market-Sutter Conservation District and consistent with the urban form created by the surrounding buildings and Conservation District, in that the building's façades express a continuous streetwall at all sides and all levels.

Moreover, the amount of the proposed bulk exception is relatively minor and would not justify the above-noted negative impacts on the building's form. From 80 83 feet, the Project's diagonal dimension exceeds the Code standard by slightly over 13 feet and would be barely perceptible. The length exceedance (feet) along Grant Avenue exceeds the Code standard by only 8 feet; however, most of this exceedance only extends for about 3 feet vertically (from the 80-foot height to approximately the 83-foot height of the roof) plus an additional 13 feet of the decorative halo feature which has little "mass". Strict compliance with the bulk limits would require the building to be set back further at the sixth level. The exception also provides a distinctly better design in that it respects the two corners of the building and ties the base of the building together better with the capital to complete the façade. Carving away the corners to comply with the bulk limits or setting back the 6th floor and decorative "halo" element and would be inconsistent with the character of adjacent buildings within the Kearny-Mason-Market-Sutter Conservation District, which do not employ setback penthouses.

Therefore, it is appropriate to grant an exception to Bulk pursuant to Section 309.

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

DOWNTOWN AREA PLAN

OBJECTIVE 2

MAINTAIN AND IMPROVE SAN FRANCISCO'S POSITION AS A PRIME LOCATION FOR FINANCIAL, ADMINISTRATIVE, CORPORATE, AND PROFESSIONAL ACTIVITY.

Policy 2.1

Encourage prime downtown office activities to grow as long as undesirable consequences of growth can be controlled.

Policy 2.2

Guide location of office development to maintain a compact downtown core and minimize displacement of other uses.

Two buildings are proposed for demolition, 300 Grant Avenue (aka 290 Sutter Street) and 272 Sutter Street, with three floors of retail use and one floor of retail use, respectively. The Project proposes new

construction of a six-story mixed-use building to replace and expand three floors of retail use, and three new floors to be dedicated to new office use.

OBJECTIVE 3

IMPROVE DOWNTOWN SAN FRANCISCO'S POSITION AS THE REGION'S PRIME LOCATION FOR SPECIALIZED RETAIL TRADE.

Policy 3.1

Maintain high quality, specialty retail shopping facilities in the retail core.

Policy 3.3

Preserve retail service businesses in upper floor offices in the retail district.

The new mixed-use building promotes retail as the primary use on the ground floor through floor three, and basement. The proposal preserves the existing use conditions at the site by replacing three floors, with basement, of retail use. The Sponsor indicates that the tenant is not known, and the space could be occupied by one or several tenants. Preserving upper floor, in this case the second and third floors, for retail could be used by general or personal service retail, both of which are an important component of downtown retail. At street level, the Project's frontage is dedicated to retail use, exceeding code requirements for storefront transparency and ground floor ceiling heights, and access to retail is from all three frontages. The office lobby and entry to the top three floors of office use is discreetly accessible from Harlan Place (alley), permitting the retail street frontage to occupy the majority of frontage at all three facades. The Project is a contemporary structure compatible with the Kearny-Mason-Market-Sutter Conservation District and does not detract from the retail as the primary use at the site.

OBJECTIVE 6

WITHIN ACCEPTABLE LEVELS OF DENSITY, PROVIDE SPACE FOR FUTURE OFFICE, RETAIL, HOTEL, SERVICE AND RELATED USES IN DOWNTOWN SAN FRANCISCO.

The Project will incorporate retail use at the first three floors, reflecting the existing condition, and new floors are proposed as dedicated to office use, a use conditionally permitted within the C-3-R district. Density in C-3 Districts is primarily limited by floor area ratio, ("FAR"). The Project Site is 10,500 square feet in size, after the merger of two lots. Therefore, up to 63,000 square feet of gross floor area ("gfa") is allowed under the basic FAR limit, and up to 94,500 square feet of gfa is permitted with the purchase of TDR. The Project's total gross floor area is approximately 69,550 gfa, for a floor-area ratio of approximately 6.62-to-1. The proposed six floors at the corner of Grant Avenue and Sutter Street is an appropriately scaled building, surrounded by historic buildings ranging from two to eleven stories.

OBJECTIVE 9

PROVIDE QUALITY OPEN SPACE IN SUFFICIENT QUANTITY AND VARIETY TO MEET THE NEEDS OF DOWNTOWN WORKERS, RESIDENTS, AND VISITORS.

Policy 9.1

Require usable indoor and outdoor open space, accessible to the public, as part of new downtown development.

Policy 9.5

Improve the usefulness of publicly owned rights-of-way as open space.

Improvements to publicly-owned Harlan Place, adjacent to the subject site, will transform a dead-end vehicular alley into a lunchtime plaza. The west-facing alley receives sunlight and will be improved with high-quality pavers and activated with moveable chairs and tables.

OBJECTIVE 10

ASSURE THAT OPEN SPACES ARE ACCESSIBLE AND USABLE.

Policy 10.2

Encourage the creation of new open spaces that become a part of an interconnected pedestrian network.

The pedestrian improvements to Harlan Place provide a midblock connection to the pedestrian alley at Mark Place (Irish Bank) as well as link the busy sidewalks one block from the Chinatown Gates along Grant Avenue to an improved pedestrian plaza.

GENERAL PLAN: COMMERCE AND INDUSTRY

OBJECTIVE 1

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

Policy 1.1

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

The Project would provide significant benefits by increasing the supply of office space in the Downtown area, and thus would create new jobs in a location that is easily accessible by multiple modes of transit services. The project would also contribute new high-quality retail space on the lower levels of the building. It would result in an increase in retail/personal services activity in the immediate neighborhood. The Project would also contribute revenue toward the improvement of San Francisco's transportation network, as well as funds for new open spaces, affordable housing, and other public services.

GENERAL PLAN: TRANSPORTATION

OBJECTIVE 2

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

Policy 2.1

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

The area is served by a variety of transit options. The Project Site is one block from the Central Subway project currently under construction, three blocks from MUNI and BART lines on Market Street, and has direct access to abundant local and regional bus service on Sutter, Kearny, Bush and Stockton Streets, and is seven blocks from the future Transit Center. The area is also characterized by a rich pedestrian environment in downtown San Francisco, and is one block away from the Chinatown Gates. The Project will also pay a number of impact fees and other exactions meant to fund contemplated infrastructure and public realm improvements, as well as paying into City funds that support affordable housing.

GENERAL PLAN: URBAN FORM

OBJECTIVE 2

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

Policy 2.1

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

OBJECTIVE 14

CREATE AND MAINTAIN A COMFORTABLE PEDESTRIAN ENVIRONMENT.

Policy 14.1

Promote building forms that will maximize the sun access to open spaces and other public areas.

OBJECTIVE 15

CREATE A BUILDING FORM THAT IS VISUALLY INTERESTING AND HARMONIZES WITH SURROUNDING BUILDINGS.

Policy 15.1

Ensure that new facades relate harmoniously with nearby facade patterns.

Policy 15.2

Assure that new buildings contribute to the visual unity of the city.

The project site is consistent with the characteristics of the Kearny-Mason-Market-Sutter Conservation District, as outlined in Appendix E of Article 11 of the Planning Code.

Although a lesser height than some surrounding buildings and for a corner building, the six-story building is generally consistent with varied heights in the District and the proposed footprint continues the streetwall. The vertical tripartite design as proposed is consistent with the surrounding buildings that are composed of well-defined components of a base, shaft and capital. In the proposed building, fenestration and cladding will introduce a three-part composition on two elevations.

The façades of the proposed building will be divided into bays, characteristic of the District, demarcated by cement columns that extend into vertical metal piers. Specifically, the west façade (Grant Avenue) is divided into four bays, approximately 28 feet wide, and the north and south facades are divided into three

bays, approximately 23 feet wide, which is consistent with the large bay width of other buildings in the District.

At the street level, each bay module is defined by bulkhead, coated aluminum storefront glazed system, and demarcated by ovoid white cement columns. The continuous vertical piers are expressed through the cement columns at the base that extend into coated steel piers to articulate the façade and provide a sense of scale. Further, the continuous vertical piers anchor the base of the building and strongly define the storefront bay modules.

9. **Section 101 Priority Policy Findings.** Section 101.1(b)(1-8) 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 enhanced.

The Subject Property is located in the center of San Francisco's retail district and does not house many neighborhood-serving retail uses. The Project would include retail at the ground (first), second and third floors as well as basement, and new floors of office uses, and create ownership and employment opportunities for San Francisco residents. The influx of new employees and patrons to the area as a result of the Project will strengthen the customer base of existing retail uses in the area and contribute to the demand for new retail uses serving downtown workers and visitors to 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.

No housing would be removed by the Project. The Project will be compatible with the existing character of the Kearny-Mason-Market-Sutter Conservation District and will be consistent with the existing character of the District as a regional center for comparison shopper retailing and direct consumer services.

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

The Project will enhance the supply of affordable housing by participating in the City's Jobs-Housing Linkage Program, pursuant to Section 413 of the Planning Code.

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

The Project Site, located downtown, is extremely well served by public transit. The Project Site is one block from the Central Subway project currently under construction, three blocks from MUNI and BART lines on Market Street, and has direct access to abundant local and regional bus service on Sutter, Kearny, Bush and Stockton Streets, and is seven blocks from the future Transit Center. The area is also characterized by a rich pedestrian environment in downtown San Francisco.

- 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 Site does contain retail uses on three floors of the 300 Grant Avenue building and one floor of the 272 Sutter Street building, which are proposed to be retained and enlarged, but does not contain any industrial uses. In addition, the Project's employees and patrons will increase the demand for, and patronage of, existing and new retail uses in the immediate Project vicinity and throughout Downtown.

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

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

- g) That landmarks and historic buildings be preserved.

The building at 272 Sutter Street was originally constructed in 1919 and the building at 300 Grant Avenue in 1908; both exhibit alterations. Both buildings were assigned ratings of 'D', minor or no importance, in the 1978 SF Heritage survey of Downtown buildings. According to Planning Department staff response (HRER dated January 23, 2007) and the Final Amended Mitigated Negative Declaration (Case No. 2004.1245E; certified June 12, 2008), it was determined that the existing buildings did not meet any of the qualifying criteria for eligibility in the California Register. Neither building was found to have any direct links to important historic activities, events, or associations with prominent persons, nor were they determined to be important examples of design or construction or important sources of historical and archeological information. Although both buildings remain in their original locations, various renovations over the years have destroyed all of the qualities of workmanship, design, materials, feeling, and association needed to retain their historical integrity and thus, their capacity to convey their significance. Since the 2007-2008 evaluation, no new information has been discovered to make the buildings eligible for re-classification as Category I, II, or IV Buildings.

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

Pursuant to Section 295 of the Planning Code, a shadow analysis was conducted for the originally proposed 130-foot-tall Project, which concluded that a 130 foot-high building on the site would not introduce net new shadow on properties under the jurisdiction of the Department of Recreation and Parks (Rec and Park). Since the current proposal is designed as a shorter building, the finding remains as such, in that the Project does not add net new shadow to properties under the jurisdiction of Rec and Park. No shading would occur at the Chinatown Gate.

- 10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

11. The Commission hereby finds that approval of the Downtown Project Authorization and Request for Exceptions would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Downtown Project Authorization Application No. 2015-000878DNX/CUA/OFA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated November 17, 2016, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Downtown Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion No. **XXXXX**. The effective date of this Motion shall be the date 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 in person at 1650 Mission Street, Room 304, San Francisco, CA 94103, or call (415) 575-6880.

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 constitutes the 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 December 8, 2016.

Jonas P. Ionin

Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

EXHIBIT A

AUTHORIZATION

This authorization is for a **Downtown Project Authorization and Request for Exceptions** pursuant to Section 309 relating to a project that includes the demolition of two commercial buildings and construction of one six-story with basement commercial building comprised of retail and office uses, approximately 83-foot-tall, extending to 96 feet 1 inch for architectural features, located at the northeast corner of Grant Avenue and Sutter Street, Lots 013 and 014 in Assessor's Block 0287, within the 80-130-F Height and Bulk districts, the C-3-R (Downtown, Retail) Zoning District, and Downtown Plan Area, in general conformance with plans dated **November 17, 2016** and stamped "Exhibit B" included in the docket for Case No. 2015-000878DNX/CUA/OFA and subject to conditions of approval reviewed and approved by the Planning Commission on December 8, 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 **December 8, 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 Downtown Project Authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

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

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

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

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

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

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

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

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

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

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

6. **Additional Project Authorizations.** The Project Sponsor must obtain an Office Allocation

Authorization under Section 321; and a Conditional Use Authorization pursuant to Sections 210.2 and 303 for office use on floors four through six. The Project Sponsor must satisfy all the conditions thereof for each additional project authorization. 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.

7. **Mitigation Measures.** Improvement and Mitigation measures described in the IMMRP are 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 the Case Planner at 415-558-6378, www.sf-planning.org

8. **Transferable Development Rights.** Pursuant to Sections 123, 124, and 128, the Project Sponsor shall purchase the required units of Transferable Development Rights (TDR) and secure a Notice of Use of TDR prior to the issuance of an architectural addendum for all development which exceeds the base FAR of 6.0 to 1, up to a maximum FAR of 9.0 to 1. The net addition of gross floor area subject to the requirement shall be determined based on drawings submitted with the Building Permit Application.

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

DESIGN — COMPLIANCE AT PLAN STAGE

9. **Final Materials.** Per Case No. 2015-000878PTA, the Project sponsor shall continue to work with Preservation Staff of the 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 Preservation Staff of the Planning Department prior to issuance. Modifications may be subject to review by the Historic Preservation Commission.

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

10. **Canopy/Awning/Marquee.** Pursuant to Planning Code Section 136.1, the Project Sponsor shall continue to work with Planning Department staff to ensure proposed canopy, awning or marquee are in compliance with projections over the public-right-of-way. Due to the site's location in an Article 11 Conservation District, canopy, awning or marquee installation requires approval of a Minor Permit to Alter prior to installation.

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

11. **Streetscape Plan Elements.** 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 required Streetscape features so that the plan generally meets the standards of the Better Streets and Downtown Plans 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.sfplanning.org

12. **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.sfplanning.org

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

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

14. **Lighting Plan.** The Project Sponsor shall submit an exterior lighting plan to the Planning Department prior to Planning Department approval of the architectural addendum to the site permit application.

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

15. **Open Space Provision - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall continue to work with Planning Department staff to refine the design and programming of the improvements to Harlan Place, as noted below. The Project Sponsor shall complete final design of all required open space improvements and additional Programming and Maintenance Plan, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required improvements prior to issuance of first temporary certificate of occupancy.

- a. The project sponsor shall submit improvements to Harlan Alley, at minimum shall include the following:
 - i. The project sponsor shall repave Harlan Place as a plaza using high-quality pavers. The pavers are to be installed between the proposed curbs in the vehicle lane and meet requirements of Department of Public Works and SFPUC. Special paving in the right-of-way will require a Major Encroachment Permit from the Department of Public Works. Other permits and legislation may be required to authorize the programming of the space. A partial shared street or sidewalk widening shall be investigated at Harlan Place in the area of the project frontage, for benefit of tree planting and permanent bench installation at Harlan Place.
 - ii. The project sponsor shall include a door at the northern façade ground-floor retail use and Harlan Place improved alley to facilitate access between the open space and adjacent retail space within the building.
 - iii. The project sponsor shall design a minimal barrier such as strings across bollards or planting movable boxes on casters or other mechanism incorporating public art that can be rolled into and out of the space when it is being used as a public gathering space. A permanent gate solution is not supportable.
 - iv. The project sponsor shall be responsible for setting up chairs and tables in Harlan Place plaza at minimum between 11 a.m and 3 p.m, seven days per week. Subsequently, the project sponsor shall dedicate storage space in the subject building for storage of tables and chairs. Tables and chairs design is to be light-weight and easily moveable in case of emergency.
 - v. The project sponsor shall engage with adjacent food service, at minimum at Triton Hotel and Irish Bank, to learn about extension of food service to this site (which may require additional permits from City Agency(ies), prepared/ to-go foods to be brought to this site, or some alternative proposed to have food service available at the open space.
 - vi. The project sponsor shall ensure that the dumpsters for the Project are retrieved after trash/recycling/compost service by the subject site. The project sponsor shall engage with adjacent property owners lining Harlan Place to work towards ensuring that the dumpsters at those properties are retrieved after trash/recycling/compost service. Dumpsters are not to be stored in the alley.
- b. The project sponsor shall submit a **Programming and Maintenance Plan** subject to review and approval by Planning Department, Department of Public Works and Fire Department. At minimum, the plan shall include:
 - i. Hours of operation for plaza, at minimum 11 a.m. to 3 p.m. seven days per week, with anticipation for extension with inclusion of community input and agency input
 - ii. Emergency vehicle access procedures
 - iii. Programming for plaza, including assigning task for moving tables and chairs, dedicated area for storage for tables and chairs
 - iv. Process for ensuring garbage collection at property and surrounding properties
 - v. Hours for on-street freight loading

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

16. **Open Space Plaques - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall install the required public open space plaques including the standard City logo identifying it; the hours open to the public and contact information for building management. Work with staff planner to determine appropriate location of the plaques for this site. Design of the plaques shall utilize the standard templates provided by the Planning Department, as available, and shall be approved by the Department staff prior to installation.

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

17. **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:

- a. 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;
- b. On-site, in a driveway, underground;
- c. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- d. 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;
- e. Public right-of-way, underground; and based on Better Streets Plan guidelines;
- f. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- g. On-site, in a ground floor façade (the least desirable location).
- h. 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.

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

For information about compliance, contact San Francisco Municipal Railway (Muni), San Francisco

Municipal Transit Agency (SFMTA), at 415-701-4500, www.sfmta.org.

PARKING AND TRAFFIC

19. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1, the Project shall provide no fewer than **9 Class 1** bicycle parking spaces, by use: 4 spaces (retail), 5 spaces (office), and **13 Class 2** bicycle parking spaces, by use: 11 spaces (retail), 2 spaces (office) bicycle parking spaces.

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

20. **Showers and Clothes Lockers.** Pursuant to Planning Code Section 155.4, the Project shall provide no fewer than three (3) showers and eighteen (18) clothes lockers.

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

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

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

PROVISIONS

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

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

23. **Downtown Park Fee - C-3 District.** Pursuant to Planning Code Section 412, the Project Sponsor shall pay the Downtown Park Fee.

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

24. **Jobs Housing Linkage.** Pursuant to Planning Code Section 413, the Project Sponsor shall contribute to the Jobs-Housing Linkage Program (JHLP).

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

25. **Childcare Requirements for Office and Hotel Development Projects.** Pursuant to Section 414, the Project Sponsor shall pay the in-lieu fee as required.

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

26. **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.

For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org

27. **Art.** Pursuant to Planning Code Section 429, the Project shall include work(s) of art valued at an amount equal to one percent of the hard construction costs for the Project as determined by the Director of the Department of Building Inspection. The Project Sponsor shall provide to the Director necessary information to make the determination of construction cost hereunder.

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

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

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

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

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

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

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

MONITORING

31. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolve by the Project Sponsor or its successor(s) 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 415-558-6863, www.sfplanning.org.

32. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of the 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.sfplanning.org

OPERATIONS

33. **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>

34. **Sidewalk Maintenance.** The Project sponsor shall maintain the main entrances to the buildings 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>

35. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project sponsor shall provide the Zoning Administrator 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.sfplanning.org

36. **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

37. **Open Space Provision – C3 Districts.** Pursuant to Planning Code Section 138, the Harlan Place open space shall be maintained as accessible open space per the approved Programming and Maintenance Plan for the life of the project.

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

Exhibit C

EXHIBIT C: MITIGATION MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility

MITIGATION MEASURES AGREED TO BY PROJECT

SPONSOR

ARCHEOLOGICAL RESOURCES

Mitigation Measure 1 – Archeological Resources (Testing)

Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of an archeological consultant having expertise in California prehistoric and urban historical archeology from the rotational Department of Planning Department archeologist. The project sponsor shall contact the Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). ~~In instance of inconsistency between the requirement of the project ARDTP and of this archeological mitigation measure, the requirement of this archeological mitigation measure shall prevail.~~ All plans and reports prepared by ~~ERO~~ the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less than significant level potential effects on a significant archeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c).

Project sponsor	Prior to issuance of grading or building permits	Project Sponsor to retain archaeological consultant to undertake archeological monitoring program in consultation with ERO.	Project sponsor, archaeologist and Environmental Review Officer (ERO)	Complete when Project Sponsor retains qualified archeological consultant.
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MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>Consultation with Descendant Communities: On discovery of an archaeological site¹ associated with descendant Native Americans, the Overseas Chinese, or other potentially interested descendant group an appropriate representative² of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archaeological field investigations of the site and to offer recommendations to the ERO regarding appropriate archaeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archaeological site. A copy of the Final Archaeological Resources Report shall be provided to the representative of the descendant group.</p>	<p>Project sponsor.</p>	<p>Discovery of an archaeological site associated with descendant group/communities</p>	<p>Consultation with descendant communities</p>	<p>Project sponsor, descendant group representative(s) and ERO</p>	<p>After production of the Final Archaeological Resources Report.</p>
<p><i>Archeological Testing Program.</i> The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.</p>	<p>Project sponsor and archeological consultant, at the direction of the ERO</p>	<p>Prior to any soils disturbance</p>	<p>Consultation with ERO on scope of ATP</p>	<p>Project sponsor, archeologist and ERO</p>	<p>After consultation with and approval by ERO of AMP.</p>
<p>At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist. If the ERO</p>	<p>Project sponsor and archeological consultant, at the direction of the ERO</p>	<p>After completion of the Archeological Testing Program</p>	<p>Submit report to ERO of the findings of the Archeological Testing Program.</p>	<p>Archeological consultant and ERO</p>	<p>Considered complete on submittal to ERO of report on ATP findings.</p>

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

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

MONITORING AND REPORTING PROGRAM

Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/ Reporting Responsibility	Monitoring Schedule
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Adopted Mitigation Measures

determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor either:

- The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or
- A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

Archeological Monitoring Program. If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:

- The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils- disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archaeological resources and to their depositional context;
- The archeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource;
- The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits;
- The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;
- If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease.

Project Sponsor/ Archeological Consultant/ Archeological Monitor/ Contractor(s), at the direction of the ERO	ERO and Archeological Consultant meet prior to commencement of soil- disturbing activity. If ERO determines that an Archeological Monitoring Program is necessary, monitor throughout all soil-disturbing activities.	Consultation with ERO on scope of AMP	Archeological consultant and ERO	Considered complete on finding by ERO that AMP implemented.
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MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Monitoring/Reporting Responsibility		
		Mitigation Schedule	Mitigation Action	Monitoring Schedule

The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile driving activity may affect an archeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.

Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.

Archeological Data Recovery Program. The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures.* Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis.* Description of selected cataloguing system and artifact analysis procedures.
- *Discard and Deaccession Policy.* Description of and rationale for field and post-field discard and deaccession policies.

Archaeological consultant in consultation with ERO

After determination by ERO that an archaeological data recovery program is required

Consultation with Archaeological consultant and ERO on scope of ADRP

Considered complete upon approval of ADRP by ERO.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Monitoring/Reporting Responsibility			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Reporting Responsibility	

- *Interpretive Program.* Consideration of an on-site/off-site public interpretive program during the course of the archeological data recovery program.
- *Security Measures.* Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report.* Description of proposed report format and distribution of results.
- *Curation.* Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.

Human Remains and Associated or Unassociated Funerary Objects. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal laws. This shall include immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archeological consultant, project sponsor, ERO, and MLD shall have up to but not beyond six days of discovery to make all reasonable efforts to develop an agreement for the treatment of, ~~with appropriate dignity,~~ human remains and associated or unassociated funerary objects with appropriate dignity (CEQA Guidelines, Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. Nothing in existing State regulations or in this mitigation measure compels the project sponsor and the ERO to accept recommendations of an MLD. The archeological consultant shall retain possession of any Native American human remains and associated or unassociated burial objects until completion of any scientific analyses of the human remains or objects as specified in the treatment agreement if such as agreement has been made or, otherwise, as determined by the archeological consultant and the ERO.

Final Archeological Resources Report. The archeological consultant

Project Sponsor/Archeological Consultant in consultation with the San Francisco Coroner, NAHC and MLD.

Discovery of human remains and/or funerary objects.

Notify San Francisco coroner. Implement regulatory requirements, if applicable, regarding discovery of Native American human remains and associated/unassociated funerary objects.

Project sponsor, archaeologist and ERO

Considered complete on notification of the San Francisco County Coroner and NAHC, if necessary.

Project sponsor

Completion of

Prepare and

Archeological

Considered

MONITORING AND REPORTING PROGRAM

Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
and archaeological consultant at the direction of the ERO	archeological data recovery, inventorying, analysis and interpretation.	submit FARR.	consultant and ERO	complete on submittal of FARR.
Archeological Consultant at the direction of the ERO	Written certification submitted to ERO that required FARR distribution has been completed	Distribute FARR	Archeological consultant and Environmental Review Officer (ERO)	Considered complete on distribution of FARR.

Adopted Mitigation Measures

shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.

Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. ~~The Major Environmental Analysis division of the Planning Department shall receive three copies. The Environmental Planning division of the Planning Department shall receive one bound, one unbound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources.~~ In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.

AIR QUALITY

Mitigation Measure 2—Construction Air Quality

The project sponsor shall require the contractor(s) to spray the project site with water during demolition, excavation, and construction activities; spray unpaved construction areas with water at least twice per day; cover stockpiles of soil, sand, and other material; cover trucks hauling debris, soils, sand, or other such material; and sweep surrounding streets during demolition, excavation, and construction at least once per day to reduce particulate emissions. Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsors shall require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose. The project sponsors shall require the project contractor(s) to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants, by such means as a prohibition on idling motors when equipment is not in use or when trucks are waiting in queues, and implementation of specific maintenance

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility Monitoring Schedule
<p>programs to reduce emissions for equipment that would be in frequent use for much of the construction period.</p> <p>HAZARDS AND HAZARDOUS MATERIALS</p> <p><i>Mitigation Measure 3 – Underground Storage Tanks</i></p> <p>Should a UST be found during construction, work shall be stopped and permits from the Hazardous Material Unified Program Agency (HMUPA), Fire Department, DPW Streets and Sidewalk shall be obtained for the UST (and related piping) removal. HMUPA, SFED (may be DPW) will make inspections prior to removal and only upon approval of the inspector may the UST be removed from the ground. Appropriate soil and, if necessary, groundwater samples shall be taken at the direction of the HMUPA inspector and analyzed. Appropriate transportation and disposal of the UST shall be arranged. If analytical results indicate non-detectable or low levels of contamination, HMUPA will issue a "Certificate of Completion." If the HMUPA inspector requires that an Unauthorized Release (Leak) Report is required due to holes in the UST or odor or visual contamination, or if analytical results indicate there are elevated levels of contamination, the case will be referred to the Local Oversight Program for further action.</p> <p><i>Mitigation Measure 2 & 4 – Hazards (PCBs and Mercury)</i></p> <p>The project sponsor would ensure that building surveys for PCB-containing equipment (including elevator equipment), hydraulic oils, and fluorescent lights are performed prior to the start of demolition. Any hazardous materials so discovered would be abated according to federal, state, and local laws and regulations.</p>	Project sponsor.	Prior to demolition.	Abating materials according to federal, state, and local laws and regulations	Project sponsor, Planning Department. Prior to demolition.
<p>IMPROVEMENT MEASURES AGREED TO BY PROJECT SPONSOR</p> <p>TRANSPORTATION AND CIRCULATION</p> <p><i>Improvement Measure 1 – Transit (MUNI Eyebolt)</i></p> <p>Construction of the proposed project would require installation of a temporary pole to support MUNI's overhead wire lines that are currently attached to the 290 Sutter Street building via an eyebolt. When construction is completed, the eyebolt would be replaced, or a decorative permanent pole on the sidewalk could be installed. As an improvement measure, the project sponsor</p>	Project sponsor.	Prior to demolition.	Minimize transit service disruption.	Project sponsor, Planning Department/SF MTA Considered complete on eyebolt replacement or decorative pole.

MONITORING AND REPORTING PROGRAM

Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/ Reporting Responsibility	Monitoring Schedule
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Adopted Mitigation Measures

could be required to contribute to the full cost of the replacement poles, if the eyebolt option is not chosen. If the eyebolt option were chosen, MUNI would prefer to enter into a 25-year agreement with the project sponsor.

Improvement Measure 2 – Encourage Alternative Modes of Travel

As improvement measures to reduce the proposed project's parking demand and parking shortfall and to encourage use of alternative modes, the project sponsor could provide a transportation insert for the move-in packet that would provide information on transit service (MUNI and BART lines, schedules and fares); information on where FastPasses could be purchased; and information on the 511 Regional Rideshare Program.

Under the recently approved C-3 legislation the proposed project would be required to provide one car-sharing space either on-site, or within 800 feet of the project site. Participation by residents in a car-sharing program would serve to reduce the proposed project's on-site parking demand and shortfall.

Improvement Measure 3 – Timing of Construction Truck Traffic

The following measure would minimize disruption of the general traffic flow on adjacent streets:

- To the extent possible, truck movements should be limited to the hours between 9:00 a.m. and 3:30p.m. (or other times, if approved by the Department of Parking and Traffic (DPT), San Francisco Municipal Transportation Agency (SFMTA).
- The project sponsor and construction contractor(s) would meet with the Traffic Engineering Division of DPT-SFMTA, the Fire Department, MUNI Public Works, the Planning Department, and other City agencies to determine feasible traffic mitigation measures to further reduce traffic congestion transportation impacts during construction of the project.

Project sponsor/ contractor(s).	Prior to demolition.	Limit truck movements or traffic congestion during construction	DPT, the Fire Department, MUNI, the Planning Department, and other City agencies	Considered complete upon construction.
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SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- | | |
|--|--|
| <input type="checkbox"/> Inclusionary Housing (Sec 415) | <input checked="" type="checkbox"/> Public Open Space (Sec 138) |
| <input checked="" type="checkbox"/> Childcare Requirement (Sec 414) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code) |
| <input checked="" type="checkbox"/> Jobs Housing Linkage Program (Sec 413) | <input checked="" type="checkbox"/> Transportation Sust. Fee (Sec 411) |
| <input checked="" type="checkbox"/> Downtown Park Fee (Sec 412) | <input checked="" type="checkbox"/> Public Art (Sec 429) |

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Planning
Information:
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Planning Commission Draft Motion Conditional Use Authorization

HEARING DATE: DECEMBER 8, 2016

Date: November 23, 2016
Case No.: **2015-000878DNX/CUA/OFA**
Project Address: **300 GRANT AVENUE/272 SUTTER STREET**
Zoning: C-3-R (Downtown Retail) District
80-130-F Height and Bulk District
Downtown Plan Area
Block/Lot: 0287/013, 014
Owner: Grant Avenue Properties LLC
C/O St. Bride's Managers LLC Attn: John Loehr
Two Stamford Landing, Suite 115
69 Southfield Avenue
Stamford, CT 06902
Project Contact: Steve Atkinson, Arent Fox LLP
55 2nd Street, Ste. 2100
San Francisco, CA 94105
Staff Contact: Marcelle Boudreaux - (415) 575-9140
Marcelle.boudreaux@sfgov.org

ADOPTING FINDINGS RELATED TO THE APPROVAL OF A CONDITIONAL USE AUTHORIZATION UNDER PLANNING CODE SECTIONS 210.2 AND 303, TO ALLOW OFFICE USE ON FLOORS FOUR THROUGH SIX, AS PART OF A PROJECT THAT INCLUDES THE DEMOLITION OF TWO COMMERCIAL BUILDINGS AND CONSTRUCTION OF ONE APPROXIMATELY 72,905 SQUARE FOOT COMMERCIAL BUILDING COMPRISED OF RETAIL AND OFFICE USES, APPROXIMATELY 83-FOOT-TALL, EXTENDING TO 96 FEET 1 INCH ARCHITECTURAL FEATURES, LOCATED AT THE NORTHEAST CORNER OF GRANT AVENUE AND SUTTER STREET, LOTS 013 AND 014 IN ASSESSOR'S BLOCK 0287, WITHIN THE 80-130-F HEIGHT AND BULK DISTRICTS, THE C-3-R (DOWNTOWN, RETAIL) ZONING DISTRICT, AND DOWNTOWN PLAN AREA.

PREAMBLE

WHEREAS, on September 17, 2015, Steve Atkinson, Arent Fox LLP ("Applicant") filed an application on behalf of the Owner with the San Francisco Planning Department (hereinafter "Department") for a

Conditional Use Authorization to allow office space on floors above the ground story and greater than 5,000 square feet, for a project involving demolition of two Category V (Unrated) buildings and new construction of one 69,290 square foot, six-story, mixed-use commercial building, on the subject property located on Lot 013 and Lot 014 in Assessor's Block 0287; and

WHEREAS, In January 2007, the San Francisco Planning Commission (Planning Commission) adopted the 300 Grant Avenue Mitigated Negative Declaration, Case No. 2004.1245E, (MND); and

On July 12, 2007, the Planning Commission held a duly noticed public hearing on two appeals of the MND and declined to uphold the MND pending changes to the document; and

An Amended Mitigated Negative Declaration (AMND) was published on May 29, 2008 to address revisions to the project as well as the Planning Commission's comments. The Planning Commission held a subsequent public hearing on June 12, 2008 at which time the Planning Commission rejected the appeals and adopted a Final Mitigated Negative Declaration, as amended (FMND) in Motion No. 17614; and

An appeal of the FMND was filed with the San Francisco Board of Supervisors (Board of Supervisors) on July 2, 2009 and at a duly noticed public hearing on August 12, 2008, the Board of Supervisors upheld the FMND in Motion No. M08-135; and

On September 2, 2016, the Planning Department mailed a "Notification of Project Receiving Environmental Review" to community organizations, tenants of the affected property and properties adjacent to the project site, and those persons who own property within 300 feet of the project site. No comments related to environmental review were received in response; and

The Planning Department has prepared an Addendum to the Final Mitigated Negative Declaration (Addendum to FMND) pursuant to California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

The Addendum to FMND finds that since the preparation of the FMND in 2008, there have been no changes in the project or the project's circumstances or no new information leading to new significant impacts not previously analyzed in the FMND, or to a substantial increase in the severity of previously-identified significant impacts, or to new mitigation measures that would reduce the project's significant impacts, but that the project sponsor declines to implement. Therefore, the analysis in the FMND remains valid and no supplemental environmental analysis is necessary.

The Planning Department, Office of the Commission Secretary, is the custodian of records for this action, and such records are located at 1650 Mission Street, Fourth Floor, San Francisco, California.

WHEREAS, On September 10, 2015 the Project Sponsor submitted a request for a Major Permit to Alter for the demolition of two Category V (Unrated) buildings and new construction under Article 11 of the Planning Code, located within the Kearny-Market-Mason-Sutter Conservation District (Case No. 2015-000878PTA). On November 2, 2016, the Historic Preservation Commission conducted a duly noticed public hearing at a regularly scheduled meeting and adopted Motion No. 0291, approved the requested Major Permit to Alter; and

WHEREAS, On December 8, 2016 the Planning Commission adopted Motion No. XXXXX, approving a Section 309 Determination of Compliance and Request for Exceptions; and

WHEREAS, On December 8, 2016, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No. 2015-000878DNX/CUA/OFA. 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, the Planning Department staff, and other interested parties; and

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2015-000878 DNX/CUA/OFA, subject to the conditions contained in **Exhibit A** of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and also constitute findings of this Commission.
2. **Site Description and Present Use.** The proposed 10,500-square-foot subject site area would encompass two parcels at the northeast corner of Grant Avenue and Sutter Street: 300 Grant Avenue (290 Sutter Street) and 272 Sutter Street. The 300 Grant Avenue building, currently occupied by a variety of retail tenants, is three stories. The 272 Sutter Street building is a one-story building occupied by retail use.
3. **Properties and Neighborhood.** The Project Site is located in the Downtown Plan Area, two blocks from the Union Square, and also located within the Kearny-Market-Mason-Sutter Conservation District. Land uses in the vicinity consist primarily of retail uses in buildings ranging from two to ten stories.

This District is a regional center for comparison shopper retailing and direct consumer services. It covers a compact area with a distinctive urban character, consists of uses with cumulative customer attraction and compatibility, and is easily traversed by foot. Like the adjacent Downtown Office District, this District is well-served by City and regional transit, with automobile parking best located at its periphery. Within the District, continuity of retail and consumer service uses is emphasized, with encouragement of pedestrian interest and amenities and minimization of conflicts between shoppers and motor vehicles. A further merging of this District with adjacent, related Districts is anticipated, partially through development of buildings which combine retailing with other functions.

4. **Proposed Project.** The proposed project involves demolition of the two subject buildings, merger of the two parcels and construction one approximately 83-foot-tall, six-story with basement commercial building, to be comprised of retail use on floors basement through three, and approximately 29,703 gross square feet office use on floors four through six.

The building will occupy the entire project site with three visible facades facing Sutter Street, Grant Avenue, and Harlan Place. The building is proposed to be constructed to the property

line, except for the approximate 2-foot setback at the ground story. Improvements to Harlan Place are proposed to create a privately-owned public open space, and streetscape improvements are proposed at all three frontages. No off-street parking is proposed, and loading is proposed on-street at the Harlan Place alley.

5. **Public Comment/Public Outreach.** The Planning Department has received one communication in support of the project. A letter of concern was submitted to the Historic Preservation Commission from the representative of the Triton Hotel.
6. **Planning Code Compliance:** The Planning Code Compliance findings as set forth in Motion No. XXXXX apply to this Motion, and are incorporated as though fully set forth herein.
7. **Planning Code Section 303 (c)** 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:
 - A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The Project will provide new high quality retail space, a primary and permitted use within the C-3-R District. There is evidence of existing office use at upper levels above the third floor. The site is located two blocks from Union Square and destination shopping area within the Downtown area. The proposed configuration is retail on the ground and upper levels, and office space on upper levels (level 4 and above). The existing smaller buildings on the site that would be demolished to permit the new construction are not historic resources, and the new structure will be designed to be compatible with the character of the Conservation District.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:
 - i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The proposed site area consists of two parcels which will be merged as part of the development. The site is located at the northeast corner of Sutter and Grant and the north side also fronts on Harlan Place, a small dead-end alley. The site is generally rectangular with an area of 10,500 square feet. The shape and size of the site present no unusual difficulties for development or for the proposed mix of retail and office uses.
 - ii. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The Project proposes to demolish two existing buildings, which combined totaling approximately 45,765 square feet, to merge the lots, and to construct a new approximately 72,905 square foot building. The project site is located in an area well-served by transit. Within 1/4 mile of the project site, 26 Muni bus routes, nine Muni metro routes, the new Central Subway currently under construction at Stockton Street, and the Montgomery Street Muni and Bay Area Rapid Transit (BART) stations on Market Street are located. The project does not propose off-street parking or off-street loading. Existing curb spaces at Grant Avenue and Harlan Place will be utilized for on-street loading needs. This area is characterized by vibrant pedestrian activity and the project will reinforce this pattern.

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

The Project would not generate noxious emissions, such as noises, glare, dust and odor. Outdoor open spaces would be well-managed through a Programming and Maintenance Plan to ensure that noise remains at acceptable levels. On-street loading is proposed at Harlan Place, where garbage retrieval is already established, so no unusual or new noise would be introduced.

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

The Project would comply with street tree, streetscape, lighting, and signage requirements of the Planning Code and Public Works Code. In satisfaction of Section 138 of the Planning Code, the project proposes improvements to Harlan Place including new paving, moveable tables and chairs to create a plaza in the street, a simple bollard to close off the alley to vehicular traffic, and benches in the sidewalk. At other frontages along Grant Avenue and Sutter Street, sidewalk widening and a curb bulb-out are proposed to improve the pedestrian experience. No off-street parking or loading provided.

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

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

- 8. **Planning Code Section 210.2(2)** establishes criteria for the Planning Commission to consider when reviewing applications for the development of non-retail sales and service if the use is larger than 5,000 gross square feet in size or located above the ground floor. In the C-3-R District, in addition to the criteria set forth in Section 303, approval shall be given upon a determination that the use will not detract from the District's primary function as an area for comparison shopper retailing and direct consumer services. On balance, the Project complies with said criteria in that:

The six-story corner building is consistent with the KMMS Conservation District, completes the streetwall and includes a clear-glazed storefront system at all three street frontages, with retail

entryways at the corner at Grant Avenue and Sutter Street. Retaining retail uses at the site from the first through the third floor will maintain an active use, which is consistent with the surrounding buildings, and consistent with the existing condition of the larger building on site at 300 Grant Avenue (aka 292 Sutter Street).

The existing conditions contain two retail use buildings, a three-story and a one-story, proposed for demolition. The proposal is a six-story mixed-use building, basement and ground floor through floor three proposed with retail use and floors four – six proposed with office use, thus, the replacement of retail and addition of new floors for office is consistent with the Objectives in the General Plan.

At street level, frontage at all three facades is primarily dedicated to retail use, exceeding code requirements for storefront transparency and ground floor ceiling heights, and access to retail is from all three frontages. The discrete entry to the top three floors of office use is accessible from an easternmost bay on Harlan Place, permitting the retail storefront to occupy the prime streetfront at all three facades. The Sponsor indicates that the tenant is not known, and the space could be occupied by one or several tenants. Preserving upper floor space, in this case second and third floors, for retail to potentially be used by general or personal service retail, is an important component of downtown retail and satisfies the General Plan.

In combination, these components achieve the objective for Conditional Use Authorization to not detract from the retail focus of the District.

9. **General Plan Conformity.** The General Plan Consistency Findings set forth in Section #8 of Motion No. XXXXX, Case #2015-000878DNX (Determination of Compliance and Granting of Exceptions Under Planning Code Section 309) apply to this Motion, and are incorporated herein as though fully set forth.
10. **Planning Code Section 101.1(b).** The General Plan Priority Policy Findings of Planning Code Section 101.1 as set forth in Motion No. XXXXX apply to this Motion, and are incorporated as though fully set forth herein.
11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) as outlined in Motion No. XXXXX and also in that, as designed, the Project would contribute to the character and stability of the Downtown and would constitute a beneficial development.
12. The Commission hereby finds that approval of this 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 a Conditional Use Authorization under Sections 210.2 and 303, Application No. CASE NO. 2015-000878DNX/CUA/OFA**, subject to the following conditions attached hereto as "EXHIBIT A", and subject to the Conditions of Approval of Planning Commission Motion No. XXXXX, in general conformance with plans on file, dated **November 17, 2016**, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on December 8, 2016.

Jonas P. Ionin
Acting Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

EXHIBIT A

AUTHORIZATION

This authorization is for the granting of a **Conditional Use Authorization** pursuant to Section 210.2 and 303 to allow up office use of floors four through six, in connection with a project that includes the demolition of two commercial buildings and construction of one six-story with basement commercial building comprised of retail and office uses, approximately 83-foot-tall, extending to 96 feet 1 inch for architectural features, located at the northeast corner of Grant Avenue and Sutter Street, Lots 013 and 014 in Assessor's Block 0287, within the 80-130-F Height and Bulk districts, the C-3-R (Downtown, Retail) Zoning District, and Downtown Plan Area, in general conformance with plans dated **November 17, 2016** and stamped "Exhibit B" included in the docket for Case No. 2015-000878DNX/CUA/OFA and subject to conditions of approval reviewed and approved by the Planning Commission on December 8, 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 B of Motion No. XXXXX, Case No. 2015-000878DNX (Determination of Compliance Under Section 309), and the Mitigation, Monitoring, and Reporting Program attached as Exhibit C to Planning Commission Motion XXXXX, Case No. 2015-000878DNX 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 **December 8, 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 Conditional Use Authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Additional Project Authorizations.** The Project Sponsor must obtain a Downtown Project Authorization under Section 309; and an Office Allocation Authorization under Section 321. The Project Sponsor must satisfy all the conditions thereof for each additional project authorization. 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.*
2. **Validity and Expiration.** The authorization and right vested by virtue of this action is valid for three years from the effective date of the Motion. A building permit from the Department of Building Inspection to construct the project and/or commence the approved use must be issued as this Conditional Use authorization is only an approval of the proposed project and conveys no independent right to construct the project or to commence the approved use. The Planning Commission may, in a public hearing, consider the revocation of the approvals granted if a site or building permit has not been obtained within **three (3) years** of the date of the Motion approving the Project. 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. The Commission may also consider revoking the approvals if a permit for the Project has been issued but is allowed to expire and more than three (3) years have passed since the Motion was approved.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
3. **Extension.** This authorization may be extended at the discretion of the Zoning Administrator only where failure to issue a permit by the Department of Building Inspection to perform said tenant improvements is caused by a delay by a local, State or Federal agency or by any appeal of the issuance of such permit(s).
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org.



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- | | |
|--|--|
| <input type="checkbox"/> Inclusionary Housing (Sec 415) | <input checked="" type="checkbox"/> Public Open Space (Sec 138) |
| <input checked="" type="checkbox"/> Childcare Requirement (Sec 414) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code) |
| <input checked="" type="checkbox"/> Jobs Housing Linkage Program (Sec 413) | <input checked="" type="checkbox"/> Transportation Sust. Fee (Sec 411) |
| <input checked="" type="checkbox"/> Downtown Park Fee (Sec 412) | <input checked="" type="checkbox"/> Public Art (Sec 429) |

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Planning Commission Draft Motion Office Allocation

HEARING DATE: DECEMBER 8, 2016

Date: November 23, 2016
Case No.: **2015-000878DNX/CUA/OFA**
Project Address: **300 GRANT AVENUE/272 SUTTER STREET**
Zoning: C-3-R (Downtown Retail) District
80-130-F Height and Bulk District
Downtown Plan Area
Block/Lot: 0287/013, 014
Owner: Grant Avenue Properties LLC
C/O St. Bride's Managers LLC Attn: John Loehr
Two Stamford Landing, Suite 115
69 Southfield Avenue
Stamford, CT 06902
Project Contact: Steve Atkinson, Arent Fox LLP
55 2nd Street, Ste. 2100
San Francisco, CA 94105
Staff Contact: Marcelle Boudreaux - (415) 575-9140
Marcelle.boudreaux@sfgov.org

ADOPTING FINDINGS RELATING TO THE APPROVAL OF ALLOCATION OF OFFICE SQUARE FOOTAGE UNDER THE 2016-2017 ANNUAL OFFICE DEVELOPMENT LIMITATION PROGRAM PURSUANT TO SECTIONS 320 THROUGH 325 OF THE PLANNING CODE TO ALLOW A PROJECT THAT INCLUDES THE DEMOLITION OF TWO COMMERCIAL BUILDINGS AND CONSTRUCTION OF ONE APPROXIMATELY 72,905 SQUARE FOOT COMMERCIAL BUILDING COMPRISED OF RETAIL AND OFFICE USES, APPROXIMATELY 83-FOOT-TALL, EXTENDING TO 96 FEET 1 INCH ARCHITECTURAL FEATURES, LOCATED AT THE NORTHEAST CORNER OF GRANT AVENUE AND SUTTER STREET, LOTS 013 AND 014 IN ASSESSOR'S BLOCK 0287, WITHIN THE 80-130-F HEIGHT AND BULK DISTRICTS, THE C-3-R (DOWNTOWN, RETAIL) ZONING DISTRICT, AND DOWNTOWN PLAN AREA.

PREAMBLE

WHEREAS, on September 17, 2015, Steve Atkinson, Arent Fox LLP ("Applicant") filed an application on behalf of the Owner with the San Francisco Planning Department (hereinafter "Department") for a

request for Allocation of Square Footage under the Annual Office Development Limitation Program, for a project involving demolition of two Category V (Unrated) buildings and new construction of one 69,290 square foot, six-story, mixed-use commercial building, on the subject property located on Lot 013 and Lot 014 in Assessor's Block 0287; and

WHEREAS, In January 2007, the San Francisco Planning Commission (Planning Commission) adopted the 300 Grant Avenue Mitigated Negative Declaration, Case No. 2004.1245E, (MND); and

On July 12, 2007, the Planning Commission held a duly noticed public hearing on two appeals of the MND and declined to uphold the MND pending changes to the document; and

An Amended Mitigated Negative Declaration (AMND) was published on May 29, 2008 to address revisions to the project as well as the Planning Commission's comments. The Planning Commission held a subsequent public hearing on June 12, 2008 at which time the Planning Commission rejected the appeals and adopted a Final Mitigated Negative Declaration, as amended (FMND) in Motion No. 17614; and

An appeal of the FMND was filed with the San Francisco Board of Supervisors (Board of Supervisors) on July 2, 2009 and at a duly noticed public hearing on August 12, 2008, the Board of Supervisors upheld the FMND in Motion No. M08-135; and

On September 2, 2016, the Planning Department mailed a "Notification of Project Receiving Environmental Review" to community organizations, tenants of the affected property and properties adjacent to the project site, and those persons who own property within 300 feet of the project site. No comments related to environmental review were received in response; and

The Planning Department has prepared an Addendum to the Final Mitigated Negative Declaration (Addendum to FMND) pursuant to California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

The Addendum to FMND finds that since the preparation of the FMND in 2008, there have been no changes in the project or the project's circumstances or no new information leading to new significant impacts not previously analyzed in the FMND, or to a substantial increase in the severity of previously-identified significant impacts, or to new mitigation measures that would reduce the project's significant impacts, but that the project sponsor declines to implement. Therefore, the analysis in the FMND remains valid and no supplemental environmental analysis is necessary.

The Planning Department, Office of the Commission Secretary, is the custodian of records for this action, and such records are located at 1650 Mission Street, Fourth Floor, San Francisco, California.

WHEREAS, On September 10, 2015 the Project Sponsor submitted a request for a Major Permit to Alter for the demolition of two Category V (Unrated) buildings and new construction under Article 11 of the Planning Code, located within the Kearny-Market-Mason-Sutter Conservation District (Case No. 2015-000878PTA). On November 2, 2016, the Historic Preservation Commission conducted a duly noticed

public hearing at a regularly scheduled meeting and adopted Motion No. 0291, approved the requested Major Permit to Alter; and

WHEREAS, On December 8, 2016 the Planning Commission adopted Motion No. XXXXX, approving a Section 309 Determination of Compliance and Request for Exceptions, and

WHEREAS, On December 8, 2016, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No. 2015-000878DNX/CUA/OFA. 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, the Planning Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Office Allocation requested in Application No. 2015-00878OFA, subject to the conditions contained in **Exhibit A** of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and also constitute findings of this Commission.
2. **Site Description and Present Use.** The proposed 10,500-square-foot subject site area would encompass two parcels at the northeast corner of Grant Avenue and Sutter Street: 300 Grant Avenue (290 Sutter Street) and 272 Sutter Street. The 300 Grant Avenue building, currently occupied by a variety of retail tenants, is three stories. The 272 Sutter Street building is a one-story building occupied by retail use.
3. **Properties and Neighborhood.** The Project Site is located in the Downtown Plan Area, two blocks from the Union Square, and also located within the Kearny-Market-Mason-Sutter Conservation District. Land uses in the vicinity consist primarily of retail uses in buildings ranging from two to ten stories.

This District is a regional center for comparison shopper retailing and direct consumer services. It covers a compact area with a distinctive urban character, consists of uses with cumulative customer attraction and compatibility, and is easily traversed by foot. Like the adjacent Downtown Office District, this District is well-served by City and regional transit, with automobile parking best located at its periphery. Within the District, continuity of retail and consumer service uses is emphasized, with encouragement of pedestrian interest and amenities and minimization of conflicts between shoppers and motor vehicles. A further merging of this District with adjacent, related Districts is anticipated, partially through development of buildings which combine retailing with other functions.

4. **Proposed Project.** The proposed project involves demolition of the two subject buildings, merger of the two parcels and construction one six-story with basement commercial building, approximately 83-foot-tall, extending to 96 feet with architectural features, to be

comprised of retail use on floors basement through three, and approximately 29,703 gross square feet office use on floors four through six.

The building will occupy the entire project site with three visible facades facing Sutter Street, Grant Avenue, and Harlan Place. The building is proposed to be constructed to the property line, except for the approximate 2-foot setback at the ground story. Improvements to Harlan Place are proposed to create a privately-owned public open space, and streetscape improvements are proposed at all three frontages. No off-street parking is proposed, and loading is proposed on-street at the Harlan Place alley.

The vertical tripartite design as proposed is consistent with the surrounding buildings that are composed of well-defined components of a base, shaft and capital. The façades of the proposed building will be divided into bays, characteristic of the District, demarcated by cement columns that extend into vertical metal piers. At the street level, each bay module is defined by bulkhead, coated aluminum storefront glazed system, and demarcated by ovoid white cement columns. The continuous vertical piers are expressed through the cement columns at the base that extend into coated steel piers to articulate the façade and provide a sense of scale. Further, the continuous vertical piers anchor the base of the building and strongly define the storefront bay modules. The new construction proposes to respond to the character of the District in a contemporary manner. Although an external screen is not typical, the incorporation of the screen helps define the tripartite building composition, while providing texture and depth, Details which are compatible with the surrounding buildings and the District.

5. **Public Comment/Public Outreach.** The Planning Department has received one communication in support of the project. A letter of concern was submitted to the Historic Preservation Commission from the representative of the Triton Hotel.
6. **Office Allocation.** 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.

As of November 23, 2016, there exists 1,037,747 gross square feet of office space available for allocation to office buildings of between 25,000 square feet and 49,999 square feet of office space ("Small Buildings") during this Approval Period, which ends October 16, 2017. With the allocation of 29,703 gross square feet (gsf) of net new office space to the Project, 1,008,044 square feet would remain available for allocation. On October 17, 2017 and on October 17 of each succeeding year, an additional 75,000 square feet of office space will become available for allocation to Small Buildings. For this reason, allocation of this proposed 29,703 gsf of office space for the Project will not impact the availability of space for other Small Cap office projects.

The Sponsor's contribution to the Jobs-Housing Linkage Program will help to fund the construction of affordable housing in the City. The Project is also subject to the Transportation Sustainability Fee, Child Care In-Lieu Fee, and Downtown Parks Fee, all of which will contribute to maintaining a balance between economic growth and housing, transportation and public services. Additionally, the Project would create both construction jobs and permanent end use jobs, and would comply with all the requirements of the First Source Hiring Program (Chapter 83 of the Administrative Code). Thus, the Project will maintain a 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, as discussed in Section #8 of Motion No. XXXXX, Case 2015-000878DNX (Determination of Compliance and Granting of Exceptions Under Planning Code Section 309). The Project would advance the Objectives and Policies of the Commerce, Urban Design, Downtown Plan, and Transportation Plan Elements of the General Plan, and presents no significant conflicts with other elements.

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

The project proposes construction of one Replacement Building which respects the character-defining features of and is generally in conformance with the Kearny-Mason-Market-Sutter Conservation District, pursuant to Article 11 of the Planning Code, and with the Secretary of the Interior's Standards for Rehabilitation. The Historic Preservation Commission held a regularly scheduled public hearing on November 2, 2016 and approved Motion No. 0291 for a Major Permit to Alter for the proposed demolition and new construction.

The proposed mixed-use commercial building will replicate the prevailing three-part vertical compositions – "base", "shaft", "capital" - found throughout the District, with a height of approximately 83 feet (to top of roof), extending to 96 feet of architectural features. Its façades will be divided into bays demarcated by white cement columns that are ovoid in plan section, with four bays across the west façade facing Grant Avenue and three bays across the north and south façades facing Sutter Street and Harlan Place, respectively. A full height, four-sided structurally glazed curtain wall system without exterior mullions but with bronze paint-coated aluminum interior mullions will be located between each column. A majority of the shaft is clad in an architectural scrim. This architectural scrim over glass curtain wall features architectural terra-cotta tubes ("baguettes") in three "warm" earth tone colors, with baguettes set at 50 percent density at the third floor, creating a transition of greater opacity and horizontal emphasis from the building's "base" to "capital."

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

- a) Use. *The Project's proposed retail use is a permitted use in the C-3-R Zoning District. Office uses on upper levels are conditionally permitted in the C-3-R Zoning District with a required finding that the office use will not detract from the District's primary function as an area of comparison*

shopping. The site is two blocks from Union Square, and surrounding by primarily retail uses at the ground and lower upper levels; the project proposes to demolish two existing retail structures (one- and three-story) and rebuild three floors of retail, consistent with the surrounding uses and District. The project proposes an additional three stories (floors four through six) with office use, which is generally consistent with the surrounding uses at the upper floors of existing retail buildings. The small office building lobby is accessed from Harlan Place, an alley, that will not detract from the primary retail frontages along Grant Avenue and Sutter Street, and secondarily along Harlan Place.

This District is a regional center for comparison shopper retailing and direct consumer services. It covers a compact area with a distinctive urban character, consists of uses with cumulative customer attraction and compatibility, and is easily traversed by foot. Like the adjacent Downtown Office District, this District is well-served by City and regional transit, with automobile parking best located at its periphery. Within the District, continuity of retail and consumer service uses is emphasized, with encouragement of pedestrian interest and amenities and minimization of conflicts between shoppers and motor vehicles. A further merging of this District with adjacent, related Districts is anticipated, partially through development of buildings which combine retailing with other functions.

- b) Transit Accessibility. The area is served by a variety of transit options. The Project Site is one block from the Central Subway project currently under construction, three blocks from MUNI and BART lines on Market Street, and has direct access to abundant local and regional bus service on Sutter, Kearny, Bush and Stockton Streets, and is seven blocks from the future Transit Center. The area is also characterized by a rich pedestrian environment in downtown San Francisco.*
- c) Open Space Accessibility. The project is required to provide privately-owned public open space due to the inclusion of non-residential uses. A proposal to meet this requirement includes improving Harlan Place, the adjacent dead-end alley, by re-paving the street, widening the sidewalk, potentially adding trees and benches, and in addition, programming the street for daytime use by people by providing moveable tables and chairs and a temporary bollard to block off vehicular traffic.*
- d) Urban Design. The six-story corner building is consistent with the KMMS Conservation District, completes the streetwall and includes a glazed storefront system at all three street frontages, with retail entryways at the corner at Grant Avenue and Sutter Street. Retaining retail uses at the site from the first through the third floor will maintain an active retail use, which is consistent with the surrounding buildings, and consistent with the existing use at the buildings on site at 300 Grant Avenue. The existing scenario at Harlan Place alley consists of an opaque wall at the rear of the 300 Grant Avenue building and an underutilized alley. The proposal increases the storefront transparency at the Harlan Place alley, provides access to the office lobby from Harlan Place and provides a temporary plaza for people during lunchtime (11 a.m. – 3 p.m.) seven days per week. These active design approaches are consistent with and reinforce the pedestrian scale of the District.*

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. Upon completion of construction, the Project would be occupied by commercial tenants in both retail and office uses that would create new jobs. Available entry level jobs offered by these businesses must be processed through the First Source Hiring Program and would benefit economically disadvantaged persons.

b) Needs of Existing Businesses. The demand for office space stems from a variety of sectors. The three floors could be occupied by one entity or by several entities, thus, a variety of business types and sizes could have opportunities at the new site.

Available Supply of Space Suitable for Such Anticipated Uses. According to the Downtown Plan Monitoring Report (2015), the office vacancy rate in San Francisco is approximately 5.9%, and the rate in the Union Square downtown area is approximately 5.0%. This report should not be used as a discrete analysis of current conditions, but it does provide a snapshot of supply and demand for office space, which illustrates that office space supply may be short and demand high in this area. However, the economic cycles must be balanced with the long-term concerns, which were outlined beginning in the early 1980s in the Downtown Plan, a subsection of the General Plan.

Although the rate of vacancy is lower in the neighborhood of the subject site, the addition of the new upper floors (four through six) for new office use would be appropriate as an addition to an existing condition. The existing condition of 300 Grant Avenue (aka 290 Sutter Street) building - lower three floors occupied by retail use - will be preserved in the proposal, and this helps achieve the objective for Conditional Use Authorization to not detract from the retail focus of the District.

Converting the upper floors to office would replace existing retail uses at the second and third floors on site, and not conform to the General Plan, which notes specifically "concern[s] about encroachment of office development into the traditional retail areas. Upper story space traditionally used by retail services could easily be converted for office users able to pay higher rents." And as noted above, preserving existing upper floors for general retail or personal service retail is outlined as a policy in the General Plan.

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

The Project is a mixed-use project. Floors basement through three would be occupied by one or more retail uses. The office levels are designed with flexibility so they could all be leased to a single user, or individual floors (or portions of floors) could be leased to multiple users.

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

Section 124 establishes basic floor area ratios (FAR) for all zoning districts. As set forth in Section 124(a), the FAR for the C-3-R District is 6.0 to 1. Under Sections 123 and 128, the FAR can be increased to 9.0 to 1 with the purchase of Transferable Development Rights (TDR).

The Project Site is 10,500 square feet in size, after the merger of two lots. Therefore, up to 63,000 square feet of gross floor area ("gfa") is allowed under the basic FAR limit, and up to 94,500 square feet of gfa is permitted with the purchase of TDR. The Project's total gross floor area is approximately 69,550 gfa, for a floor-area ratio of approximately 6.62-to-1. Conditions of Approval are included to require the Project Sponsor to purchase TDR for the increment of development between 6.0 to 1 FAR and 9.0 to 1 FAR (approximately 6,550 square feet).

7. **General Plan Conformity.** The General Plan Consistency Findings set forth in Section #8 of Motion No. XXXXX, Case #2015-000878DNX (Determination of Compliance and Granting of Exceptions under Planning Code Section 309) apply to this Motion, and are incorporated herein as though fully set forth.
8. **Planning Code Section 101.1(b).** The General Plan Priority Policy Findings of Planning Code Section 101.1 as set forth in Motion No. XXXXX apply to this Motion, and are incorporated as though fully set forth herein.
9. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) as outlined in Motion No. XXXXX and also in that, as designed, the Project would contribute to the character and stability of the Downtown Area and would constitute a beneficial development.
10. The Commission hereby finds that, for the reasons described above, approval of the Office Allocation 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 Office Allocation Application No. CASE NO. 2015-000878DNX/CUA/OFA** subject to the following conditions attached hereto as “EXHIBIT A” in general conformance with plans on file, dated November 17, 2016 and stamped “EXHIBIT B”, which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the IMMRP attached hereto as “EXHIBIT C” and incorporated herein as part of this Motion by this reference thereto. All required improvement and mitigation measures contained in the Amended Final Mitigated Negative Declaration are included as Conditions of Approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 320-325 Office Space Allocation to the Board of Appeals within fifteen (15) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date 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 in person at 1650 Mission Street, Room 304 or call (415) 575-6880.

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 foregoing Motion was ADOPTED by the Planning Commission at its regular meeting on December 8, 2016.

Jonas P. Ionin
Commission Secretary

Draft Motion
Hearing Date: December 8, 2016

CASE NO. 2015-000878DNX/CUA/OFA
300 Grant Avenue/ 272 Sutter Street

AYES:

NAYS:

ABSENT:

ADOPTED:

EXHIBIT A

AUTHORIZATION

This authorization is to grant **an allocation of 29,703 gross square feet of net new office space** under the 2016-2017 Annual Office Development Limitation Program, pursuant to Planning Code Sections 320 through 325, in connection with a project that includes the demolition of two commercial buildings and construction of one six-story with basement commercial building comprised of retail and office uses, approximately 83-foot-tall, extending to 96 feet 1 inch for architectural features, located at the northeast corner of Grant Avenue and Sutter Street, Lots 013 and 014 in Assessor's Block 0287, within the 80-130-F Height and Bulk districts, the C-3-R (Downtown, Retail) Zoning District, and Downtown Plan Area, in general conformance with plans dated **November 17, 2016** and stamped "Exhibit B" included in the docket for Case No. 2015-000878DNX/CUA/OFA and subject to conditions of approval reviewed and approved by the Planning Commission on December 8, 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 B of Motion No. XXXXX, Case No. 2015-000878DNX (Determination of Compliance Under Section 309), and the Mitigation, Monitoring, and Reporting Program attached as Exhibit C to Planning Commission Motion XXXXX, Case No. 2015-000878DNX 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 December 8, 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 Allocation 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 Allocation authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Additional Project Authorizations.** The Project Sponsor must obtain an Downtown Project Authorization under Section 309; and a Conditional Use Authorization pursuant to Sections 210.2 and 303 for office use on floors four through six in the C-3-R Zoning District. 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.*
2. **Development Timeline - Office.** Pursuant to Planning Code Section 321(d) (2), construction of an office development shall commence within **eighteen (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 conditional use authorization. *For information about compliance, contact the Planning Department at 415-558-6378, www.sf-planning.org.*
3. **Extension.** This authorization may be extended at the discretion of the Zoning Administrator only where failure to issue a permit by the Department of Building Inspection to perform said construction is caused by a delay by a local, State or Federal agency or by any appeal of the issuance of such permit(s). *For information about compliance, contact the Planning Department at 415-558-6378, www.sf-planning.org.*



SAN FRANCISCO PLANNING DEPARTMENT

Addendum to Mitigated Negative Declaration

Addendum Date: October 25, 2016
Case No.: **2015-00000878ENV**
Project Title: **300 Grant Avenue**
2004.1245E, adopted June 12, 2008
Project Sponsor: Steve Atkinson, Arent Fox LLP (415) 445-4558
Lead Agency: San Francisco Planning Department
Staff Contact: Alana Callagy – (415) 575-8734
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1.0 BACKGROUND

In January 2007, the San Francisco Planning Commission (Planning Commission) adopted the 300 Grant Avenue Mitigated Negative Declaration (MND). On July 12, 2007, the Planning Commission held a public hearing on two appeals of the MND and declined to uphold the MND pending changes to the document. An Amended Mitigate Negative Declaration (AMND) was published on May 29, 2008 to address revisions to the project as well as the Planning Commission's comments. The Planning Commission held a subsequent public hearing on June 12, 2008 at which time the Planning Commission rejected the appeals and adopted a Final Mitigated Negative Declaration, as amended (FMND) in Motion No. 17614. An appeal of the FMND was filed with the San Francisco Board of Supervisors (Board of Supervisors) on July 2, 2009 and at a duly noticed public hearing on August 12, 2008, the Board of Supervisors upheld the FMND in Motion No. M08-135.

The project analyzed in the FMND was the demolition of two buildings (272 and 290 Sutter streets), merging of two lots (Lots 013 and 014), and construction of an approximately 113-foot, 10-story over two-level basement building of approximately 111,000 square feet (sf) that would contain up to 45 residential units (approximately 60,000 sf), approximately 16,000 sf of retail space on the first two floors, and approximately 18,900 sf of parking space in a two-level underground garage consisting of 40 independently accessible parking spaces, of which up to 15 would be accessory commercial spaces. The retail entrance to the project analyzed in the FMND would be at the corner of Grant Avenue and Sutter Street, or on Grant and Sutter frontages, with the residential lobby entrance on Sutter Street, east of the retail entry. Vehicular access to the parking garage would be from Harlan Place off of Grant Avenue.

At the time the FMND was prepared 272 Sutter Street was a vacant retail building and 290 Sutter Street contained retail uses. Demolition of the existing buildings and construction of the proposed 113-foot building and foundations was anticipated to include excavation in excess of 30 feet below existing grade. Construction was anticipated to excavate approximately 4,000 to 6,000 cubic yards of soil and construction activities were expected to last 17 months.

2.0 PROPOSED MODIFICATIONS TO THE PROJECT

The proposed Modified Project would demolish two existing buildings (272 and 290 Sutter streets) with retail uses; merge two lots (Lots 013 and 014); and construct an approximately 83-foot-tall (96 feet with architectural features), 68,000 gross square feet (gsf), six-story plus basement-level, mixed-use building.

The Modified Project would not construct residential uses. The Modified Project proposes a building with retail uses from the basement level through the second floor, either retail or office uses on the third floor, and office use on floors four through six. Under the option for retail uses on the third floor, the building would contain approximately 40,080 and 28,050 gsf of retail and office uses, respectively. Under the option with the third floor containing office uses, the building would contain approximately 30,075 and 38,055 gsf of retail and office uses, respectively. The Modified Project proposes access to the office uses via Harlan Place and access to the retail uses via Sutter Street with a potential second access entry to retail uses via Grant Avenue.

Construction of the Modified Project would require excavation up to 26 feet for foundation work and soil excavation. Construction of the Modified Project is anticipated to excavate approximately 1,078 cubic yards of soil and construction activities are anticipated to last approximately 17 months.

The Modified Project does not contain any vehicle parking but would add 10 Class I bicycle parking spaces in the basement level, accessible via Harlan Place, and five Class II bicycle parking racks along Grant Avenue, five along Sutter Street, and two along Harlan Place.

Table 1 summarizes the proposed changes between the 2008 FMND and the Modified Project.

Table 1. Comparison of FMND and the Modified Project

Project Element	FMND	Modified Project	Change
Number of buildings to be demolish	2	2	None
Number of buildings to be constructed	1	1	None
Total Number of Residential Units	42	0	-42
Height	113 feet (10 stories)	83 feet (96 feet with architectural features) (six stories)	-30 feet (-four stories)
Residential (square feet)	56,000	0	-56,000 sf
Retail (square feet)	16,000	30,075 or 40,080	+14,075 or +24,080 sf
Office (square feet)	0	28,050 or 38,055 sf	+28,050 or +38,055 sf
Parking (spaces)	40	0	-40
Total Project (square feet)	111,000	68,000	-43,000
Depth of Excavation (feet)	30+	26	-4

Figures 1 and 2 present the original project site plan and cross section with elevations as presented in the FMND and Figures 3 and 4 present the Modified Project site plan and elevations.

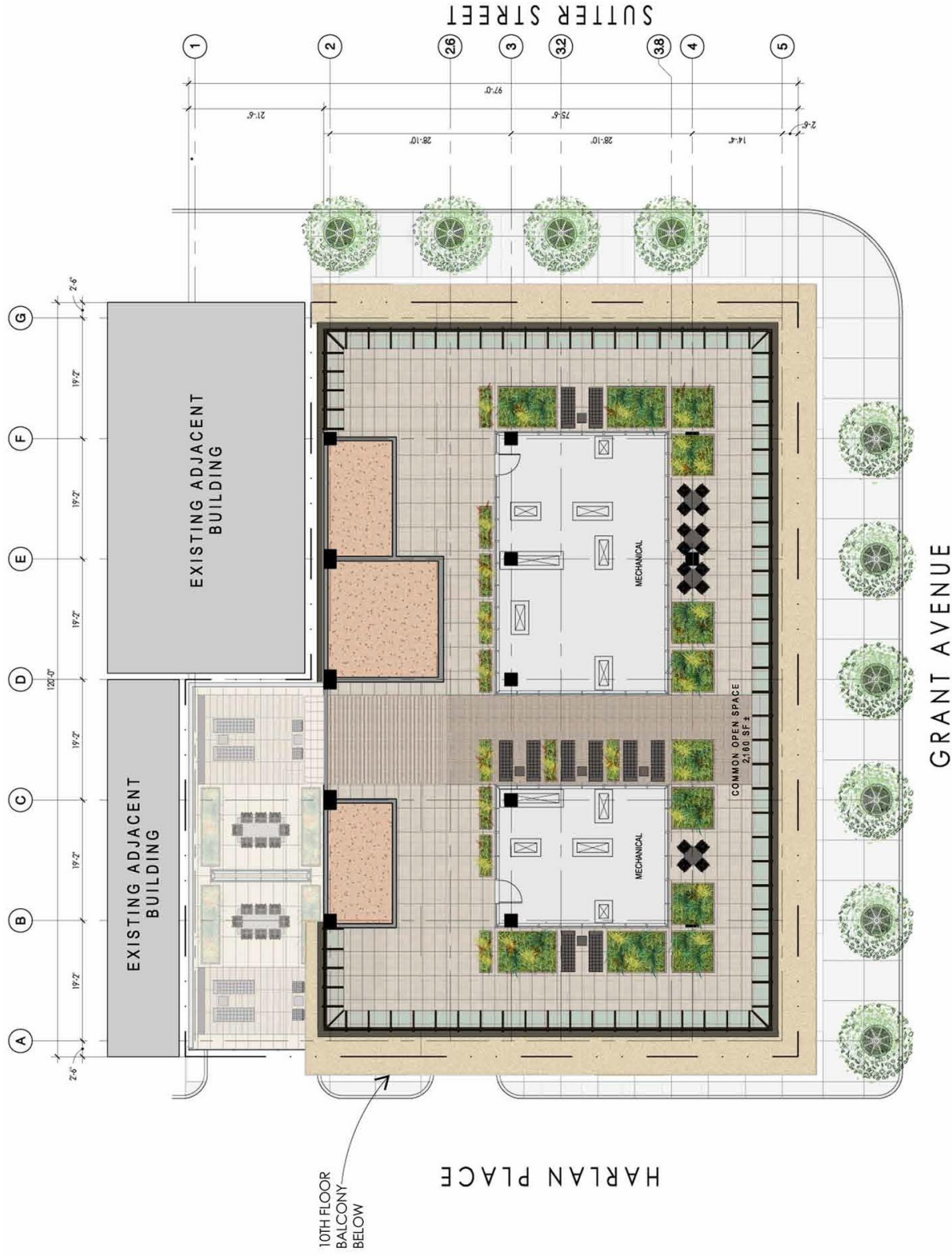
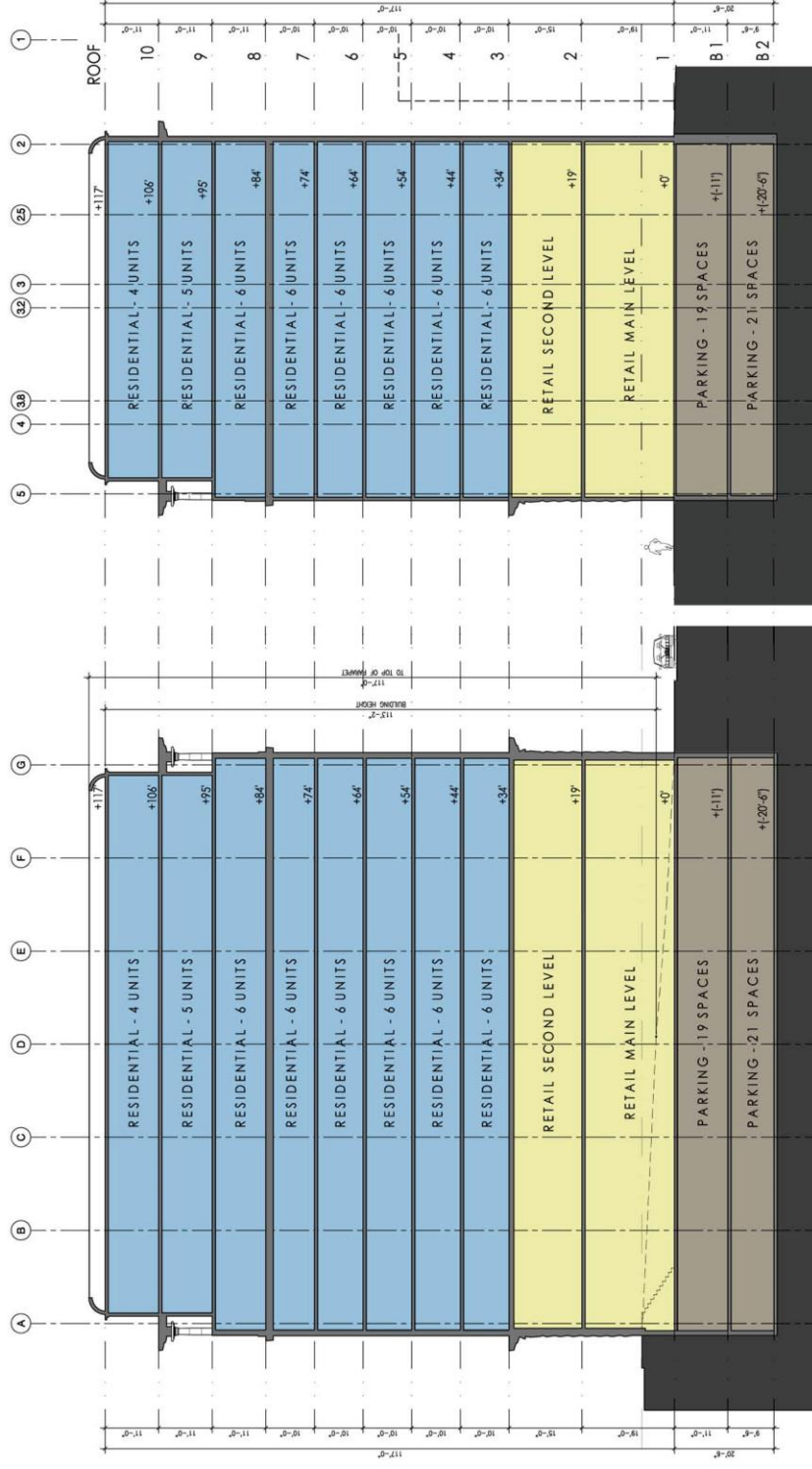


Figure 1. Original Project Site Plan

**CASE NO. 2015-000878ENV
300 Grant Avenue**



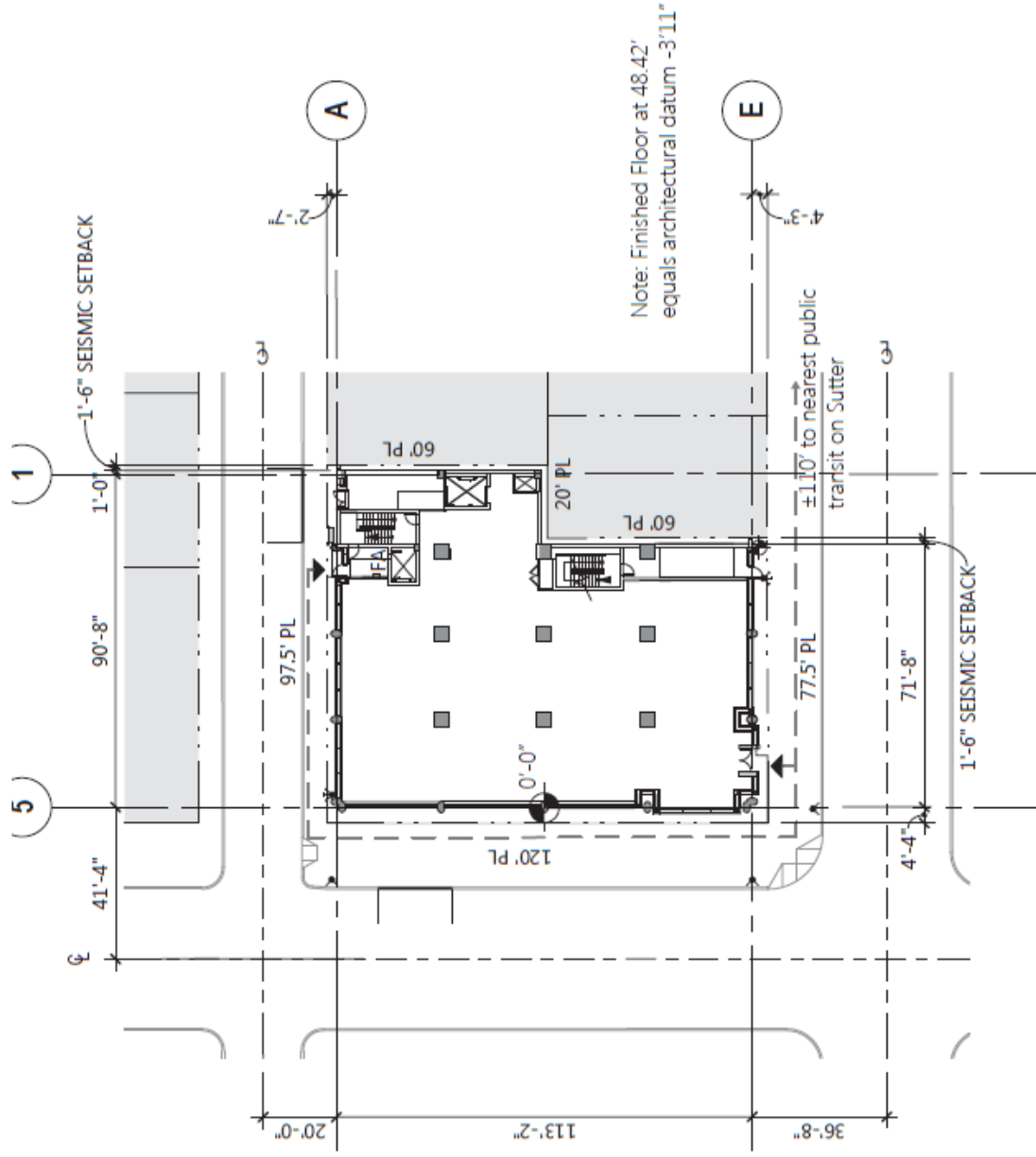


Figure 3. Modified Project Site Plan

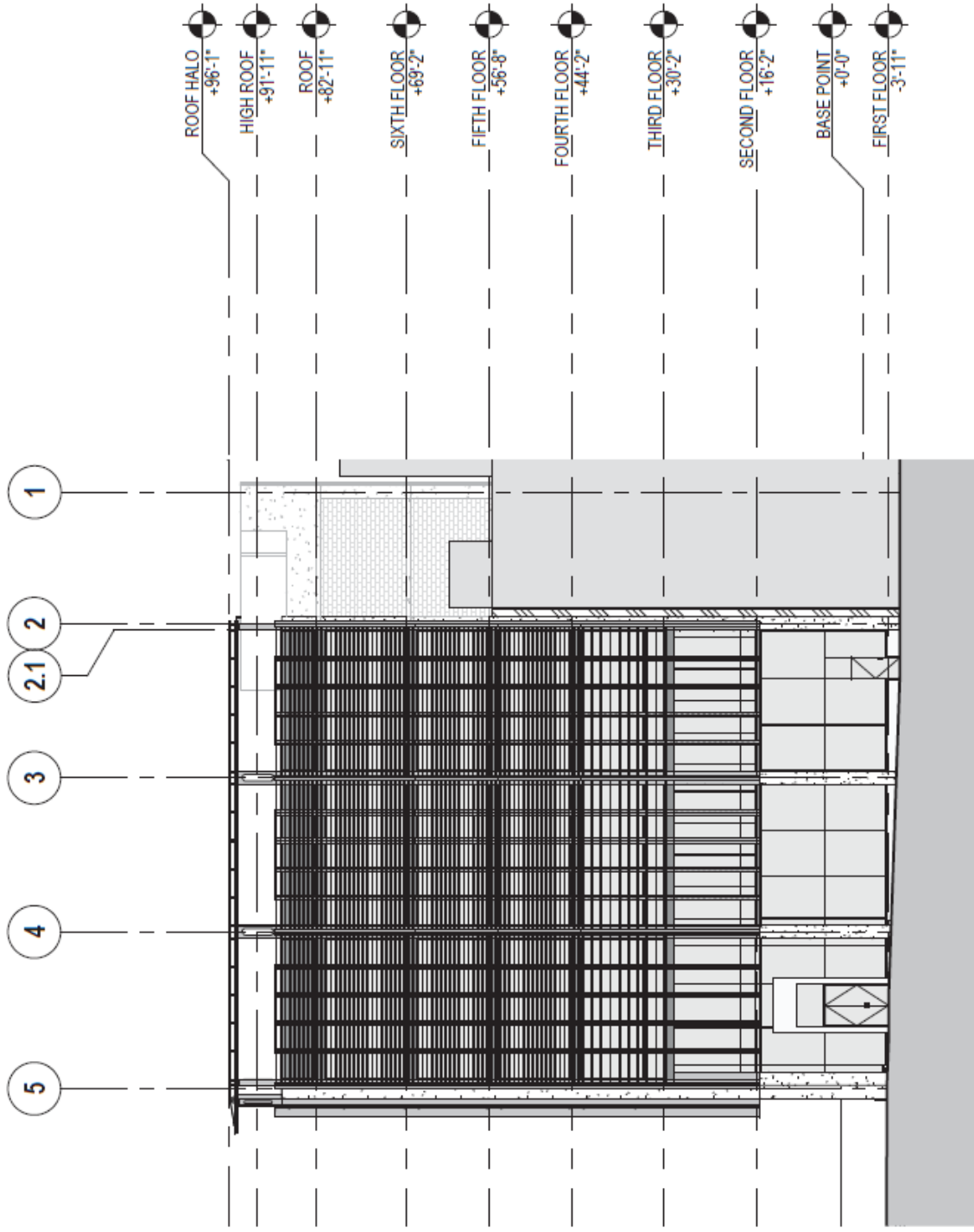


Figure 4. Modified Project South Elevation

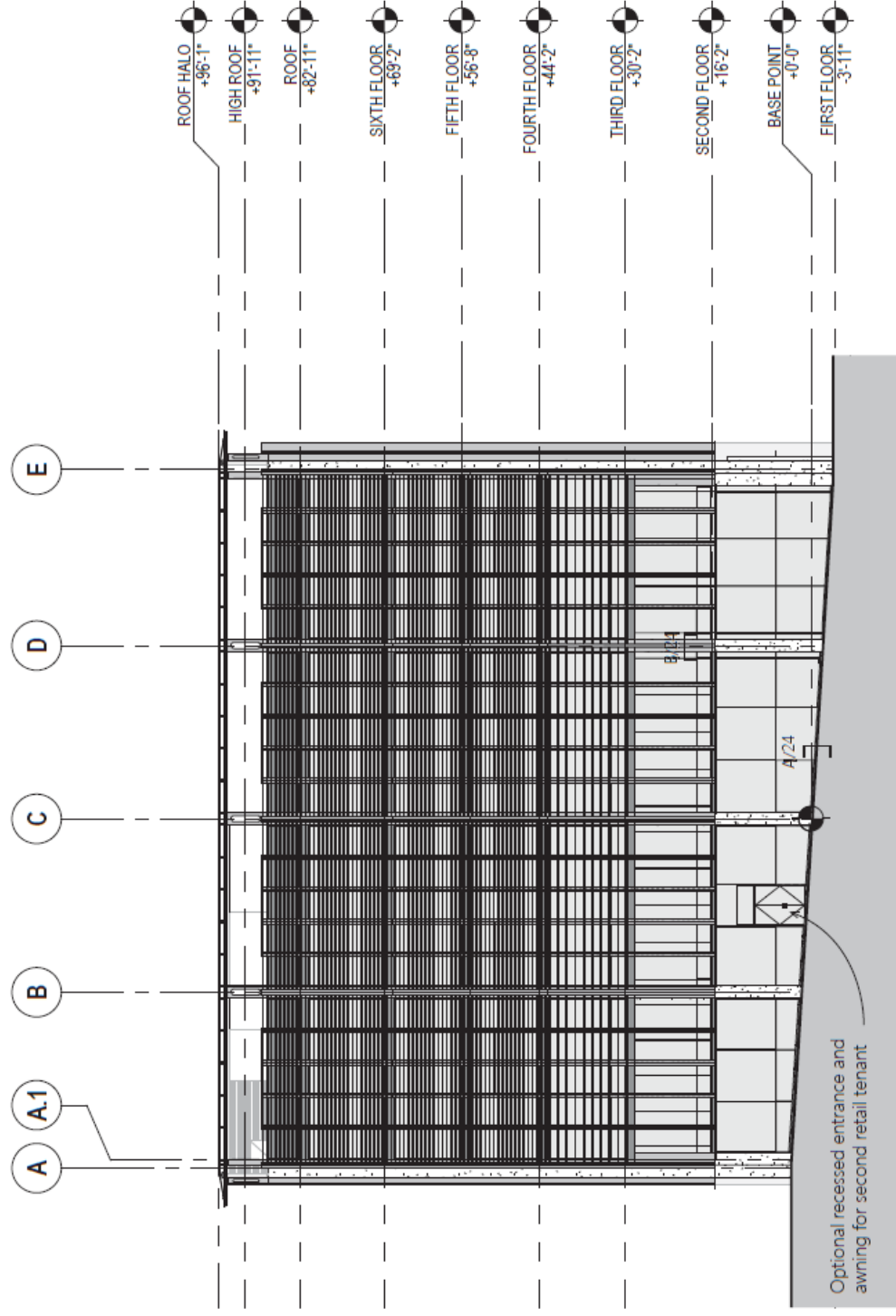


Figure 5. Modified Project West Elevation

3.0 PURPOSE OF THE ADDENDUM

Section 31.19(c)(1) of the San Francisco Administrative Code states that a modified project must be reevaluated and that, "If, on the basis of such reevaluation, the Environmental Review Officer determines, based on the requirements of the California Environmental Quality Act (CEQA), that no additional environmental review is necessary, this determination and the reasons therefore shall be noted in writing in the case record, and no further evaluation shall be required by this Chapter." In addition, CEQA Section 21166 and CEQA Guidelines Sections 15162-15164 provide that when an MND has been adopted for a project, no subsequent or supplemental Environmental Impact Report shall be required unless one or more of the following events occurs: (1) Substantial changes are proposed in the project which will require major revisions of the Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) Substantial changes occur with respect to the circumstances under which the project is being undertaken will require major revisions of the previous Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or (3) New information of substantial importance, which was not known and could not have been known at the time the Negative Declaration was adopted, becomes available. The lead agency shall prepare an addendum to a previously adopted MND if some changes or additions are necessary, but none of these conditions has occurred.

This addendum evaluates the potential environmental effects of the proposed project changes of the Modified Project described above.

Since adoption of the FMND, no changes have occurred in the circumstances under which the Modified Project as currently proposed would be implemented. No new information has emerged that would materially change the analyses or conclusions set forth in the FMND. Therefore, these issues are not discussed further in the addendum.

This addendum also analyzes mitigation and improvement measures that were imposed at the time of project approval for which the City or other agencies have either adopted comprehensive regulations that address the same impacts or the City has developed additional guidance to facilitate mitigation measure implementation. The analysis evaluates whether the regulations, which will apply to the project would provide the same or more effective mitigation than that provided by the adopted mitigation measures and improvement measures. The proposed revised Mitigation and Monitoring and Reporting Program is presented in Exhibit A.

This addendum will be used to support the following project approvals by City agencies needed for implementation of the 300 Grant Avenue Project:

- **Permit to Alter** (*Historic Preservation Commission*)
- **Conditional Use Authorization** (*Planning Commission*)
- **Office Space Allocation** (*Planning Commission*)
- **Downtown Exception** (*Planning Commission*)
- **Lot Merger** (*San Francisco Public Works*)
- **Demolition Permit** (*Planning Department and Department of Building Inspection*)

- **Site/Building Permit** (*Planning Department and Department of Building Inspection*)

4.0 CHANGES TO APPROACH TO ANALYSIS

This addendum provides an analysis of transportation impacts in accordance with new guidance from the State Office of Planning and Research (OPR) adopted by the San Francisco Planning Commission in March 2016. These regulatory and statutory changes are discussed below.

SENATE BILL 743

In accordance with CEQA Section 21099 – Modernization of Transportation Analysis for Transit Oriented Projects – aesthetics and parking shall not be considered in determining if a project has the potential to result in significant environmental effects, provided the project meets all of the following three criteria:

- a) The project is in a transit priority area;
- b) The project is on an infill site; and
- c) The project is residential, mixed-use residential, or an employment center.

The Modified Project meets each of the above three criteria and thus, this checklist does not consider aesthetics or parking in determining the significance of project impacts under CEQA.¹ Project elevations are included in the project description.

Additionally, CEQA Section 21099(b)(1) requires that OPR develop revisions to the CEQA Guidelines establishing criteria for determining the significance of transportation impacts of projects that promote the “reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses.” CEQA Section 21099(b)(2) states that upon certification of the revised CEQA Guidelines for determining transportation impacts pursuant to Section 21099(b)(1), automobile delay, as described solely by level of service (LOS) or similar measures of vehicular capacity or traffic congestion, shall not be considered a significant impact on the environment under CEQA.

In January 2016, OPR published for public review and comment a Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA² (proposed transportation impact guidelines) recommending that transportation impacts for projects be measured using a vehicle miles traveled (VMT) metric. VMT measures the amount and distance that a project might cause people to drive, accounting for the number of passengers within a vehicle.

OPR’s proposed transportation impact guidelines provide substantial evidence that VMT is an appropriate standard to use in analyzing impacts to protect environmental quality and a better indicator of greenhouse gas, air quality, and energy impacts than automobile delay. Acknowledging this, San Francisco Planning Commission Resolution 19579,³ adopted on March 3, 2016:

¹ San Francisco Planning Department. Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 300 Grant Avenue, September 22, 2016.

² This document is available online at: https://www.opr.ca.gov/s_sb743.php.

³ San Francisco Planning Department, *Planning Commission Resolution No. 19579, Transportation Sustainability Program – Align Component, Case No. 2012.0726E*, March 3, 2016.

- Found that automobile delay, as described solely by LOS or similar measures of vehicular capacity or traffic congestion, shall no longer be considered a significant impact on the environment pursuant to CEQA, because it does not measure environmental impacts and therefore it does not protect environmental quality.
- Directed the Environmental Review Officer to remove automobile delay as a factor in determining significant impacts pursuant to CEQA for all guidelines, criteria, and list of exemptions, and to update the Transportation Impact Analysis Guidelines for Environmental Review and Categorical Exemptions from CEQA to reflect this change.
- Directed the Environmental Planning Division and Environmental Review Officer to replace automobile delay with VMT criteria which promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses; and consistent with proposed and forthcoming changes to the CEQA Guidelines by OPR.

Planning Commission Resolution 19579 became effective immediately for all projects that have not received a CEQA determination and all projects that have previously received CEQA determinations, but require additional environmental analysis. Accordingly, this addendum provides a VMT impact analysis of the transportation effects of the Modified Project under Transportation and Circulation.

5.0 ANALYSIS OF POTENTIAL ENVIRONMENTAL EFFECTS

The FMND found that the project would result in impacts that were either less than significant or less than significant with mitigation. As described above, the Modified Project proposes a six-story over one basement level building with retail and office uses. Taking into account these changes, the Modified Project would have similar effects as the original project.

As described further below, the Modified Project would not result in new or different environmental impacts, substantially increase the severity of the previously identified environmental impacts, nor require new mitigation measures, and no new information has emerged that would materially change the analyses or conclusions set forth in the FMND. Therefore, the Modified Project would not change the analysis or conclusions reached in the FMND.

Cultural and Paleontological Resources.

The FMND found that the buildings at 272 and 290 Sutter streets are not listed under Article 10 (Preservation of Historical Architectural and Aesthetic Landmarks) or Article 11 (Preservation of Buildings and Districts of Architectural, Historical, Aesthetic Importance in the C-3 Districts) of the City Planning Code. The FMND also found that the existing buildings do not meet any of the qualifying criteria for eligibility in the California Register and that the project would not likely have an adverse effect on the Kearny-Market-Mason-Sutter Conservation District, in which the project site is located. The FMND found that the project would have a less-than-significant effect on historic resources. The FMND found that the demolition of the existing buildings and reuse of the project site would not constitute a significant historic resources impact under CEQA.

A Historic Resource Evaluation (HRE) was prepared and submitted to the Planning Department for review of the Modified Project.⁴ The HRE found that the existing buildings (272 and 290 Sutter streets) are

⁴ Garcia and Associates, *Historic Resources Evaluation*, 300 Grant Avenue, San Francisco, CA, October 4, 2016.

not listed in the National Register of Historic Places (NRHP), the California Register of Historical Resources, as California Historical Landmarks and Points of Historical Interest, San Francisco City Landmarks, Structures of Merits, or within a historic district listed under Article 10 of the City Planning Code. The HRE noted that in 2001 the Office of Historic Preservation assigned the California Historical Resource Status Code "6Y" to the property at 290 Sutter Street, indicating it has been determined to be ineligible for listing in the NRHP through review under Section 106 of the National Historic Preservation Act. In conclusion, consistent with the findings of the FMND, the existing buildings at 272 and 290 Sutter streets are not eligible for listing on the California Register as an individual resource or as a contributor to a historic district, and thus are not considered a historical resource under CEQA. Additionally, the FMND found that the composition, massing, scale, materials, colors, details, and ornamentation of the proposed building would be compatible with the conservation district.

The FMND found that the project would have less-than-significant effects with mitigation on archaeological resources. While the Modified Project would include a slight decrease in depth of excavation for building foundations (the Modified Project would have a maximum depth up to 26 feet and the project analyzed in the FMND would have a depth in excess of 30 feet), the potential effects on archaeological resources would be the same as the original project and would be reduced to a less-than-significant level with implementation of **Mitigation Measure 1, Archaeological Resource (Testing)**.

Transportation and Circulation.

Localized Trip Generation. The FMND found that the project would generate an estimated 2,980 average daily person-trips, including about 316 p.m. peak-hour daily person-trips. The FMND found that these 316 p.m. peak-hour person-trips would be distributed among various modes of transportation, including 92 automobile person-trips, 49 public transit trips, and 175 walking/other trips, including bicycling and motorcycles. The FMND found that the proposed residential and retail uses would generate approximately 64 vehicle-trips during the p.m. peak-hour, of which 58 vehicle trips would be net new trips determined by subtracting the existing trips from the project's trips.

The Modified Project's proposed retail on the third floor option or office on the third floor option would generate an estimated 6,520 or 5,200 person trips (inbound and outbound) on a weekday daily basis, respectively. These trips would consist of 1,868 or 1,499 person trips by auto, 1,267 or 1,098 transit trips, 2,665 or 2,047 walk trips, and 720 or 557 trips by other modes, respectively. During the p.m. peak hour, the Modified Project would generate an estimated 584 or 465 person trips, for the retail on the third floor option or the office on the third floor option, respectively. Accounting for vehicle occupancy data for the project site's census tract, the Modified Project would generate 1,027 or 816 daily vehicle trips, 92 or 72 of which would occur during the p.m. peak hour.⁵

Though the Modified Project represents an increase in person trips and p.m. peak hour trips and an increase in the severity of the previously identified less than significant impact, it would remain less than significant and the conclusions of the FMND remain. Additionally, see the VMT analysis below.

Transit. The project site is located in an area well-served by transit. Within 1/4 mile of the project site 26 Muni bus routes and nine Muni metro routes, including the 1AX/1BX California A/B Express, 2 Clement, 3 Jackson, 8 Bayshore, 8AX/BX Bayshore A/B Express, 30 Stockton, 31AX/31BX Balboa A/B Express, 38

⁵ San Francisco Planning Department, *Transportation Calculations*, 300 Grant Avenue, September 23, 2016.

Geary, 38AX/BX Geary A/B Express, 45 Union-Stockton, F-Market & Wharves, and N-Judah, run. The project site is located 1/4 mile from the Montgomery Street Muni and Bay Area Rapid Transit (BART) station on Market Street. The Modified Project would generate 117 to 103 p.m. peak-hour transit trips, based on the third floor office use or retail use, respectively. Existing transit facilities would be able to accommodate added ridership associated with the Modified Project. Therefore, no significant impacts to transit would occur as a result of the Modified Project.

Pedestrians. The project site is adjacent to sidewalks on Grant Avenue and Sutter Street. Both of these streets are part of the City's Vision Zero High Injury Network. The Modified Project would generate 352 or 281 p.m. peak-hour walk trips under the third floor retail or office option, respectively. (The walk trips include, under the third floor retail or office option, respectively, 235 p.m. peak-hour walk-trips and 117 p.m. peak-hour transit trips, or 178 p.m. peak-hour walk-trips and 103 p.m. peak-hour transit trips). The Modified Project would not modify the existing curbs or walkways on Grant Avenue or Sutter Street. Although the Modified Project would add vehicular and pedestrian traffic to the streets and sidewalks on and along Grant Avenue, Sutter Street, and Harlan Place. Compared to the project analyzed in the FMND, the Modified Project would improve conditions for people walking. The Modified Project would reduce potential conflicts between people walking and people driving as the Modified Project would include no curb cuts. Therefore, no significant impacts to pedestrians would occur as a result of the Modified Project.

Bicycles. Grant Avenue and Sutter Street are both designated bicycle routes. In addition to the combined total of three bicycle routes on Grant Avenue and Sutter Street, there are an additional five bicycle routes within 1/4 mile of the project site. The Modified Project would include 10 Class I bicycle parking spaces in the basement level with access from Harlan Place, and five Class II bicycle parking racks on Grant Avenue, five along Sutter Street, and two along Harlan Place. The Modified Project would generate 64 or 49 p.m. peak-hour other trips, including bicycle trips, under the third floor retail or office option, respectively. Although the Modified Project would add vehicular traffic to the streets nearby, the Modified Project would not create potentially hazardous conditions for bicyclists; therefore, no significant impacts related to bicyclists would occur.

Additionally, as part of the Transportation Sustainability Program, the Board of Supervisors approved amendments to the City Planning Code, referred to as the Transportation Sustainability Fee (Ordinance 200-154, effective December 25, 2015).⁶ The Transportation Sustainability Fee updated, expanded, and replaced the prior Transit Impact Development Fee. The Modified Project would be subject to the Transportation Sustainability Fee.

As identified in the FMND, the existing building at 290 Sutter Street has an eyebolt, which helps support MUNI's overhead wire lines. **Improvement Measure 1, Transit (MUNI Eyebolt)** was incorporated to ensure minimal disruption to the transit service during demolition and construction of the project, and following the completion of the project. The Modified Project would comply with Improvement Measure 1 and potential impacts to transit would remain less-than-significant.

The Modified Project would not include residential uses or vehicle parking spaces as compared to the project analyzed in the FMND. The FMND included **Improvement Measure 2, Encourage Alternative**

⁶ Two additional files were created at the Board of Supervisors for TSF regarding hospitals and health services, grandfathering, and additional fees for larger projects: see Board file nos. 151121 and 151257.

Modes of Travel, to encourage new residents to use alternative modes of travel, including public transportation and a car-share service, to lessen the project's potential impact on increased traffic and parking demand. As the Modified Project would not include residential uses, FMND Improvement Measure 2 is not applicable.

Since adoption of the FMND, as discussed above under "Changes to the Approach to Analysis," the Planning Commission has adopted the use of the VMT metric to evaluate the impacts of projects. Accordingly, the impacts of the Modified Project are analyzed below using the guidelines set forth in the San Francisco Guidelines and Planning Commission Resolution 19579 and supporting materials. Although an addendum focuses on how the project, new information, or changes in circumstances may have changed the impact conclusions in the original FMND analysis, because the FMND did not evaluate impacts based on the VMT metric, the analysis in this addendum first uses the VMT screening criteria to determine whether the project (assuming the modifications), is presumed to have a significant impact on VMT. If not, no further analysis is required of how the Modified Project would affect VMT as compared to the original FMND project.

The San Francisco County Transportation Authority (Transportation Authority) uses the San Francisco Chained Activity Model Process (SF-CHAMP) to estimate VMT by private automobiles and taxis for different land use types. Travel behavior in SF-CHAMP is calibrated based on observed behavior from the California Household Travel Survey 2010-2012, Census data regarding automobile ownership rates and county-to-county worker flows, and observed vehicle counts and transit boardings. SF-CHAMP uses a synthetic population, which is a set of individual actors that represents the Bay Area's actual population, who make simulated travel decisions for a complete day. The Transportation Authority uses tour-based analysis for office and residential uses, which examines the entire chain of trips over the course of a day, not just trips to and from the project. For retail uses, the Transportation Authority uses trip-based analysis, which counts VMT from individual trips to and from the project (as opposed to entire chain of trips). A trip-based approach, as opposed to a tour-based approach, is necessary for retail projects because a tour is likely to consist of trips stopping in multiple locations, and the summarizing of tour VMT to each location would over-estimate VMT.^{7,8}

For office development, existing regional average daily work-related VMT per employee is 19.1. For retail development, existing regional average daily retail VMT per employee is 14.9.⁹

⁷ To state another way: a tour-based assessment of VMT at a retail site would consider the VMT for all trips in the tour, for any tour with a stop at the retail site. If a single tour stops at two retail locations, for example, a coffee shop on the way to work and a restaurant on the way back home, then both retail locations would be allotted the total tour VMT. A trip-based approach allows us to apportion all retail-related VMT to retail sites without double-counting.

⁸ San Francisco Planning Department, Executive Summary: Resolution Modifying Transportation Impact Analysis, Appendix F, Attachment A, March 3, 2016.

⁹ Retail travel is not explicitly captured in SF-CHAMP, rather, there is a generic "Other" purpose which includes retail shopping, medical appointments, visiting friends or family, and all other non-work, non-school tours. The retail efficiency metric captures all of the "Other" purpose travel generated by Bay Area households. The denominator of employment (including retail; cultural, institutional, and educational; and medical employment; school enrollment, and number of households) represents the size, or attraction, of the zone for this type of "Other" purpose travel.

Vehicle Miles Traveled Analysis – Retail. Existing average daily work-related VMT per retail employee is 8.3 for transportation analysis zone (TAZ) 932, the TAZ in which the project is located. This is below the existing regional average daily work-related VMT per retail employee minus 15 percent of 12.6. Future 2040 average daily work-related VMT per retail employee is 7.8 for the TAZ 932. This is below the future 2040 regional average daily work-related VMT per retail employee minus 15 percent of 12.4.

As mentioned above, existing average daily work-related VMT per retail employee is 8.3 for the transportation analysis zone the project site is located in, TAZ 932. This is 34 percent below the existing regional average daily work-related VMT per retail employee of 12.6. Given the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the Modified Project's retail uses would not result in substantial additional VMT and impacts would be less-than-significant.¹⁰

Vehicle Miles Traveled Analysis – Office. Existing average daily work-related VMT per office employee is 7.7 for TAZ 932. This is below the existing regional average daily work-related VMT per office employee minus 15 percent of 16.2. Future 2040 average daily work-related VMT per office employee is 6.1 for TAZ 932. This is below the future 2040 regional average daily work-related VMT per office employee minus 15 percent of 14.5.

As mentioned above, existing average daily work-related VMT per office employee is 7.7 for the transportation analysis zone the project site is located in, TAZ 932. This is 52 percent below the existing regional average daily work-related VMT per office employee of 16.2. Given the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the Modified Project's office uses would not result in substantial additional VMT and impacts would be less-than-significant.¹¹

The Modified Project would have less than significant impacts on VMT and no further analysis is required.

Induced Automobile Travel Analysis. The Modified Project is not a transportation project and does not include features that would alter the transportation network. The Modified Project would continue to use curb spaces on Harlan Place and Grant Avenue for loading and garbage pickup. Therefore, impacts would be less-than-significant.

Construction Traffic. The Modified Project would result in fewer stories of construction and levels of excavation than the project analyzed in the FMND, and the construction impacts of the Modified Project on the transportation system would remain less than significant. Construction of the Modified Project is expected to occur over the course of a 17-month period. Construction staging would occur primarily on the project site and is not expected to close any travel lanes on Grant Avenue or Sutter Street; any necessary closures would be temporary and would be subject to review and approval by Public Works and the San Francisco Municipal Transportation Agency (SFMTA). During that time, it is anticipated that the majority of the construction-related truck traffic would use I-80, I-280, and U.S. 101 to access the project site from the East Bay, South Bay, and North Bay and from locations within the City. Due to the slower movement and larger turning radii of trucks, there would be a temporary reduction in the

¹⁰ San Francisco Planning Department. Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 300 Grant Avenue, September 22, 2016.

¹¹ *Ibid.*

capacities of local streets. The addition of worker-related vehicle or transit trips would not substantially affect these roadways or local streets near the project site. Construction workers who drive to the site would cause a temporary increase in traffic volume and demand for on-street parking. Overall construction activities would result in a small incremental increase in traffic (worker vehicles and equipment) and only slightly reduce the availability of on-street parking during working hours. Due to the temporary nature of construction activities, construction-related traffic impacts would be less than significant.

The FMND proposed an Improvement Measure, to minimize the disruption of traffic flow by limiting truck movement to the hours between 9:00 a.m. and 3:30 p.m. The Modified Project would comply with **Improvement Measure 2, Timing of Construction Truck Traffic** and potential construction-related transportation impacts would remain less-than-significant.

Noise.

The FMND found that the project would have less-than-significant impacts related to noise. The Modified Project's duration of temporary, noise-generating construction activities associated with the use of construction equipment and vehicles for the excavation and construction would be consistent with that analyzed in the FMND. Construction noise would remain within the noise levels established in the San Francisco Noise Ordinance, anticipated construction duration would be similar between the FMND and the Modified Project (17 months), and the noise impacts of the Modified Project would be less than significant.

Additionally, **Improvement Measure 2, Timing of Construction Truck Traffic**, discussed under Transportation and Circulation, above, would limit truck movement to the hours between 9:00 a.m. and 3:30 p.m., and would also have the secondary effect of reducing the construction noise impacts.

Consistent with the project analyzed in the FMND, the Modified Project would include mechanical equipment that could produce operational noise and the operation of mechanical equipment is subject to the provisions of Section 2909 of the Noise Ordinance. Compliance with Section 2909 of the Noise Ordinance would minimize noise from building operations.

The Modified Project would have no change on the project's noise operations; therefore, it would not affect the FMND noise analysis of the original project and impacts would remain less than significant.

Air Quality.

The FMND found the project would have less than significant impacts related to conflicting with or obstructing implementation of an air quality plan, resulting in a cumulatively considerable net increases of criteria pollutants, and creating objectionable odors. The Modified Project would not conflict with or obstruct implementation of an air quality plan and operation would not include activities considered to create objectionable odors.

Construction. Using the Bay Area Air Quality Management District's (BAAQMD) CEQA Air Quality Guidelines' (December 1999) analytical approach to assessing construction emissions, the FMND found that while construction emission would occur in short-term, temporary phases, they could cause adverse effects on local air quality, which would be less than significant with implementation of mitigation based on BAAQMD measures contained in FMND **Mitigation Measure 2, Construction Air Quality**.

FMND **Mitigation Measure 2, Construction Air Quality** required the project sponsor to include dust control measures and to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants.

Since adoption of the 2008 FMND, the BAAQMD has updated their CEQA Air Quality Guidelines (May 2011) and developed screening criteria to determine if projects would violate an air quality standard, contribute substantially to an air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants within the San Francisco Bay Area Air Basin. If a proposed project meets the screening criteria, then the project would result in less-than-significant criteria air pollutant impacts. A project that exceeds the screening criteria may require a detailed air quality assessment to determine whether criteria air pollutant emissions would exceed significance thresholds. The Modified Project would not exceed criteria air pollutant screening criteria for construction due to the relatively limited scale of development.¹²

Additionally, since adoption of the FMND, the Board of Supervisors approved a series of amendments to the San Francisco Building and Health Codes, generally referred to as the Construction Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008). The intent of the Construction Dust Control Ordinance is to reduce the quantity of fugitive dust generated during site preparation, demolition, and construction work in order to protect the health of the general public and of on-site workers, minimize public nuisance complaints, and to avoid orders to stop work by the San Francisco Department of Building Inspection (DBI). Project-related construction activities would result in construction dust, primarily from ground-disturbing activities. In complying with the Construction Dust Control Ordinance, the project sponsor and contractor responsible for construction activities at the project site would be required to control construction dust on the site through a combination of watering disturbed areas, covering stockpiled materials, street and sidewalk sweeping and other measures.

The regulations and procedures set forth by the San Francisco Dust Control Ordinance would ensure that construction dust impacts would not be significant. Thus, as the Modified Project would comply with the Dust Control Ordinance requirements, which supersede the dust control provisions of FMND Mitigation Measure 2, and the Modified Project does not exceed the current BAAQMD criteria pollutant screening levels, FMND **Mitigation Measure 2, Construction Air Quality** is no longer applicable and construction effects related to dust and criteria air pollutants under the Modified Project would be less than significant.

Additionally, the Modified Project would decrease construction activity with construction of fewer floors, and, therefore, decrease the amount of associated construction emissions.

Operation. The project analyzed in the FMND was found to not result in significant air quality impacts due to vehicular emissions because the project would not exceed the BAAQMD's thresholds of 320 single-family or 510 multi-family units and generation of 2,000 or more daily vehicle trips.

The Modified Project would not construct residential units and construction would produce between 30,075 to 40,080 gsf of retail uses and up to approximately 38,055 gsf of office use, which is well below the

¹² Bay Area Air Quality Management District, *CEQA Air Quality Guidelines*, Updated May 2011. Table 3-1.

criterial air pollutant screening criteria identified in the current BAAQMD CEQA Air Quality Guidelines.¹³

The Modified Project's impacts on air quality would be less than significant as compared to the FMND's air quality impacts of less than significant and less than significant with mitigation.

Greenhouse Gases.

The FMND found that state and local policies and ordinances included measures to decrease the amount of greenhouse gas (GHG) emitted into the atmosphere and decrease San Francisco's overall contribution to climate change. The FMND found that the project would increase the activity onsite and would contribute to long-term increases in GHGs as a result of traffic increases (mobile sources) and residential and commercial operations associated with heating, energy use and solid waste disposal (area source).

Since adoption of the FMND, the Planning Department released San Francisco's *Strategies to Address Greenhouse Gas Emissions*,¹⁴ which presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's GHG reduction strategy in compliance with the BAAQMD and CEQA guidelines. These GHG reduction actions have resulted in a 23.3 percent reduction in GHG emissions in 2012 compared to 1990 levels,¹⁵ exceeding the year 2020 reduction goals outlined in the BAAQMD's 2010 *Clean Air Plan*,¹⁶ Executive Order S-3-05,¹⁷ and Assembly Bill 32 (also known as the Global Warming Solutions Act).^{18,19} In addition, San Francisco's GHG reduction goals are consistent with, or more aggressive than, the long-term goals established under Executive Orders S-3-05²⁰ and B-30-15.^{21,22} Therefore, projects that are consistent with San Francisco's GHG Reduction Strategy would not result in

¹³ Bay Area Air Quality Management District, CEQA Air Quality Guidelines, updated May 2011. See pp. 3-2 to 3-3.

¹⁴ San Francisco Planning Department, *Strategies to Address Greenhouse Gas Emissions in San Francisco*, November 2010. Available at http://sfmea.sfplanning.org/GHG_Reduction_Strategy.pdf, accessed March 3, 2016.

¹⁵ ICF International, *Technical Review of the 2012 Community-wide Inventory for the City and County of San Francisco*, January 21, 2015.

¹⁶ Bay Area Air Quality Management District, *Clean Air Plan*, September 2010. Available at <http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans>, accessed March 3, 2016.

¹⁷ Office of the Governor, *Executive Order S-3-05*, June 1, 2005. Available at <https://www.gov.ca.gov/news.php?id=1861>, accessed March 3, 2016.

¹⁸ California Legislative Information, *Assembly Bill 32*, September 27, 2006. Available at [http://www.leginfo.ca.gov/pub/05-06/bill/asm/ab_0001-0050/ab_32_bill_20060927_chaptered.pdf](http://www.leginfo.ca.gov/pub/05-06/bill/asm/ab_0001-0050/ab_0001-0050_ab_32_bill_20060927_chaptered.pdf), accessed March 3, 2016.

¹⁹ Executive Order S-3-05, Assembly Bill 32, and the Bay Area 2010 Clean Air Plan set a target of reducing GHG emissions to below 1990 levels by year 2020.

²⁰ Executive Order S-3-05 sets forth a series of target dates by which statewide emissions of GHGs need to be progressively reduced, as follows: by 2010, reduce GHG emissions to 2000 levels (approximately 457 million MTCO₂E); by 2020, reduce emissions to 1990 levels (approximately 427 million MTCO₂E); and by 2050 reduce emissions to 80 percent below 1990 levels (approximately 85 million MTCO₂E).

²¹ Office of the Governor, *Executive Order B-30-15*, April 29, 2015. Available at <https://www.gov.ca.gov/news.php?id=18938>, accessed March 3, 2016. Executive Order B-30-15 sets a state GHG emissions reduction goal of 40 percent below 1990 levels by the year 2030.

²² San Francisco's GHG reduction goals are codified in Section 902 of the Environment Code and include: (i) by 2008, determine City GHG emissions for year 1990; (ii) by 2017, reduce GHG emissions by 25 percent below 1990 levels; (iii) by 2025, reduce GHG emissions by 40 percent below 1990 levels; and by 2050, reduce GHG emissions by 80 percent below 1990 levels.

GHG emissions that would have a significant effect on the environment and would not conflict with state, regional, and local GHG reduction plans and regulations.²³

Compliance with the City's Commuter Benefits Program, Emergency Ride Home Program, Transportation Management Programs, Transportation Sustainability Fee, Jobs-Housing Linkage Program, and bicycle parking requirements would reduce the Modified Project's transportation-related emissions. These regulations reduce GHG emissions from single-occupancy vehicles by promoting the use of alternative transportation modes with zero or lower GHG emissions on a per capita basis.

The Modified Project would be required to comply with the energy efficiency requirements of the City's Green Building Code, Stormwater Management Ordinance, and Water Efficient Irrigation Ordinance, which would promote energy and water efficiency, thereby reducing the Modified Project's energy-related GHG emissions.²⁴ Additionally, the project would be required to meet the renewable energy criteria of the Green Building Code, further reducing the project's energy-related GHG emissions.

The Modified Project's waste-related emissions would be reduced through compliance with the City's Recycling and Composting Ordinance, Construction and Demolition Debris Recovery Ordinance, and Green Building Code requirements. These regulations reduce the amount of materials sent to a landfill, reducing GHGs emitted by landfill operations. These regulations also promote reuse of materials, conserving their embodied energy²⁵ and reducing the energy required to produce new materials.

Thus, the Modified Project was determined to be consistent with San Francisco's GHG reduction strategy and impacts to GHGs would be less than significant.²⁶

Wind and Shadow.

The FMND found that the project would have less-than-significant effects related to wind impacts for a 130-foot tall building for which a wind analysis was prepared and evaluated in the 2007 MND. The Modified Project would construct a shorter building yet (an approximately 83-foot-tall building [96 feet with architectural features]) and would not change the analysis or conclusions reached in the FMND that shadow impacts would be less than significant.

The FMND found that the project would have less-than-significant effects related to shadow impacts associated with the 113-foot tall building. A shadow fan was prepared for the FMND and indicated that project shadows would not cast new shadows on St. Mary's Square, Union Square, or any other properties under the Recreation and Park Commission's jurisdiction protected by Section 295 of the Planning Code. A shadow fan was prepared to the Modified Project and found that no new shadow would be cast on public open space under the jurisdiction of the Recreation and Park Commission. The Modified Project, like the project analyzed in the FMND, would not shade private, publicly accessible open space but would shade portions of nearby streets and buildings at times. Consistent with the project

²³ San Francisco Planning Department, *Greenhouse Gas Analysis: Compliance Checklist for 300 Grant Avenue*, October 20, 2016.

²⁴ Compliance with water conservation measures reduce the energy (and GHG emissions) required to convey, pump and treat water required for the project.

²⁵ Embodied energy is the total energy required for the extraction, processing, manufacture and delivery of building materials to the building site.

²⁶ San Francisco Planning Department, *Greenhouse Gas Analysis: Compliance Checklist for 300 Grant Avenue*, October 20, 2016.

analyzed in the FMND, the Modified Project would result in new shadows but those would not exceed levels commonly expected in urban areas, and would be considered a less-than-significant effect under CEQA.

The proposed changes to the project would not result in any new or substantially more severe effects due to wind and shadow. Consistent with the FMND, The Modified Project's impacts on wind and shadow would remain less than significant.

Hazards and Hazardous Materials.

The FMND found that the project would have less-than-significant effects with mitigation on creating a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. The FMND found that as the site and surrounding properties were developed prior to the 20th century, it is likely that underground storage tanks (UST) for heating oil existed at the site at one time and the potential effects related to encountering an unknown UST would be reduced to a less-than-significant level with implementation of FMND **Mitigation Measure 3, Underground Storage Tank.**

Since adoption of the FMND, Article 22A of the Health Code, also known as the Maher Ordinance, was expanded to include properties throughout the City where there is potential to encounter hazardous materials, primarily industrial zoning districts, sites with industrial uses or UST, sites with historic bay fill, and sites in close proximity to freeways or USTs. The over-arching goal of the Maher Ordinance is to protect public health and safety by requiring appropriate handling, treatment, disposal and when necessary, remediation of contaminated soils that are encountered in the building construction process. Projects that disturb 50 cubic yards or more of soil that are located on sites with potentially hazardous soil or groundwater area are subject to this ordinance. In compliance with the Maher Ordinance, the project sponsor has submitted a Maher Application to San Francisco Department of Public Health²⁷ and a Phase I Environmental Site Assessment²⁸ and Soil Sampling Analysis²⁹ has been prepared to assess the potential for site contamination. The expansion of the Maher Ordinance resulted in addressing the potential to encounter USTs, therefore, superseded the need for FMND Mitigation Measure 3.

The FMND found that other potential hazardous building materials such as PCB-containing electrical equipment could pose health threats for construction workers. The Modified Project would expose construction workers to potential hazardous building materials, the same as with the original project and these potential effects would be reduced to a less-than-significant level with implementation of Modified Project **Mitigation Measure 2 Hazards (PCBs and Mercury)** (FMND Mitigation Measure 4).

Consistent with the FMND, the Modified Project's impacts on hazards and hazardous materials would remain less than significant with mitigation with Modified Project **Mitigation Measure 2, Hazards (PCBs and Mercury).**

Other Environmental Topics. The Modified Project would have similar, less-than-significant impacts related to Land Use, Population and Housing, Recreation, Utilities and Service Systems, Public Services,

²⁷ Cushing, Stephanie, San Francisco Department of Health. "300 Grant" October 12, 2016.

²⁸ Pearlmark Real Estate Partners. 2014. *Phase I Environmental Site Assessment Report, 300 Grant, 272 & 290 Sutter Street, San Francisco, CA, 94108.* April 4, 2014.

²⁹ Langan Treadwell Rollo. 2015. *Soil Sampling and Analysis, 300 Grant (272 Sutter Street and 290 Sutter Street), San Francisco, CA.* November 13, 2015.

Biological Resources, Geology and Soils, Hydrology and Water Quality, Mineral and Energy Resources, and Agricultural Resources. The Modified Project, including the proposed reduction in building height from 113 to 83 feet (96 feet with architectural features), reduction in basement levels from two to one, and change in use from retail and residential to retail and office, would neither increase the severity of these impacts associated with the project or result in new or substantially different environmental effects. These topics do not warrant further discussion.

Mitigation Measures. Mitigation measures established in the 2008 FMND would still apply to the Modified Project, with some exceptions. As discussed above, one mitigation measure has been modified to clarify the requirements for meeting the performance standard specified by the measure and two measures have been removed based on changes to the regulatory environment since adoption of the FMND. A revised MMRP for the project describing the remaining two mitigation measures, implementing and reporting responsibilities is attached as Exhibit A. In addition, the MMRP also identifies the two improvement measures.

6.0 CONCLUSION

Based on the foregoing, it is concluded that the analyses conducted and the conclusions reached in the FMND adopted by the Planning Commission on June 12, 2008 remain valid. The proposed revisions to the project would not cause new significant impacts not identified in the FMND, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the proposed project that would cause significant environmental impacts to which the project would contribute considerably, and no new information has become available that shows that the project would cause significant environmental impacts. Therefore, no supplemental environmental review is required beyond this addendum.

Date of Determination:

I do hereby certify that the above determination has been made pursuant to State and Local requirements.

10/21/16



Lisa M. Gibson

Acting Environmental Review Officer

cc: Steve Atkinson, Arent Fox LLP, Project Sponsor
Marcelle Boudreaux, Current Planner

Bulletin Board / Master Decision File
Distribution List
Historic Preservation Distribution List

Exhibits

Exhibit A. Revised Mitigation Monitoring and Reporting Program, 300 Grant Avenue, October 2016.

EXHIBIT A: MITIGATION MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility

MITIGATION MEASURES AGREED TO BY PROJECT

SPONSOR

ARCHEOLOGICAL RESOURCES

Mitigation Measure 1 – Archeological Resources (Testing)

Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of an archeological consultant having expertise in California prehistoric and urban historical archeology from the rotational Department of Planning Department archeologist. The project sponsor shall contact the Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). ~~In instance of inconsistency between the requirement of the project ARDTP and of this archeological mitigation measure, the requirement of this archeological mitigation measure shall prevail.~~ All plans and reports prepared by ~~ERO~~ the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less than significant level potential effects on a significant archeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c).

Project sponsor	Prior to issuance of grading or building permits	Project Sponsor to retain archaeological consultant to undertake archeological monitoring program in consultation with ERO.	Project sponsor, archaeologist and Environmental Review Officer (ERO)	Complete when Project Sponsor retains qualified archeological consultant.
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MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>Consultation with Descendant Communities: On discovery of an archaeological site¹ associated with descendant Native Americans, the Overseas Chinese, or other potentially interested descendant group an appropriate representative² of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archaeological field investigations of the site and to offer recommendations to the ERO regarding appropriate archaeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archaeological site. A copy of the Final Archaeological Resources Report shall be provided to the representative of the descendant group.</p>	<p>Project sponsor.</p>	<p>Discovery of an archaeological site associated with descendant group/communities</p>	<p>Consultation with descendant communities</p>	<p>Project sponsor, descendant group representative(s) and ERO</p>	<p>After production of the Final Archaeological Resources Report.</p>
<p><i>Archeological Testing Program.</i> The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.</p>	<p>Project sponsor and archeological consultant, at the direction of the ERO</p>	<p>Prior to any soils disturbance</p>	<p>Consultation with ERO on scope of ATP</p>	<p>Project sponsor, archeologist and ERO</p>	<p>After consultation with and approval by ERO of AMP.</p>
<p>At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist. If the ERO</p>	<p>Project sponsor and archeological consultant, at the direction of the ERO</p>	<p>After completion of the Archeological Testing Program</p>	<p>Submit report to ERO of the findings of the Archeological Testing Program.</p>	<p>Archeological consultant and ERO</p>	<p>Considered complete on submittal to ERO of report on ATP findings.</p>

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

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

MONITORING AND REPORTING PROGRAM

Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/ Reporting Responsibility	Monitoring Schedule
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Adopted Mitigation Measures

determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor either:

- The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or
- A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

Archeological Monitoring Program. If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:

- The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils- disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archaeological resources and to their depositional context;
- The archeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource;
- The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits;
- The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;
- If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease.

Project Sponsor/ Archeological Consultant/ Archeological Monitor/ Contractor(s), at the direction of the ERO	ERO and Archeological Consultant meet prior to commencement of soil- disturbing activity. If ERO determines that an Archeological Monitoring Program is necessary, monitor throughout all soil-disturbing activities.	Consultation with ERO on scope of AMP	Archeological consultant and ERO	Considered complete on finding by ERO that AMP implemented.
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MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Monitoring/Reporting Responsibility		
		Mitigation Schedule	Mitigation Action	Monitoring Schedule

The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile driving activity may affect an archeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.

Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.

Archeological Data Recovery Program. The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures.* Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis.* Description of selected cataloguing system and artifact analysis procedures.
- *Discard and Deaccession Policy.* Description of and rationale for field and post-field discard and deaccession policies.

Archaeological consultant in consultation with ERO	After determination by ERO that an archaeological data recovery program is required	Consultation with Archaeological consultant and ERO on scope of ADRP	Considered complete upon approval of ADRP by ERO.
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MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Monitoring/Reporting Responsibility			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Reporting Responsibility	

- *Interpretive Program.* Consideration of an on-site/off-site public interpretive program during the course of the archeological data recovery program.
- *Security Measures.* Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report.* Description of proposed report format and distribution of results.
- *Curation.* Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.

Human Remains and Associated or Unassociated Funerary Objects. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal laws. This shall include immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archeological consultant, project sponsor, ERO, and MLD shall have up to but not beyond six days of discovery to make all reasonable efforts to develop an agreement for the treatment of, ~~with appropriate dignity,~~ human remains and associated or unassociated funerary objects with appropriate dignity (CEQA Guidelines, Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. Nothing in existing State regulations or in this mitigation measure compels the project sponsor and the ERO to accept recommendations of an MLD. The archeological consultant shall retain possession of any Native American human remains and associated or unassociated burial objects until completion of any scientific analyses of the human remains or objects as specified in the treatment agreement if such as agreement has been made or, otherwise, as determined by the archeological consultant and the ERO.

Final Archeological Resources Report. The archeological consultant

Project Sponsor/Archeological Consultant in consultation with the San Francisco Coroner, NAHC and MLD.

Discovery of human remains and/or funerary objects.

Notify San Francisco coroner. Implement regulatory requirements, if applicable, regarding discovery of Native American human remains and associated/unassociated funerary objects.

Project sponsor, archaeologist and ERO

Considered complete on notification of the San Francisco County Coroner and NAHC, if necessary.

Project sponsor

Completion of

Prepare and

Archeological

Considered

MONITORING AND REPORTING PROGRAM

Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
and archaeological consultant at the direction of the ERO	archeological data recovery, inventorying, analysis and interpretation.	submit FARR.	consultant and ERO	complete on submittal of FARR.
Archeological Consultant at the direction of the ERO	Written certification submitted to ERO that required FARR distribution has been completed	Distribute FARR	Archeological consultant and Environmental Review Officer (ERO)	Considered complete on distribution of FARR.

Adopted Mitigation Measures

shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.

Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. ~~The Major Environmental Analysis division of the Planning Department shall receive three copies. The Environmental Planning division of the Planning Department shall receive one bound, one unbound and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources.~~ In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.

AIR QUALITY

Mitigation Measure 2—Construction Air Quality

The project sponsor shall require the contractor(s) to spray the project site with water during demolition, excavation, and construction activities; spray unpaved construction areas with water at least twice per day; cover stockpiles of soil, sand, and other material; cover trucks hauling debris, soils, sand, or other such material; and sweep surrounding streets during demolition, excavation, and construction at least once per day to reduce particulate emissions. Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsors shall require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose. The project sponsors shall require the project contractor(s) to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants, by such means as a prohibition on idling motors when equipment is not in use or when trucks are waiting in queues, and implementation of specific maintenance

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>programs to reduce emissions for equipment that would be in frequent use for much of the construction period.</p> <p>HAZARDS AND HAZARDOUS MATERIALS</p> <p><i>Mitigation Measure 3 – Underground Storage Tanks</i></p> <p>Should a UST be found during construction, work shall be stopped and permits from the Hazardous Material Unified Program Agency (HMUPA), Fire Department, DPW Streets and Sidewalk shall be obtained for the UST (and related piping) removal. HMUPA, SFED (may be DPW) will make inspections prior to removal and only upon approval of the inspector may the UST be removed from the ground. Appropriate soil and, if necessary, groundwater samples shall be taken at the direction of the HMUPA inspector and analyzed. Appropriate transportation and disposal of the UST shall be arranged. If analytical results indicate non-detectable or low levels of contamination, HMUPA will issue a "Certificate of Completion." If the HMUPA inspector requires that an Unauthorized Release (Leak) Report is required due to holes in the UST or odor or visual contamination, or if analytical results indicate there are elevated levels of contamination, the case will be referred to the Local Oversight Program for further action.</p> <p><i>Mitigation Measure 2 4 – Hazards (PCBs and Mercury)</i></p> <p>The project sponsor would ensure that building surveys for PCB-containing equipment (including elevator equipment), hydraulic oils, and fluorescent lights are performed prior to the start of demolition. Any hazardous materials so discovered would be abated according to federal, state, and local laws and regulations.</p>	Project sponsor.	Prior to demolition.	Abating materials according to federal, state, and local laws and regulations	Project sponsor, Planning Department.	Prior to demolition.
<p>IMPROVEMENT MEASURES AGREED TO BY PROJECT SPONSOR</p> <p>TRANSPORTATION AND CIRCULATION</p> <p><i>Improvement Measure 1 – Transit (MUNI Eyebolt)</i></p> <p>Construction of the proposed project would require installation of a temporary pole to support MUNI's overhead wire lines that are currently attached to the 290 Sutter Street building via an eyebolt. When construction is completed, the eyebolt would be replaced, or a decorative permanent pole on the sidewalk could be installed. As an improvement measure, the project sponsor</p>	Project sponsor.	Prior to demolition.	Minimize transit service disruption.	Project sponsor, Planning Department/SF MTA	Considered complete on eyebolt replacement or decorative pole.

MONITORING AND REPORTING PROGRAM

Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/ Reporting Responsibility	Monitoring Schedule
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Adopted Mitigation Measures

could be required to contribute to the full cost of the replacement poles, if the eyebolt option is not chosen. If the eyebolt option were chosen, MUNI would prefer to enter into a 25-year agreement with the project sponsor.

Improvement Measure 2 – Encourage Alternative Modes of Travel

As improvement measures to reduce the proposed project's parking demand and parking shortfall and to encourage use of alternative modes, the project sponsor could provide a transportation insert for the move-in packet that would provide information on transit service (MUNI and BART lines, schedules and fares); information on where FastPasses could be purchased; and information on the 511 Regional Rideshare Program.

Under the recently approved C-3 legislation the proposed project would be required to provide one car-sharing space either on-site, or within 800 feet of the project site. Participation by residents in a car-sharing program would serve to reduce the proposed project's on-site parking demand and shortfall.

Improvement Measure 3 – Timing of Construction Truck Traffic

The following measure would minimize disruption of the general traffic flow on adjacent streets:

- To the extent possible, truck movements should be limited to the hours between 9:00 a.m. and 3:30p.m. (or other times, if approved by the Department of Parking and Traffic (DPT), San Francisco Municipal Transportation Agency (SFMTA).
- The project sponsor and construction contractor(s) would meet with the Traffic Engineering Division of DPT-SFMTA, the Fire Department, MUNI Public Works, the Planning Department, and other City agencies to determine feasible traffic mitigation measures to further reduce traffic congestion transportation impacts during construction of the project.

Project sponsor/ contractor(s).	Prior to demolition.	Limit truck movements or traffic congestion during construction	DPT, the Fire Department, MUNI, the Planning Department, and other City agencies	Considered complete upon construction.
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SAN FRANCISCO PLANNING DEPARTMENT

Historic Preservation Commission Motion No. 0291

Permit to Alter DEMOLITION AND NEW CONSTRUCTION HEARING DATE: NOVEMBER 2, 2016

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Case No.: 2015-000878PTA
Project Address: 300 GRANT AVENUE/272 SUTTER STREET
Conservation District: Kearny-Mason-Market-Sutter Conservation District
Zoning: C-3-R (Downtown Retail) District
80-130-F Height and Bulk District
Block/Lot: 0287/013, 014
Owner : Grant Avenue Properties LLC
C/O St. Bride's Managers LLC Attn: John Loehr
Two Stamford Landing, Suite 115
69 Southfield Avenue
Stamford, CT 06902
Project Contact: Steve Atkinson, Arent Fox LLP
55 2nd Street, Ste. 2100
San Francisco, CA 94105
Staff Contact: Marcelle Boudreaux - (415) 575-9140
Marcelle.boudreaux@sfgov.org
Reviewed By Tim Frye- (415) 575-6822
Tim.frye@sfgov.org

ADOPTING FINDINGS FOR A PERMIT TO ALTER FOR DEMOLITION AND NEW CONSTRUCTION DETERMINED TO BE APPROPRIATE FOR AND CONSISTENT WITH THE PURPOSES OF ARTICLE 11, TO MEET THE STANDARDS OF APPENDIX E IN ARTICLE 11 AND TO MEET THE SECRETARY OF INTERIOR'S STANDARDS FOR REHABILITATION, FOR THE TWO CATEGORY V (UNRATED) BUILDINGS LOCATED ON LOT 013 AND 014 IN ASSESSOR'S BLOCK 0287, THE SUBJECT SITE IS WITHIN A C-3-R (COMMERCIAL-RETAIL) ZONING DISTRICT, AN 80-130-F HEIGHT AND BULK DISTRICT AND KEARNY-MASON-MARKET-SUTTER CONSERVATION DISTRICT.

PREAMBLE

WHEREAS, on September 17, 2015, Steve Atkinson, Arent Fox LLP ("Applicant") filed an application on behalf of the Owner with the San Francisco Planning Department (hereinafter "Department") for a Permit to Alter for demolition of two Category V (Unrated) buildings and new construction of one new building, on the subject property located on Lot 013 and Lot 014 in Assessor's Block 0287.

WHEREAS, In January 2007, the San Francisco Planning Commission (Planning Commission) adopted the 300 Grant Avenue Mitigated Negative Declaration, Case No. 2004.1245E, (MND); and

On July 12, 2007, the Planning Commission held a duly noticed public hearing on two appeals of the MND and declined to uphold the MND pending changes to the document; and

An Amended Mitigated Negative Declaration (AMND) was published on May 29, 2008 to address revisions to the project as well as the Planning Commission's comments. The Planning Commission held a subsequent public hearing on June 12, 2008 at which time the Planning Commission rejected the appeals and adopted a Final Mitigated Negative Declaration, as amended (FMND) in Motion No. 17614; and

An appeal of the FMND was filed with the San Francisco Board of Supervisors (Board of Supervisors) on July 2, 2009 and at a duly noticed public hearing on August 12, 2008, the Board of Supervisors upheld the FMND in Motion No. M08-135; and

On September 2, 2016, the Planning Department mailed a "Notification of Project Receiving Environmental Review" to community organizations, tenants of the affected property and properties adjacent to the project site, and those persons who own property within 300 feet of the project site. No comments related to environmental review were received in response; and

The Planning Department has prepared an Addendum to the Final Mitigated Negative Declaration (Addendum to FMND) pursuant to California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"); and

The Addendum to FMND finds that since the preparation of the FMND in 2008, there have been no changes in the project or the project's circumstances or no new information leading to new significant impacts not previously analyzed in the FMND, or to a substantial increase in the severity of previously-identified significant impacts, or to new mitigation measures that would reduce the project's significant impacts, but that the project sponsor declines to implement. Therefore, the analysis in the FMND remains valid and no supplemental environmental analysis is necessary.

The Planning Department is the custodian of records, located in the File for Case No. 2015-000878PTA at 1650 Mission Street, Fourth Floor, San Francisco, California;

The Historic Preservation Commission (hereinafter "Commission") has reviewed and concurs with said determination.

WHEREAS, on November 2, 2016, the Commission conducted a duly noticed public hearing on Permit to Alter application no. 2015-000878PTA ("Project").

WHEREAS, in reviewing the Application, the Commission has had available for its review and consideration case reports, plans, and other materials pertaining to the Project contained in the

Department's case files, has reviewed and heard testimony and received materials from interested parties during the public hearing on the Project.

MOVED, that the Commission hereby APPROVES WITH CONDITIONS the Permit to Alter, in conformance with the architectural plans dated October 20, 2016 and labeled Exhibit A on file in the docket for Case No. 2015-000878PTA based on the following findings:

CONDITIONS OF APPROVAL

1. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. The final design, including but not limited to the final color, finishes, textures, glazing details and storefront display and entry details, including possible replacement of marble and replacement of corrugated metal with compatible materials, shall be reviewed and approved by the Planning Department prior to the issuance of architectural addenda.
2. **Signs.** The Project Sponsor shall submit an exterior signage plan to the Planning Department. The proposed signage plan shall be reviewed by the Planning Department as a Minor Permit to Alter pursuant to delegation for such review outlined by the Historic Preservation Commission in Motion No. 0289, unless the scope exceeds parameters of said delegation.

FINDINGS

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

1. The above recitals are accurate and also constitute findings of the Commission.
2. Findings pursuant to Article 11:

The Commission has determined that the proposed work is compatible with the exterior character-defining features of the Conservation District and meets the requirements of Article 11 of the Planning Code:

- The project proposes to demolish two Category V (Unrated) buildings which have been determined not to be eligible for re-classification to Category I, II or IV;
- The project proposes construction of one new Replacement Building which respects the character-defining features of and is generally in conformance with the Conservation District;
- That the proposed project meets the following Secretary of the Interior's Standards for Rehabilitation:

Standard 9.

New additions, exterior alterations, or related new construction will not destroy historic materials,

features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.

Standard 10.

New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

3. **General Plan Compliance.** The proposed Permit to Alter is, on balance, consistent with the following Objectives and Policies of the General Plan:

I. URBAN DESIGN ELEMENT

THE URBAN DESIGN ELEMENT CONCERNS THE PHYSICAL CHARACTER AND ORDER OF THE CITY, AND THE RELATIONSHIP BETWEEN PEOPLE AND THEIR ENVIRONMENT.

GOALS

The Urban Design Element is concerned both with development and with preservation. It is a concerted effort to recognize the positive attributes of the city, to enhance and conserve those attributes, and to improve the living environment where it is less than satisfactory. The Plan is a definition of quality, a definition based upon human needs.

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.

OBJECTIVE 2

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

POLICY 2.4

Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.

POLICY 2.5

Use care in remodeling of older buildings, in order to enhance rather than weaken the original character of such buildings.

POLICY 2.7

Recognize and protect outstanding and unique areas that contribute in an extraordinary degree to San Francisco's visual form and character.

The goal of a Permit to Alter is to provide additional oversight for buildings and districts that are architecturally or culturally significant to the City in order to protect the qualities that are associated with that significance.

The proposed project qualifies for a Permit to Alter and therefore furthers these policies and objectives by maintaining and preserving the character-defining features of the subject property for the future enjoyment and education of San Francisco residents and visitors.

4. The proposed project is generally consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

- A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced:

The proposed project will not have an impact on neighborhood serving uses.

- B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods:

The proposed project will strengthen neighborhood character by respecting the character-defining features of the District in conformance with the Secretary of the Interior's Standards

- C) The City's supply of affordable housing will be preserved and enhanced:

The project does not have impact on housing.

- D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking:

The proposed project will not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking. The site is located adjacent to a MUNI rail line, and across the street from a regional transit BART line stop.

- E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced:

The proposed will not have any impact on industrial sector jobs as there are none on the site. Service sector opportunities exist currently and a large retail use or several retail uses are proposed, therefore providing opportunities in the service sector.

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

All construction will be executed in compliance with all applicable construction and safety measures.

- G) That landmark and historic buildings will be preserved:

The proposed project is in conformance with Article 11 of the Planning Code and the Secretary of the Interior's Standards.

- H) Parks and open space and their access to sunlight and vistas will be protected from development:

The proposed project will not impact the access to sunlight or vistas for the parks and open space.

5. For these reasons, the proposal overall, appears to meet *Secretary of Interior's Standards* and the provisions of Article 11 of the Planning Code regarding demolition and new construction of a replacement structure(s) within the Kearny-Market-Mason-Sutter Conservation District.

DECISION

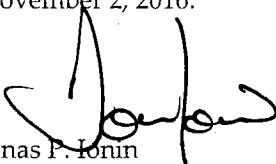
That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **GRANTS WITH CONDITIONS a Permit to Alter** for the property located at Lot 013 and 014 in Assessor's Block 0287 for proposed work in conformance with the renderings and architectural sketches dated October 20, 2016 and labeled Exhibit A on file in the docket for Case No. 2015-000878PTA.

APPEAL AND EFFECTIVE DATE OF MOTION: The Commission's decision on a Permit to Alter shall be final unless appealed within thirty (30) days after the date of this Motion No. 0291. Any appeal shall be made to the Board of Appeals, unless the proposed project requires Board of Supervisors approval or is appealed to the Board of Supervisors as a conditional use, in which case any appeal shall be made to the Board of Supervisors (see Charter Section 4.135). For further information, please contact the Board of Appeals in person at 1650 Mission Street, (Room 304) or call (415) 575-6880.

Duration of this Permit to Alter: This Permit to Alter is issued pursuant to Article 11 of the Planning Code and is valid for a period of three (3) years from the effective date of approval by the Historic Preservation Commission. The authorization and right vested by virtue of this action shall be deemed void and canceled if, within 3 years of the date of this Motion, a site permit or building permit for the Project has not been secured by Project Sponsor.

THIS IS NOT A PERMIT TO COMMENCE ANY WORK OR CHANGE OF OCCUPANCY UNLESS NO BUILDING PERMIT IS REQUIRED. PERMITS FROM THE DEPARTMENT OF BUILDING INSPECTION (and any other appropriate agencies) MUST BE SECURED BEFORE WORK IS STARTED OR OCCUPANCY IS CHANGED.

I hereby certify that the Historic Preservation Commission ADOPTED the foregoing Motion on November 2, 2016.


Jonas P. Ionin
Commission Secretary

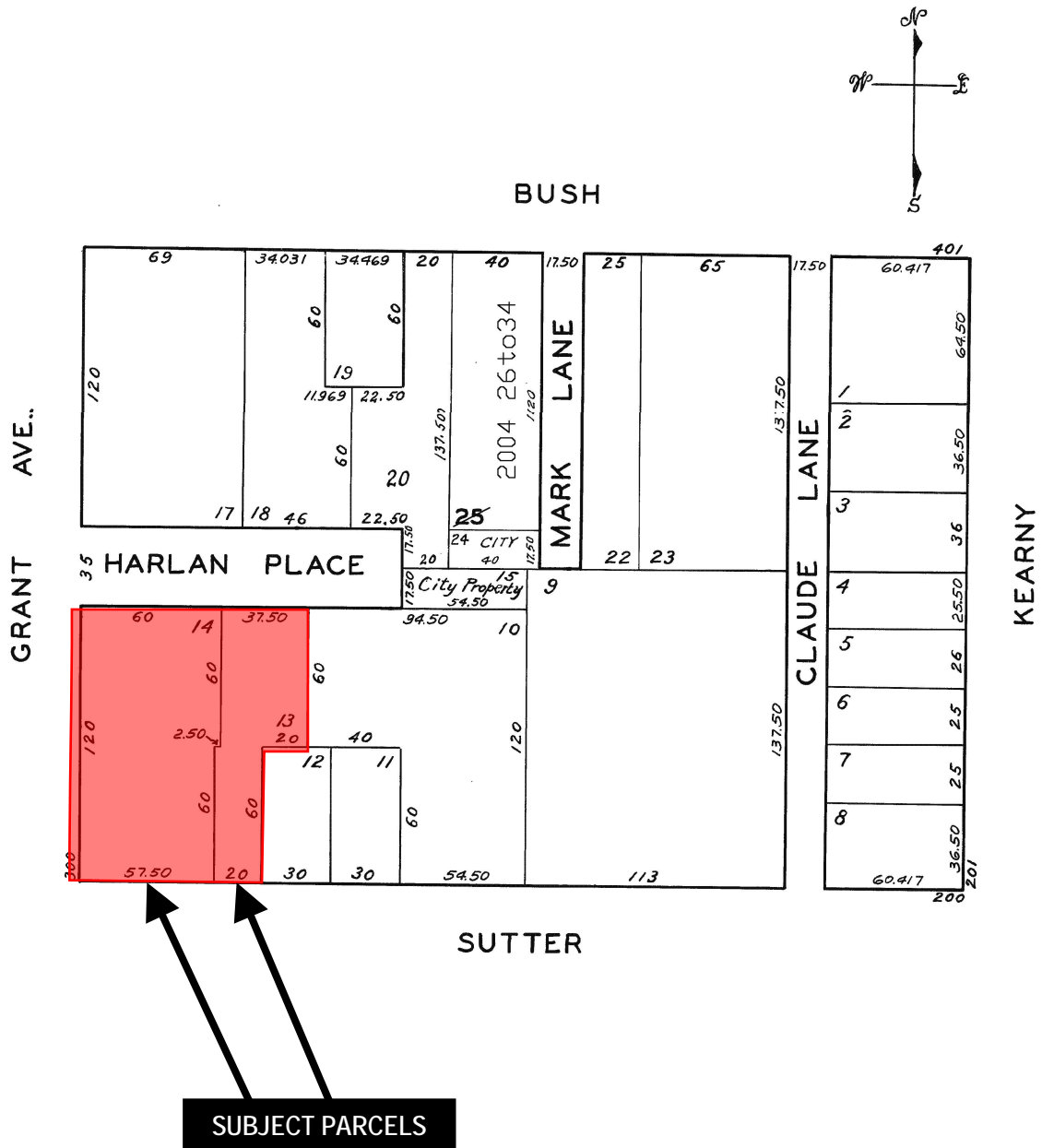
AYES: Wolfram, Hyland, Hasz, Johns, Johnck, Pearlman

NAYS: None

ABSENT: Matsuda

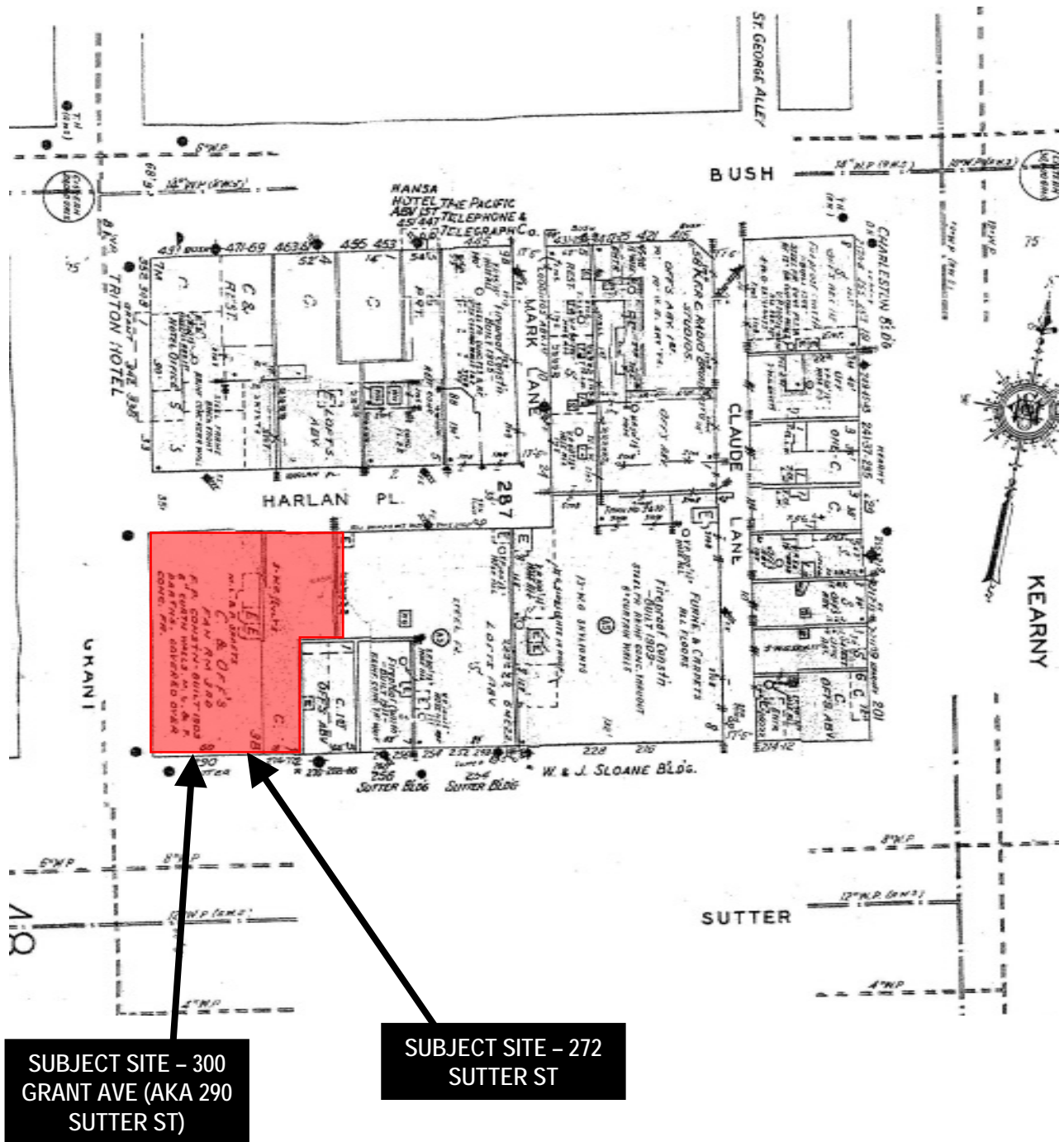
ADOPTED: November 2, 2016

Parcel Map



Downtown Project Authorization Hearing
Case Number 2015-000878DNX/CUA/OFA
 300 Grant Avenue

Sanborn Map*

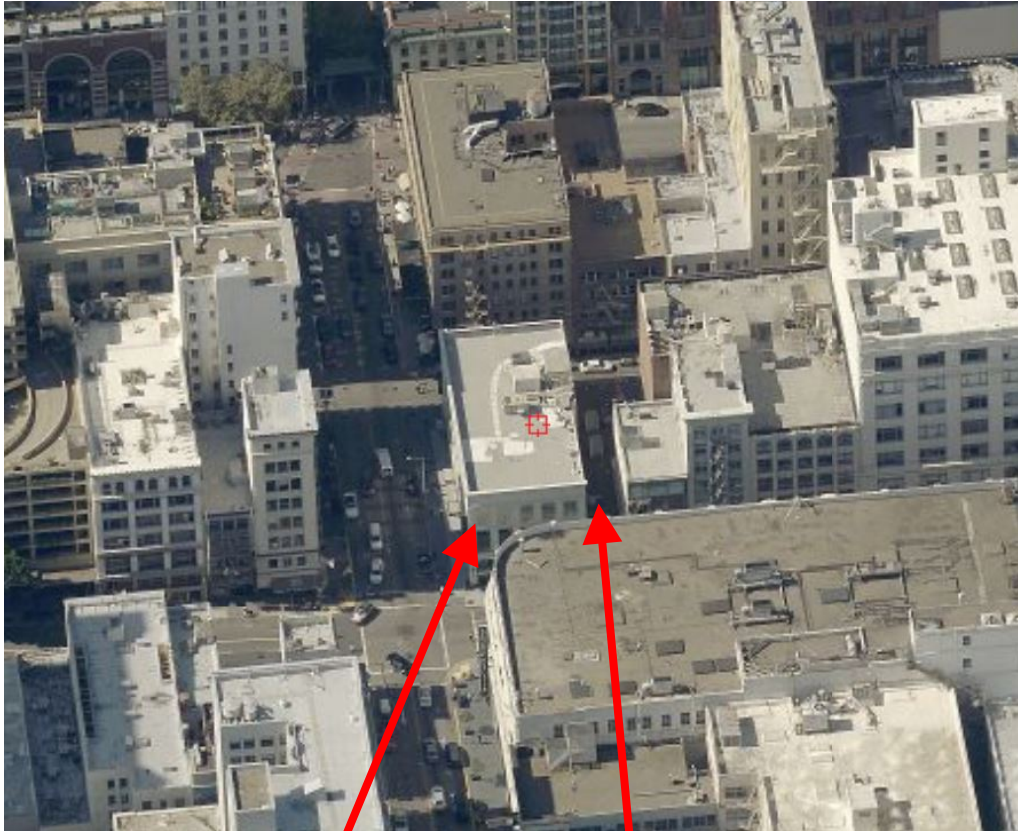


*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Downtown Project Authorization Hearing
Case Number 2015-000878DNX/CUA/OFA
300 Grant Avenue

Aerial Photo



SUBJECT SITE – 300
GRANT AVE (AKA 290
SUTTER ST)

SUBJECT SITE – 272
SUTTER ST



Downtown Project Authorization Hearing
Case Number 2015-000878DNX/CUA/OFA
300 Grant Avenue

Photo



300 GRANT AVENUE,
VIEW OF SUTTER
STREET/ GRANT
AVENUE

Downtown Project Authorization Hearing
Case Number 2015-000878DNX/CUA/OFA
300 Grant Avenue

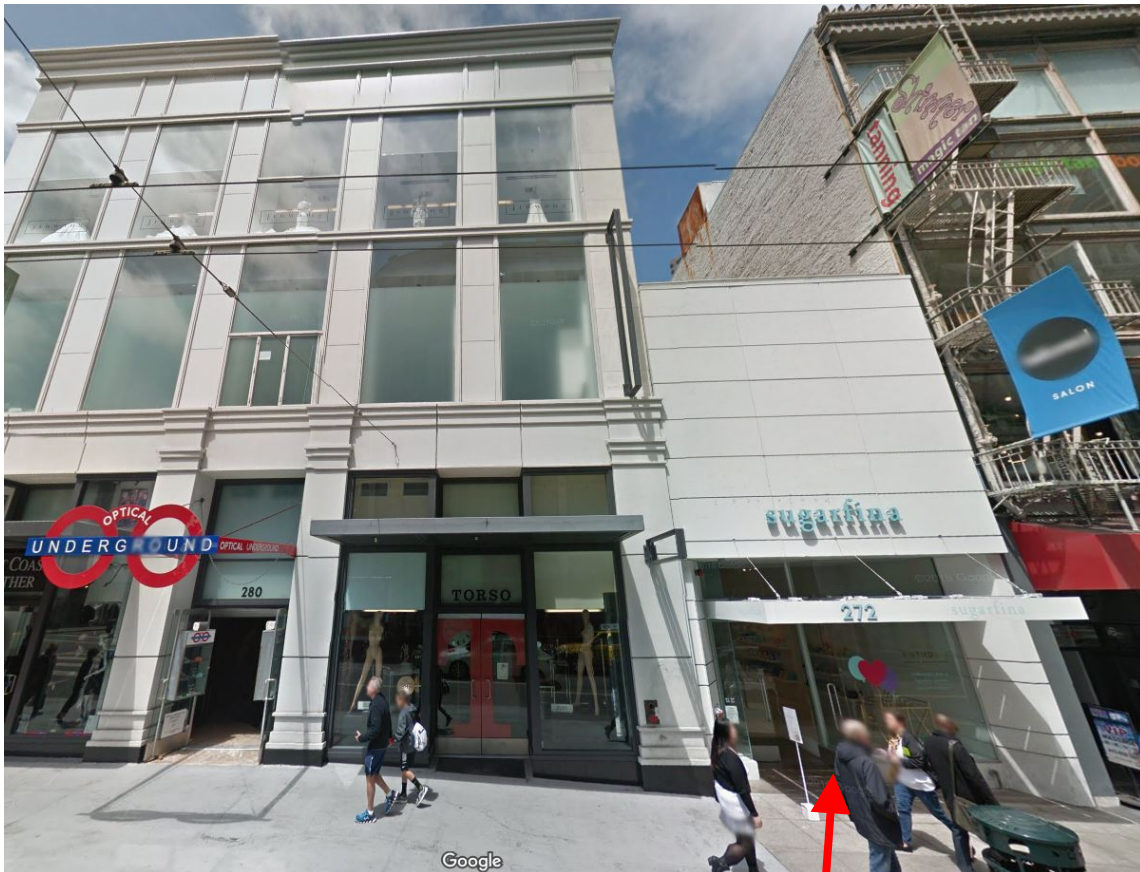
Photo



300 GRANT AVENUE,
VIEW OF GRANT
AVENUE/ HARLAN
PLACE

Downtown Project Authorization Hearing
Case Number 2015-000878DNX/CUA/OFA
300 Grant Avenue

Photo



272 SUTTER STREET

Downtown Project Authorization Hearing
Case Number 2015-000878DNX/CUA/OFA
300 Grant Avenue

COMMUNICATION

Robert B. Hodil
D 415.772.5738
rbhodil@coblentzlaw.com

November 1, 2016

VIA MESSENGER AND E-MAIL

San Francisco Historic Preservation
Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103
Attention: Jonas P. Ionin, Commission
Secretary

Re: 300 Grant Avenue/272 Sutter Street (Case No. 2015-000878 PTA)

Dear President Wolfram and Commissioners:

We write on behalf of our client Waverly Grant Properties, the owners of the Hotel Triton property at 342 Grant Avenue, to express our concerns regarding the proposed 300 Grant Avenue/272 Sutter Street project scheduled for your consideration on November 2, 2016. We have had positive discussions with St. Bride's Managers, the developers of the project. While we are optimistic that a private agreement can be negotiated to address our concerns, we want to preserve our rights and make sure that the Commission and City staff are aware of our concerns, in order to address them in the City's environmental review and in the project conditions of approval and mitigation measures. We reserve the right to raise any additional concerns we may have regarding environmental review of the project before the Planning Commission.

The Hotel Triton is a Category I (Significant) building in the Kearny-Market-Mason-Sutter ("KMMS") Conservation District, located adjacent to (and separated only by Harlan Place from) the 300 Grant project site. We are concerned that there has not been sufficient identification of mitigation measures to address potential vibration and noise impacts to this historic structure. In addition, we are concerned about disruptions to hotel guests and operations, and to our other tenants, including the Café de la Presse and Rouge et Blanc wine bar, from construction noise and activity, and that these noise impacts have not been fully mitigated. Specifically, we ask that the City impose the following conditions of approval on the Permit to Alter and subsequent Planning Commission approvals for the project:

- *Construction Vibration and Noise Management Plan.* The project applicant should be required to submit a construction vibration management plan prepared by a qualified acoustical consultant, which should include the following: (1) a preconstruction survey of the Hotel Triton building, which shall determine conditions that exist before demolition and construction begin and shall be used to evaluate damage caused by construction

San Francisco Historic Preservation Commission
November 1, 2016
Page 2

activities; (2) requirements to repair any damage to preexisting conditions; and (3) monitoring of noise and vibration levels at interior locations within the Hotel Triton, Café de La Presse and Rouge et Blanc wine bar.

- *Morning and Weekend Construction Activities.* In order to avoid disruption of hotel guests, no demolition or construction activity should be permitted prior to 8:00 a.m. Weekend construction activities should be prohibited (we understand that no weekend construction is proposed).
- *Community Liaison.* Designation of a community liaison to manage and respond to noise complaints, and produce a periodically updated schedule of construction operations and provide it to the owners and tenants of the Hotel Triton site. The community liaison should be responsible for ensuring that reoccurring noise complaints are evaluated by a qualified acoustic consultant to determine and implement appropriate noise control measures that would be taken to meet applicable standards. The community liaison should also coordinate with the Hotel Triton operator to ensure minimal disruption from construction activities during any special events at the hotel.
- *Construction Noise Mitigation Measures.* Construction equipment should be fitted with the best available noise suppression devices (e.g., mufflers, silencers, wraps). All hand-operated impact tools should be shrouded or shielded, and all intake and exhaust ports on power equipment should be muffled or shielded. Construction equipment should not idle for longer than five minutes. Stationary equipment (compressors, generators, and cement mixers) should be located as far from the Hotel Triton as feasible. Sound attenuating devices should be placed adjacent to individual pieces of such equipment, and temporary barriers (noise blankets or wood paneling) should be placed around the construction site parcels. Installation of the curtain wall should be done as soon as feasible after completion of the framing of each building floor.
- *Staging and Construction Trucks.* Staging should be located along and materials delivery should occur from Sutter Street to the extent feasible, and as far from the Hotel Triton as feasible. To the extent possible, truck movements should be limited to the hours between 9:00 a.m. and 3:30 p.m.; we are pleased to see that the October 25, 2016, Addendum to Mitigated Negative Declaration (the "Addendum") for the 300 Grant Project states that the project would comply with Improvement Measure 2, Timing of Construction Truck Traffic, which imposes such an hours restriction. In no event should construction trucks be allowed within Harlan Place prior to 9:00 a.m.

We appreciate the Commission's and Planning staff's dedication to ensuring that the project's design is consistent with the KMMS Conservation District. However, we believe that in order to be more fully consistent with the District, plans should include the potential for an increased six

San Francisco Historic Preservation Commission
November 1, 2016
Page 3

floor setback in order to reduce shadows, visibility from the street, and the relative mass of the building.

We respectfully urge the Commission and Planning staff to ensure that these concerns are addressed.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert B. Hodil". The signature is stylized with a large, looping "R" and "B".

Robert B. Hodil

rbh:RBH

From: [Tom Hardy \(office\)](#)
To: [Boudreaux, Marcelle \(CPC\)](#)
Subject: Re: 300 Grant & 272 Sutter Street project
Date: Thursday, October 20, 2016 9:03:23 AM

Thanks, Marcelle. Looks like a nice addition to the neighborhood.

- tom

On 10/19/2016 7:02 PM, Boudreaux, Marcelle (CPC) wrote:

Hi, Tom;

Apologies for the delay. Please see attached most recent version.

Let me know if you have questions. Thanks,

Marcelle

Marcelle W Boudreaux, AICP
Preservation/Planner, NE Quadrant
Direct: 415-575-9140

From: Tom Hardy (office) [<mailto:trhaia@sbcglobal.net>]
Sent: Friday, October 14, 2016 11:12 AM
To: Boudreaux, Marcelle (CPC)
Subject: 300 Grant & 272 Sutter Street project

Hello Marcelle,

Would you kindly send me the drawings for the proposed project?

Many thanks,

- tom

--

THOMAS REX HARDY, AIA, LEED AP
510 Stockton Street No. 101
San Francisco CA 94108
+1 (415) 837-0489 tel
tom@trhaia.com
www.TRHaia.com

SPONSOR SUBMITTAL

November 17, 2016

VIA E-MAIL

President Rodney Fong and
Planning Commissioners
San Francisco Planning Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103

Steve Atkinson

Counsel
415.805.7971 DIRECT
415.757.5501 FAX
steve.atkinson@arentfox.com

Re: 300 Grant Avenue Project
- Conditional Use for Office Space on Levels 4 through 6; Office Authorization and
Downtown Project Authorization

Dear President Fong and Planning Commissioners:

Grant Avenue Properties ("Project Sponsor") is proposing a new 6 story building on the site now occupied by two smaller (3 story and one story) buildings which are not historic resources. The Project would include high quality retail space at levels 1 and 2, retail on the lower below-grade level as well, office uses on levels 4-6, and also will seek to lease level 3 for retail space. The Project would not include any parking, and Harlan Place would be improved as a POPOS.

The purpose of this letter is to explain why the conditional use for office on levels 4-6 should be approved along with the associated Office Allocation for approximately 29,703 of Small Building Office Space. In addition, this letter also explains why the Downtown Project/Section 309 Authorization should be approved.

Summary

Office uses in the C-3-R District require a conditional use approval ("CUA") with a special finding that the office use "will not detract from the District's primary function as an area for comparison shopper retailing and direct consumer services."

The proposed office use on levels 4-6 will satisfy this finding for the following reasons:

- The Project provides very high quality retail space on levels 1 and 2, as well as lower level retail space, and retail area on level 3, and given that large retail component,

AFDOCS/14155817.4

inclusion of office space on levels 4-6 has no negative impact on the District's primary retail function.

- Levels 4-6 of the Project are unsuitable for retail due to lack of visibility or access from the Grant and Sutter Street sidewalks. Also, office use on upper levels helps contribute to retail demand for the entire C-3-R/Union Square district.
- In our current changing economy, demand for upper floor retail space is increasingly rare; providing office use on upper levels when there is no demand for retail space on those levels does not detract from the District's retail function.
- Office use on levels 4-6 is consistent with Planning Department policy.

In addition, office use on levels 4-6 meets the general CUA criteria.

The Office Authorization should be approved because, as set forth in the Draft Motion, the Authorization meets all the applicable criteria, and approximately 1 million square feet of space would remain available in the Small Building category.

Finally, the Downtown Project Authorization should be approved because the Project meets all the applicable criteria for approval. The Project will satisfy the open space requirement by improvements to Harlan Place, and the Project will meet the criteria for the minor exceptions regarding height and bulk, and for not providing generally required offsite loading.

1. Proposed Project.

The Project Sponsor is proposing to construct a new 6 story building at the northeast corner of Grant Avenue and Sutter Street. The Project would include high quality, full-floor retail space on Levels 1 and 2, and a lower level area which would also be used for retail, and the Sponsor would also attempt to lease level 3 for retail use. Overall, the Project would include approximately 26,000 gsf of retail space, on levels 1 and 2, and the basement, with an additional approximately 9800 sf of retail area on level 3. The Project Sponsor has proposed that Levels 4 through 6 be approved for office use. The Project will not provide any on-site parking in this transit-rich area. Also, the Project will satisfy its open space requirement by improvement of approximately 4400 square feet of Harlan Place and operation of this space as a privately owned public open space (POPOS).

In addition to the CUA for office use of the upper floors, the Project requires Commission approval of a (small cap) Office Authorization and a Downtown Project

Authorization. On November 2, the Historic Preservation Commission approved the Major Permit to Alter for the Project.

2. Background.

Currently, the site includes two buildings, a 3 story plus mezzanine building at 300 Grant/292 Sutter, and a one level building at 272 Sutter, both of which have been determined to not be historic resources. Overall, these buildings include approximately 31,000 gsf of above ground retail space on levels 1 through 3, plus mezzanine, as well as some basement space and some space in sub-sidewalk vaults. The buildings are currently leased on a short term, pre-construction basis, for various retail uses. Harlan Place is an unimproved alley which has been used for years primarily for loading and trash dumpsters.

In 2008, the Planning Commission approved a new mixed use, 10 story building for the Property. This Prior Project included retail use on Levels 1 and 2 (approximately 16,000 gsf) residential uses on Levels 3 through 10, and two levels of subsurface parking ("Prior Project"). (That Prior Project did not include any open space improvements to Harlan, which would have provided vehicular access to the subsurface garage levels.) The Prior Project approvals were extended by the Commission in 2011. Subsequently, the original sponsor sold the Property, and when the current Project Sponsor acquired the Property in 2014, it decided that the current Project was a more appropriate use of the Site.

3. In the Context of the Overall Project, Office Use of Levels 4 through 6 Supports and Will Not Detract From the District's Primary Retail Function, and this Office Use Satisfies the Criteria for a CUA.

A. The Project provides substantial, high-quality retail space which enhances the C-3-R District's retail function

The current Project would include approximately 18,993 gsf of retail space on Levels 1 and 2. This high-quality space would feature an approximately 20 foot high ground level and a 14 foot high 2nd floor. These two levels alone would provide almost 3,000 more gsf of retail than the Prior Project. In addition, the current Project, unlike the Prior Project, includes a lower level area with about 7300 gsf of space that would be used for retail, not including the sidewalk vault space. Finally, while it believes that in the current market, retailer demand for third floor space is very limited, the Sponsor will attempt to lease the third floor for retail use as well. Thus, current Project would provide substantially more area for retail use than the Prior Project.

As noted above, the Property currently provides approximately 30,000 sf of above-ground retail space, split between two buildings and on multiple levels. Although the Project will provide somewhat less above-grade retail area than the current buildings, it would provide retail space of far higher quality, and thus would increase the retail value, compared to the current Property. Thus, compared to the current situation, the Project provides retail space of a similar size, but much higher value.

B. Levels 4 through 6 are not physically suitable for viable retail uses, so office use of these upper levels would not detract from the District's retail function

The fourth level of the building begins approximately 44 feet above Grant Avenue (and even higher above Sutter Street), and of course the 5th and 6th levels are even higher and less visible from street level, and thus levels 4, 5, and 6 would have virtually no visibility from the street level.

The ground floor would, of course, be highly visible and accessible from entries on Grant and Sutter, and Harlan. The Applicant's goal would be to lease the ground and second level to a single retailer, although it is possible that two retailers would lease these spaces. In any event, it is assumed that the second floor, also highly visible from the sidewalk level, will be leased as part of a lease that includes an entry at the ground level. The Sponsor will also make every effort to lease the third level for retail use although for various reasons, including less visibility and street level access, they are uncertain at this time about whether there will be any retailer demand.

In contrast, access to the fourth floor and above would be from a small lobby and elevator along the Harlan frontage. (Locating this upper floor access elsewhere would significantly detract from the primary retail space on the lower levels.) Thus, the upper floors of the Project would not only lack visibility from the street level, but would have much less direct and convenient access for potential customers.

C. Upper floor retailers are becoming obsolete in the Union Square/C-3-R District, particularly in areas close to downtown such as the Property

In the Union Square District (which largely overlaps the C-3-R District) recent data indicates that in today's digital retail economy, large footprint, upper-floor retailers are increasingly rare. A prevailing view among retail economists today is that due to the growth in digital retailing, retailers need smaller physical spaces. In this growing on-line sales economy, more than ever, physical retailers need street-level visibility in order to attract shoppers. (See EXHIBIT A.) As explained below, this view is reflected by the numbers and nature of retailers in the Union Square district.

Recent data show that upper floor retailers are becoming obsolete in the Union Square district. Attached as EXHIBIT B is a map showing retailers that occupy more than one floor in the Union Square district. Data showing how many floors each of these retailers occupies, and the origination date of their leases, is attached as EXHIBIT C.

This information reveals the following:

- There are approximately 46 multi-floor retailers in the Union Square district;
- All of the 46 multi-floor retailers occupy the first floor; in other words, multi-floor retailers need a first-floor presence to succeed. Thus a retailer occupying only space above the ground is severely handicapped.
- Only 16 of these retailers occupy more than 2 floors;
- Only 10 of the 46 multi-floor retailers have leases that originated after 2012, emphasizing the prevailing trend away from large format, multi-floor retail;
- Of the 10 multi-floor retailers with leases that originated after 2012, only 3 occupy more than 2 floors; and
- The recent announcement by Macy's that it plans to sell its multi-level Men's Store on Stockton Street offers further evidence that retailers in the Union Square area are seeking to shrink their physical footprints, especially upper-level space. (See Exhibit D)

In today's digital retail economy, multi-floor retail tenants are rare, multi-floor tenants must occupy the first floor, and multi-floor tenants in the Property's location near Downtown are almost non-existent. Retail uses that might occupy single upper floors, such as art galleries, no longer have a presence in Union Square, having moved to online services or other neighborhoods such as South of Market.

For all these reasons, demand for retail space, even on the third floor, from retailers also leasing ground level space is likely to be extremely limited if not non-existent. In addition, especially given the inherent physical limits (lack of visibility from the street, etc.) retailers wishing to lease space only upper level floors are likely to be rare, and probably can be accommodated in existing buildings. Thus, there is every reason to believe that there is no demand for retail use of floors 4 through 6. Because the current buildings on the site are three level and one level, providing office on levels 4 through 6 does not take away any existing retail space but rather, adds offices at levels not used on the site currently.

D. Proposed office use on Levels 4 through 6 is consistent with Planning Department Policy for the C-3-R District

As discussed at the Commission's November 3, 2016 hearing regarding 222 Sutter, the Department has a policy to allow conversion to office use on levels 4 and above, but to restrict any office conversion on levels 3 and below. At that hearing, there was no indication challenging the policy of allowing office use on levels 4 and above. (In fact, at least some Commissioners indicated that office uses might be appropriate in some cases on level 3, after further analysis.) Therefore, the proposed CUA for office uses on levels 4 and above is consistent with existing Planning policy.

E. Approval of office use on the third floor, as well as floors 4 through 6, meets the general criteria for a conditional use

In addition to the special criteria for office space in the C-3-R District, office space on the upper levels also meets the general criteria for CUAs, as set forth in Exhibit E.

4. The Project Meets the Criteria for an Allocation of Office Space from the Small Building Category.

Levels 4-6 would include approximately 29,703 gsf of office use. Allocation of this office space from the small building category would meet all the applicable criteria as follows:

- After allocation of this amount of space, there would still be approximately 1 million sf of space available in the Small Office cap.
- The proposed office use in this location and configuration is consistent with the General Plan.
- The Historic Preservation Commission has unanimously concluded that the building design is appropriate for this location.
- Office use on the upper floors meets the criteria for a CUA and thus is appropriate for this location, which, among other things, is in a transit-rich area.
- The current market demonstrates that there is demand for such office space.
- The Project will utilize some TDR in order to exceed the base FAR of 6.0 to 1.

5. The Project Satisfies the Criteria for a Downtown Project Authorization, Including Public Open Space and Minor Exceptions for Height, Bulk and Freight Loading.

As discussed in detail in the Draft Motion, this proposed Project generally satisfies the requirements for a Downtown Project Authorization. A few items are highlighted below.

A. Publicly Accessible Open Space

The Project proposes to satisfy its open space requirement by repaving 4400 sf of Harlan Place with high quality pavers, as well as closing off the alley during midday and programming this area for daytime use, including temporary movable chairs and tables for the general public. Existing and planned food service would help activate the alley. When the Sponsor reached out to property owners that abut Harlan, to discuss both physical improvements and post-construction operations, it was gratified to find that there was already great interest among adjacent properties in cleaning up and enhancing Harlan Place. In addition to reaching out to owners and operators abutting Harlan, Sponsor has met with the Union Square BID design advisory committee and officials to explain the plan and to solicit advice on a sub-BID management entity for Harlan. Thus, while many details remain to be resolved, it seems evident that the resources are available which will help Harlan become an open space asset for the immediate area.

B. Height and Bulk Exception

The Project site is in an 80-130 foot height/bulk district, which means that exceptions are needed for height above 80 feet, and for certain bulk limits that become applicable above a height of 80 feet.

In contrast to the Prior Project (2008) which was granted an exception for a height of 113 feet, the current Project, with a roof height of 83 feet, barely exceeds the 80 foot threshold which triggers the need for exceptions. Above the roof, an open architectural feature reaches a height of about 96 feet. This feature was added to enhance the Project's relationship to existing buildings in the area. With its 83 foot roof, and open architectural feature extending to 96 feet, the Project height would be comparable to nearby structures and would not add significant shadow.

The Project would result in bulk exceedances at the roof level (approximate height 83 feet), as well as at the 96 foot level of the architectural "halo" element. The bulk exceedances would be minor and would not be inconsistent with the urban form of nearby buildings. In particular, while the halo element would have a somewhat greater dimension than at the roof level (due to the projections from the property lines to help establish a stronger cornice-like

element), the open nature of the halo minimizes any visual bulk. Carving away the corners or setting back the 6th level to meet the bulk limits would be inconsistent with the character of the buildings in this Conservation District.

C. Off Street Loading

The Code recognizes that in crowded downtown locations, generally required off street loading spaces may not be appropriate. Providing a full size loading space on Harlan would be problematic, as well as clashing with the intended POPOS, and loading spaces on the Sutter or Grant frontages would detract from desirable retail area. The Project's loading needs can best be accommodated by existing loading zones on Grant and Harlan, and since the retail area would be similar to existing conditions, it is reasonable that such loading would not interfere with transit or traffic. Thus, the exception from off-street loading is reasonable and appropriate.

6. Conclusion

The Project will provide high quality, highly-visible retail space on the first and second levels, as well as additional retail area in the basement and third level, which overall will enhance the retail character of this section of the C-3-R/Union Square area. The proposed office use on levels four through six would not detract from the retail character of this area, since office use is common on such upper floors, and these upper floors are not suitable for retail use due to issues of street visibility and access. In addition, there is evidence of a declining demand for retail space on upper levels. On the other hand, inclusion of office users on upper levels not suitable to retail will help provide demand for a range of retail businesses in the area.

Since office space on levels four through six meets the CUA criteria, it is also appropriate to grant the Project an office allocation for this space. Low vacancy rates on both the City as a whole, and the Union Square area, establish that there is a demand for this space, and the Project will utilize only a very small part of the available space in the Small Office cap, thus leaving more than sufficient space for any other worthy small office projects.

Finally, the Project meets all the criteria for a Downtown Project Authorization. The Project fully satisfies almost all Code requirements, and where exceptions are sought (height and bulk above 80 feet) and loading, the exceptions are minor and consistent with the character of the immediate area. The Project will provide a building that is modern, with high seismic safety and energy efficiency, but which is also compatible in design with the Conservation District. The proposed open space improvements to Harlan will provide an open-space feature lacking on the immediate blocks.

We respectfully request that the Commission approve the Conditional Use, Office Allocation, and Downtown Project Authorization. We look forward to presenting the Project to you on December 8, and in the interim, please contact us if you have any questions.

Very truly yours,

Arent Fox LLP

A handwritten signature in blue ink, appearing to read "Steve Atkinson", with a long horizontal flourish extending to the right.

Steve Atkinson

Exhibits

cc: Grant Avenue Properties

EXHIBIT A

McKinsey&Company

Interview

July 2014

How digital is transforming retail: The view from eBay

Does mobile commerce spell the end of traditional stores? In this series of short videos, Devin Wenig, the president of eBay Marketplaces, explains the impact of digitization and why retailers must evolve to survive.

The worlds of traditional commerce and e-commerce are merging. Devin Wenig, president of eBay Marketplaces—one of the world's largest online markets—explains the impact of digitization on traditional retailers, bricks-and-mortar stores, the shopping experience, as well as the use of data to meet customers' needs. This interview was conducted by McKinsey Publishing's Simon London. An edited transcript of each of Wenig's videos follows.

Omni everything

I just think we've hit an inflection point where technology is now so pervasive and so useful that we're past the tipping point. And the world of e-commerce and commerce are now just seamlessly merged, and everything is omnichannel. It's not about the phone or the desktop or the store—it's about all of those. I think the last two years in particular have been extraordinary in the sense that technology has deconstructed the retail industry.

I think e-commerce for many years was an interesting trend, but it was on the side, largely, of what was happening in retail. Today we don't even know what e-commerce

means. They've just come together, the on- and the offline. Now, every merchant, every retailer must have an omnichannel strategy or they won't survive. That's very different than even just 24 months ago.

Future of the store

I should say the death of the store has been greatly exaggerated. There will be a transformation of retail real estate, but not an end to it. You could step back and connect dots and say, "The world's going to have e-commerce only" and that "stores are dead," but we don't see that future at all—in part because I don't think consumers want that future. I think people like to shop and they like the serendipity of stores. Shopping is as much about entertainment and engagement as it is about utility.

I think stores are going to become as much distribution and fulfillment centers as they are full-fledged shopping experiences. I think that stores and malls are going to be highly technology enabled. Think of today—the square footage in a store needs to attract people in the door, it needs to have the right inventory at the right time, and it needs to have high service levels. That's a very expensive model, and it's a very inefficient model.

What e-commerce has shown is that, particularly down the tail, it's a much better business model to be just in time. I think that there's a pattern in there for the way stores will transform. They'll become technology enabled so that you can go to a store and see enough inventory, but you may shop "shoppable windows." We're building those right now for retailers around the world.

You may end up hollowing out the real estate, where the showroom is a much smaller part of the footprint, and the inventory and the distribution center become more of that footprint. That uses the phone, and it creates local commerce economies.

So I think that there are going to be stores, and I think that retail real estate is not dead, but it is going to transform, and it's going to happen faster than people think. Within 24 months, you will see a fundamental restructuring of retail real estate—you will see distribution centers, local economies, technology-enabled shopping, and a

very different approach toward how you engage with the consumer.

Beyond mobile

The latest trend has been that mobile is very important. I think we're already past the mobile tipping point, where mobile is increasingly not a meaningful concept. It was only a few years ago that there were no tablets and there weren't any smartphones. Now we're very quickly moving to a world where we just think there will be technology-enabled screens, connected screens, of all sizes.

Some of them may be in a retail location, some of them will be on your wrist, some of them you may hold. I don't know what mobile means anymore. Nobody has an electricity department in their company; nobody has an Internet department anymore—although they did a few years ago. I suspect that within 24 months, no one will have a mobile strategy. They'll just have an omnichannel, connected-screens strategy.

New skills

Building engaging experiences across channels is incredibly important. Many retailers have spent their entire lives thinking about how to build an engaging experience in one channel, which is the store. But now, understanding how to connect with your core customers across every way *they* want to connect—not the way *you* want them to connect but the way *they* want to connect with you—is a different skill.

It requires design and product management. It requires understanding how to market in a digital world. There are still many instances that I see where it is old-school marketing. It's still about major TV campaigns, get people into the stores. That's still important, and that's not going to go away.

But understanding how to engage in a world of exploding social networks, how to use search, how to use catalog, how to optimize, and how to engage—very different skills. I think that is going to become a core part of the playbook for retailers and merchants

of all sizes around the world.

Data as competitive advantage

Various channels have advantages today; eBay, for one, has a selection advantage. We're the world's biggest store, and we have more things for sale than anyone else. But I think that's going to go away. I think that in this omnichannel world—imagine, for planning purposes, that everything is for sale in every marketplace, every means, and every channel. We may never get to that world, but it's a useful planning assumption.

So what's left in that world? How do you compete and how do you build a barrier around your business? I think the answer is data. I think that the sustainable advantage of a retailer or a digital-commerce business is data. What data can do is to allow you to connect this exploding inventory, exploding selection that we're all seeing, down to be a highly relevant experience for a consumer.

While from the merchant standpoint incredible selection may seem great, from the consumer standpoint it can be overwhelming. I actually don't want to shop in a store with a billion items for sale, I'm just looking for *this*. Data is the way to connect a long-tail advantage with consumers that oftentimes want simplicity.

It's easier said than done, but you're starting now, in the industry, to see really good examples of businesses that are using data to their advantage. It's certainly an incredibly important part of what we're trying to do here at eBay.

Art and science

Great data is both art and science. There's a lot of press about the science; there's not as much about the art. But the truth is that judgment matters a lot. I could create an infinite number of segments and an infinite number of possibilities from our data, but creating an infinite number of possibilities isn't an actionable strategy.

We use a lot of judgment, and we bring quantitative analysis to that to say, "The right way to look at our customers is this, not this," even though there are infinite ways we

could. So we have people that have a lot of experience. We've brought people into our data groups that actually did things like ran stores, so they have human insight and judgment. We have brilliant mathematicians who can run regression with the best of them. And somewhere in that mix we're creating actionable insights, which is the only thing that this is about.

Small data

It's not about big data, it's about small data. Big data is useless. Big data is about big data sets that represent large groups of people and large behaviors. But in the world that I mentioned before, it's about me connecting with you, my business connecting with you. You don't want to be part of a big data set; you're just looking to buy a shirt.

And that's about small data. That's about understanding insights that I can glean about you that don't feel intrusive, don't feel creepy, and don't feel artificial—but feel natural. That, to me, is the future. There are glimmers of success there. I wouldn't say the industry has arrived. For all the rhetoric about data, it's a work in progress, but a critically important work in progress.

Can e-commerce inspire?

E-commerce has historically been incredibly search based because it's fulfilling a utilitarian function. I know I want exactly this, so I put it in a search bar, and I'll put it into a marketplace that I trust, like eBay or others. And I'll either find that item or not, and if I find it, I'll buy it.

Stores have had an important element of serendipity. I go to the store because I kind of want a shirt, but I'm not exactly sure what shirt I want—I may have an idea, but I like to browse. And inspiration matters, particularly in emotional categories like fashion.

The future of digital commerce is trying to get the best of both. Search is still incredibly important to us; people come to eBay, they're looking for something. But as

we bring curators in, and as we begin to create collections of beautiful items—we're trying to spur inspiration, and we're trying to spur imagination. We're trying to capture some of what happens in stores, which is, "I went into a store to buy a shirt, and I also bought a pair of pants—didn't know that I wanted it." We're seeing real success there.

It's early days, but there's no reason that digital shopping can't be both utilitarian and inspiring, and I think that's the next wave. But to do that effectively, data won't get you there, because data tends to narrow you toward what you want. It's not yet great at inspiring you as to what you may not have known you want, but you do after you see it.

About the author(s)

Devin Wenig is president of eBay Marketplaces. This interview was conducted by McKinsey Publishing's **Simon London**, who is based in McKinsey's Silicon Valley office.



Implications for retailers and brands

The rise of a new digital shopping world creates many operational and financial implications:

Store closures are expected as chains no longer need as many physical stores.

- **Physical bricks and mortar stores will not be entirely eliminated, but they will change.** Store closures are expected as chains no longer need as many physical stores. Store size will also change, as categories go online. This will drive leasing decisions, physical layout and merchandising plans.
- **Retailers will find ways to rethink shopper loyalty to create reasons for shoppers to come to their stores.** This will include differentiated in-store experiences, enhanced service models and new loyalty program benefits. Exclusive brands and products will also become important to retailers, as a way to differentiate from the competition. These changes can affect the accounting for many pre-existing loyalty plans, or create newer and more complex structures.
- **Transactions will occur more in the digital space.** Retailers will turn to multi-channel models including online, mobile and social commerce, and virtual stores, in addition to physical stores. As these virtual transactions occur, retailers will need to ensure that their revenue recognition policies and practices are appropriate and supportable.
- **Multi-channel retailing will provide a strategic advantage to companies** by virtue of the transactional and behavioral shopper data gained, but with that will come a greater need to mine and leverage this data more effectively. Additional stress may be put on existing systems and the people that operate them. Ability to manage and utilize larger data warehouses of critical information will be imperative.
- **All of the impacts above create massive supply chain implications.** The most obvious – the inventory implications of fewer physical stores, less inventory in stores and a multi-channel model.
- **There are also significant organizational implications.** Leading retailers will utilize these new technologies to enhance their supply chains, while identifying efficiencies and cost effectiveness as critical components to competitive advantages.

The future is now

Consumers are becoming increasingly comfortable with using digital technology in the shopping environment and presumably will more frequently measure a retailer on how well it supports this change.

The challenge for retail companies is how well they can adapt, how wisely they can make spending decisions on new technology, and how best they can use technology to continuously connect with their greatest asset — the consumer.



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EXHIBIT B

UNION SQUARE SAN FRANCISCO Colliers Retail Services Group - Updated February 2016



90 California Street
 19th Fl.
 San Francisco, CA 94111
 415 768 3100



EXHIBIT C

From Right To Left-Top to Bottom

Key	Tenant	Floors	Original Lease Commencement	Expirations
A	DSW	4	August 2011	2021
B	Saks Fifth Ave	3	Early 80's, Last Renewed 2005	2030
C	Tiffany & Co	2	Oct 1991	2025
D	Williams Sonoma	3	Spring 2002	2027
E	Apple	2	July 2013	2028
F	Nike	4	Nov 1993	2026
G	Zara	2	Jan 2005	2020
H	Brooks Brothers	3	Dec 2011	2025
I	Faerragamo	2	1998	2022
J	Sak's Men	4	July 1997	2017
K	North Face	2	Feb 2000	2020
L	Victoria's Secret	2	June 2005	2025
M	Gucci	2	March 1987	2018
N	Burberry	3	Self Owned	Self Owned
O	Christian Dior	3	Feb 2014	2029
P	Armani	3	2015	2025
Q	Gump's	2	Nov 1995	2022
R	Express	2	2012	2022
S	Louis Vuitton	2	n/a	n/a
T	Arthur Beren	2	July 2005	2020
U	Bulgari	2	August 2008	2023
V	Suitesupply	2	2015	2025
W	Chanel	2	June 1998	2023
X	John Varvatos	2	April 2007	2017
Y	Britex	3	Purchased in 1952, Sold in 2015, Signed a two year lease	2017
Z	Allsaints	2	April 2010	2020
AA	Valentino	3	2013	2023
BB	Dolce Gabbana	2	October 2014	2024
CC	Sketchers	2	May 2007	2017
DD	CH Herrera	2	August 2013	2024
EE	Hakasan	2	May 2012	2022
FF	Walgreens	2	March 1998	2024
GG	H&M	2	June 2004	2019
HH	Crate & Barrel	3	Spring 2000	2020
II	Barneys NY	4	June 2006	2021

JJ	Uniqlo	2	March 2012	2021
KK	T-Mobile	2	Nov 2013	2024
LL	XXI Forever	2	June 2010	2025
MM	Urban Outfitters	3	n/a	2018
NN	Diesel	2	Jan 2008	2023
OO	Old Navy	3	June 1997	2022
PP	Ross	3	May 2008	2017
QQ	At&T	2	May 2015	2026
RR	Gap	2	June 1994	2016
SS	Container Store	2	November 2001	2018
TT	Nordstroms Rack	2	Jan 2013	2024

EXHIBIT D

Macy's Plans to Sell Union Square Men's Store

Sign of the times

by [Brock Keeling](#) Aug 11, 2016, 1:40p

After Macy's [announced](#) today it would shutter 100 stores across the country, [San Francisco Business Times](#) has word that the retail giant are in negotiations to sell their Union Square Men's Store at [120 Stockton](#).

While the deal is not yet final, the property will reportedly be redeveloped.

"The fact that more and more shopping is done online has affected the overall size required for Macy's," Jeff Green of Jeff Green Partners, a retail real estate consulting firm, tells *Business Times*. "Not only are there too many stores in the chain, the stores themselves are too oversized for this changing retail environment."

Opening in ~~1974~~ [correction: 1984], the dimly-lit men's store stood in the shadow of its larger counterpart, the iconic women's store directly across the street. (Among other things, the store is noteworthy for the wreath displays in the windows during the holiday season.)

The Stockton Street location has struggled recently, having to compete with online retailers as well as the Central Subway construction brouhaha happening directly outside their entryway doors.

Macy's 100 store closures, around fifteen percent of Macy's 675 locations, are the most recent round of shutterings for the company. The major retailer is hoping to turn business around after six consecutive quarters of plummeting sales.

No word yet who plans on buying the Stockton Street property. We'll update as soon as we know more,

- [Macy's to sell prime Men's Store property in San Francisco's Union Square](#) [SF Business Times]
- [Macy's to close 100 stores as big-box retailer shrinks further](#) [USA Today]

by [Adam Brinklow](#) Oct 27, 2016, 3:27p

EXHIBIT E

Conditional Use Findings

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

The Project would be new 6 story building with retail at the basement through level three. Office is proposed on level 4 through 6. The Project will provide new high quality retail space on the C-3-R district/Union Square area which is a prime use of this area. The configuration of retail on the ground and lower levels, and office space on upper levels (level 4 and above) less suitable for retail is typical and compatible with the surrounding C-3-R area, which often includes office uses on upper levels.. In addition, the proposed office use on the upper levels is necessary in order to make construction of a new, seismically-superior, energy efficient building, with enhanced retail space, financially viable. The Project site is also in the KMMS conservation district. The existing smaller buildings on the site that would be demolished to permit the new construction are not historic resources, and the new structure, which among other things will be more energy efficient and seismically secure, will be designed to be compatible with the character of the Conservation District, and the Historic Preservation Commission has approved that design. Office use is typical on upper floors in the Union Square area and does not detract from with primary retail uses on the lower floors, and in fact office workers on upper floors help contribute to retail demand in the District.

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

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

The site consists of two parcels which will be merged as part of the development to allow a single larger

building to be built. The site is located at the northeast corner of Sutter and Grant and the north side has frontage Harlan Place, a small dead-end alley. The site is generally rectangular with an area of 10,500 square feet. The shape and size of the site present no unusual difficulties for development or for the proposed mix of retail and office uses. The lower level frontages along Grant and Sutter, and lower, subsurface level, will be devoted to one or more high quality retailers and so will be a desirable and compatible use in this area. Harlan Place will provide access for garbage pick up and some deliveries etc thus minimizing the impact of those uses on the adjacent primary streets. The curb loading space on Grant will also continue to be used for deliveries. Office uses on the upper floors will be accessed from a small lobby on Harlan Place, where such access will not interfere with the retail frontages on Grant and Sutter. Having an office entry on Harlan will also enhance the activity for the proposed POPOS on Harlan.

(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.

Vehicular access to the Project is provided by Grant Avenue and Sutter Street. The site is located a few blocks north of Market Street and has strong access to public transportation including BART and Muni at Market Street, the new Central Subway, and numerous Muni bus routes. The Project will not provide any off street loading or service vehicle spaces but loading would continue to use curb spaces on Grant, and Harlan. Applicant has applied for an exception from off street loading space requirements and the Project meets the Planning Code criteria for an exception. Proposed upper floor office uses will generate less loading demand than would retail uses on the same levels. No parking is required in this location and the Project does not propose any parking, due to the richness of transportation resources in the vicinity. Most retail customers and office and retail employees will arrive by transit or other non-vehicular means. In addition, parking is available in the vicinity, including the nearby Sutter-Stockton garage.

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

The proposed mix of retail and office uses are typical of the Project vicinity and neither use would result in noxious or offensive omissions. Loading and garbage pickup would occur in Harlan Place, an alley used for utility

purposes by the hotel on the north side of Harlan, so these necessary activities will not create any new or unusual noise etc. Nothing about the proposed upper level office uses could result in unusual noise, odors or glare.

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

The Project generally will be built out to the property lines (except at ground level where there is an approximate 2 foot setback for architectural purposes) so provides limited opportunities for landscaping. The Applicant proposes to address usable public open space requirements through improvements to Harlan Place, which may include trees or greenery subject to Fire Department access requirements.

No parking will be provided. A delivery door will be located on Harlan, and delivery trucks will park at curb spaces on Harlan and Grant, as for the present retail users.

Lighting and signage plans will comply with City requirements. Although detailed design plans are still being developed, the intent is to integrate signage and lighting with the overall design of the exterior.

Rooftop mechanical features will be screened from view in accordance with Code requirements.

3. Office uses on Levels 4-6 are consistent with the General Plan:

Commerce and Industry, Policy 1.1:

Office uses on the upper levels would provide substantial net benefits, while minimizing undesirable consequences. Looked at as a whole, the Project provides a new seismically safe, energy efficient building with substantially enhanced retail space. Although retail area is somewhat less than the existing situation, the overall quality of the new building and retail space offsets the minor loss of retail space from the existing site.

Commerce and Industry, Objective 2.

The Project, including office space on upper levels helps enhance a sound and diverse economic base and fiscal

structure by providing a new high quality building, with enhanced retail space, mixed with high quality office on upper levels that will generate new tax revenues and impact fees to contribute to the City general fund and other purposes, including likely enhanced sail tax from improved retail volume.

Commerce and Industry, Policy 4.1:

The Project by providing a mix of very high quality retail space on the lower levels where retail is most viable and office on upper floors where there is a declining demand for retail space would provide a supportive mix that would help retain and attract new retail to the City while also helping to meet the demand for office space, including office space for businesses that support the District's retail uses.

Downtown Plan, Objective 2

Building a new high quality building in an area of the City where there are very few sites for such new construction due to the prevalence of historic resources, and providing a mix of retail space on lower levels, supporting the district's primary retail function, while providing office space on upper levels less suitable to retail, will help enhance San Francisco's position as a prime location for financial, administrative, corporate and professional activity while not negatively affecting the area's retail character.

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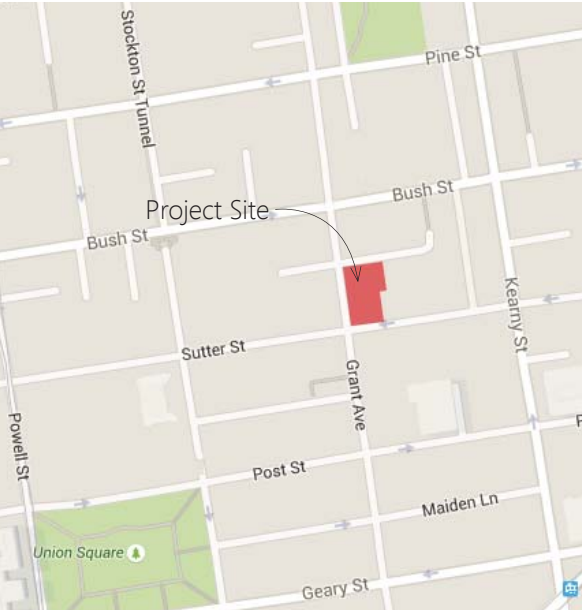
Exhibit B



Existing



Vicinity Map



Floor Area Matrix All quantities are approximate and subject to verification.

Floor	Existing Interior Gross Area 300 Grant	Existing Interior Gross Area 272 Sutter	Vault Space Below Sidewalks	Existing Interior Gross Area Total	Proposed Interior Gross Area Before Exclusions	Exclusions Per Code		Gross Floor Area
Basement						Bike Storage	263	
						Showers and Lockers	681	
						MEP	1,315	
						PG&E Access	303	
	7,050	3,450	3,615	14,115	13,905 *	Total	2,562	11,343 *
1	7,050	3,450		10,500	9,698	Loading	305	
Mezzanine	7,050	-		7,050	-	Total	305	9,393
2	7,050	-		7,050	9,698	Telcom	88	
3	7,050	-		7,050	9,901	Total	88	9,610
4	-	-		-	9,901	Telcom	100	
5	-	-		-	9,901	Total	100	9,801
6	-	-		-	9,901	Telcom	100	
	-	-		-	9,901	Total	100	9,801
Total	39,055	6,900	3,615	45,765	72,905 *	Total	3,355	69,550 *

*Includes 3,615 vault space below sidewalks

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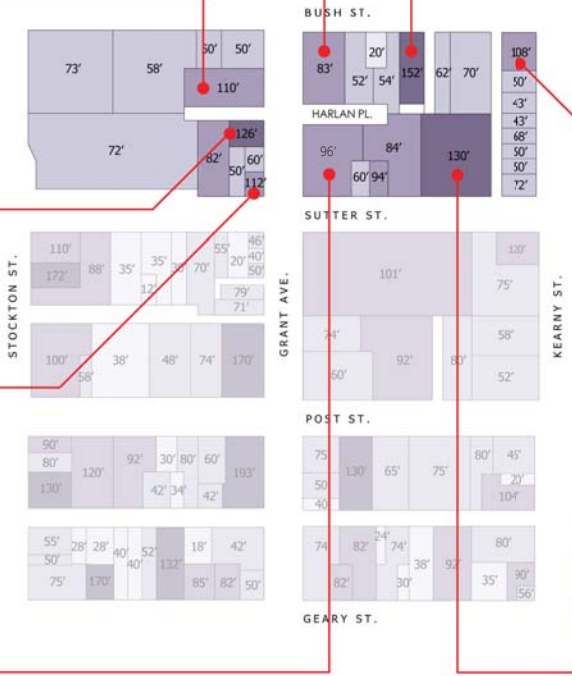
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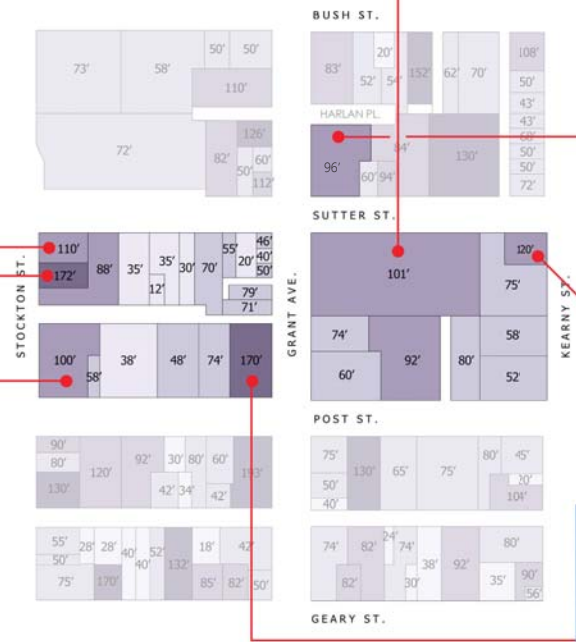
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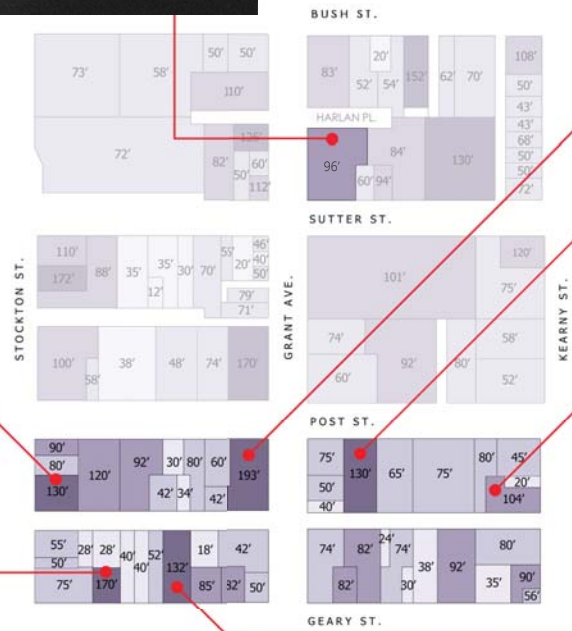
Roof Planting Plan



17 NOVEMBER 2016
PROJECT NO: 49850
960 ATLANTIC AVENUE
ALAMEDA, CA 94501
T 510.865.8663 F 510.865.1611
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300 GRANT SAN FRANCISCO, CALIFORNIA







Existing



Proposed

17 NOVEMBER 2016
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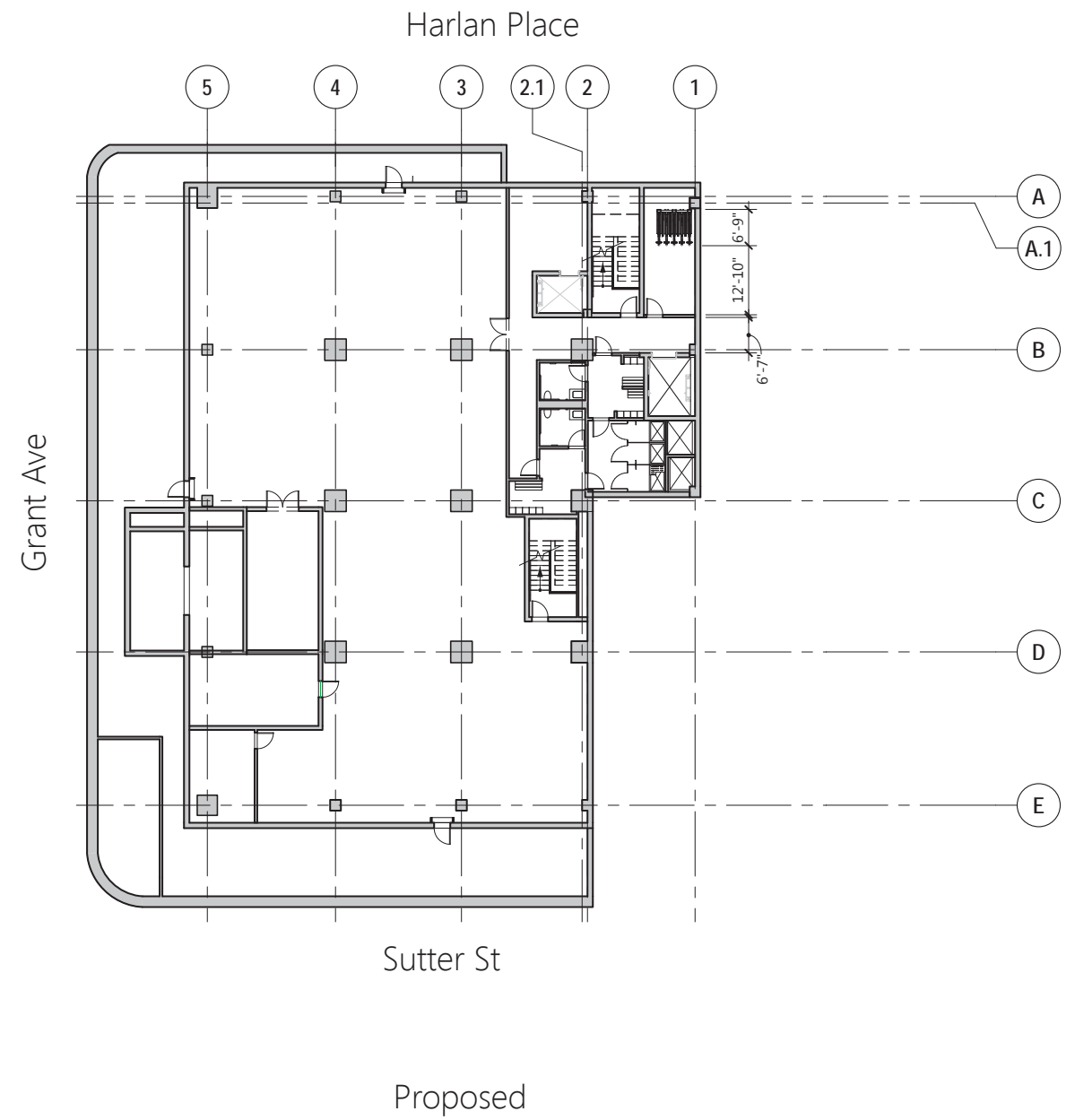
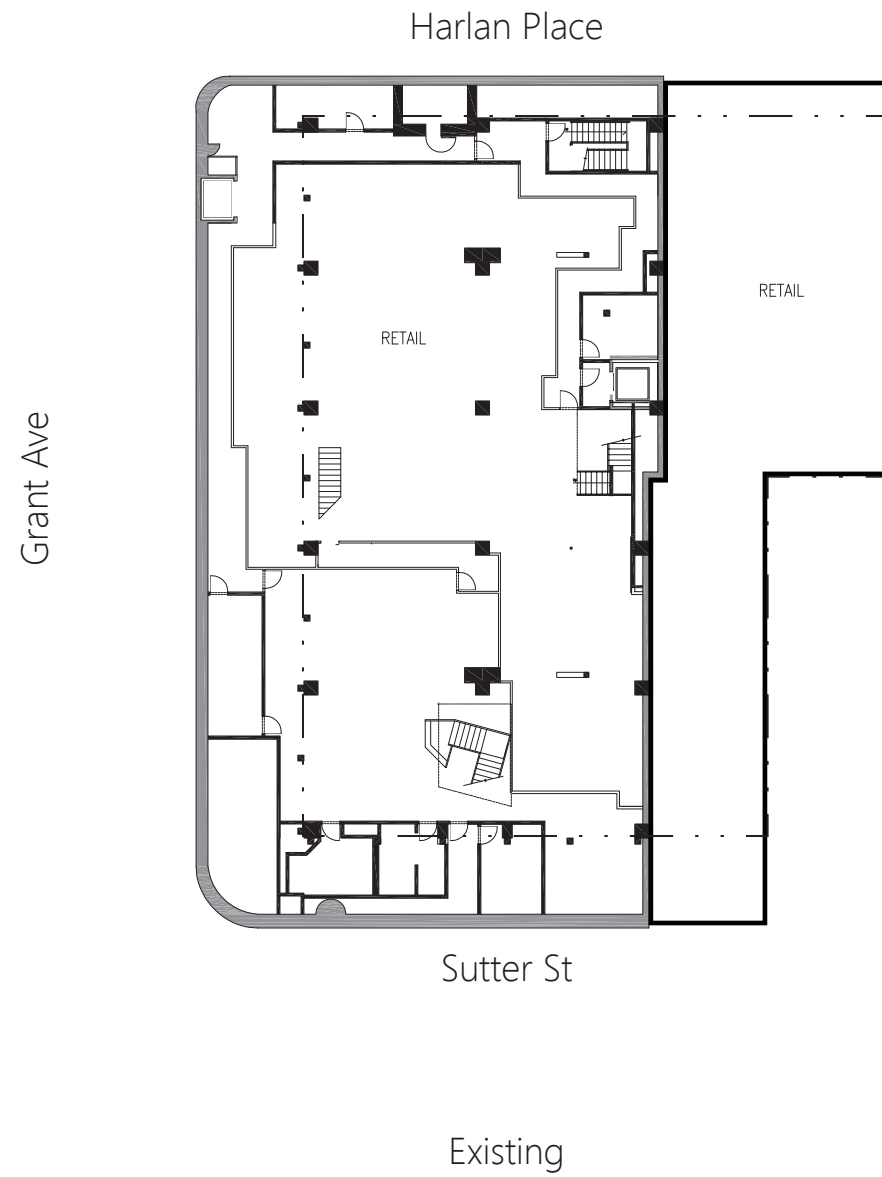
300 GRANT SAN FRANCISCO, CALIFORNIA



Existing

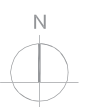
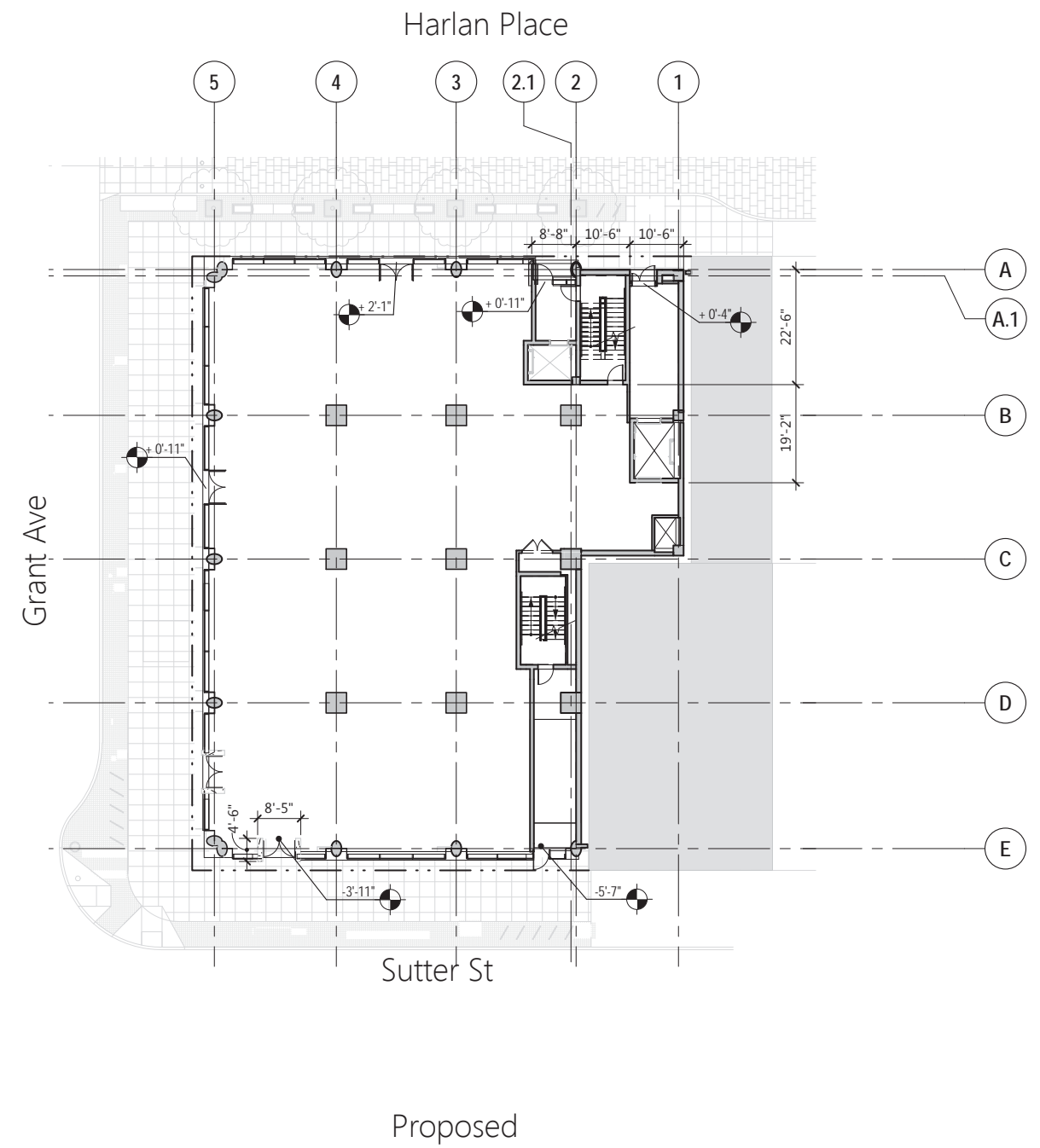
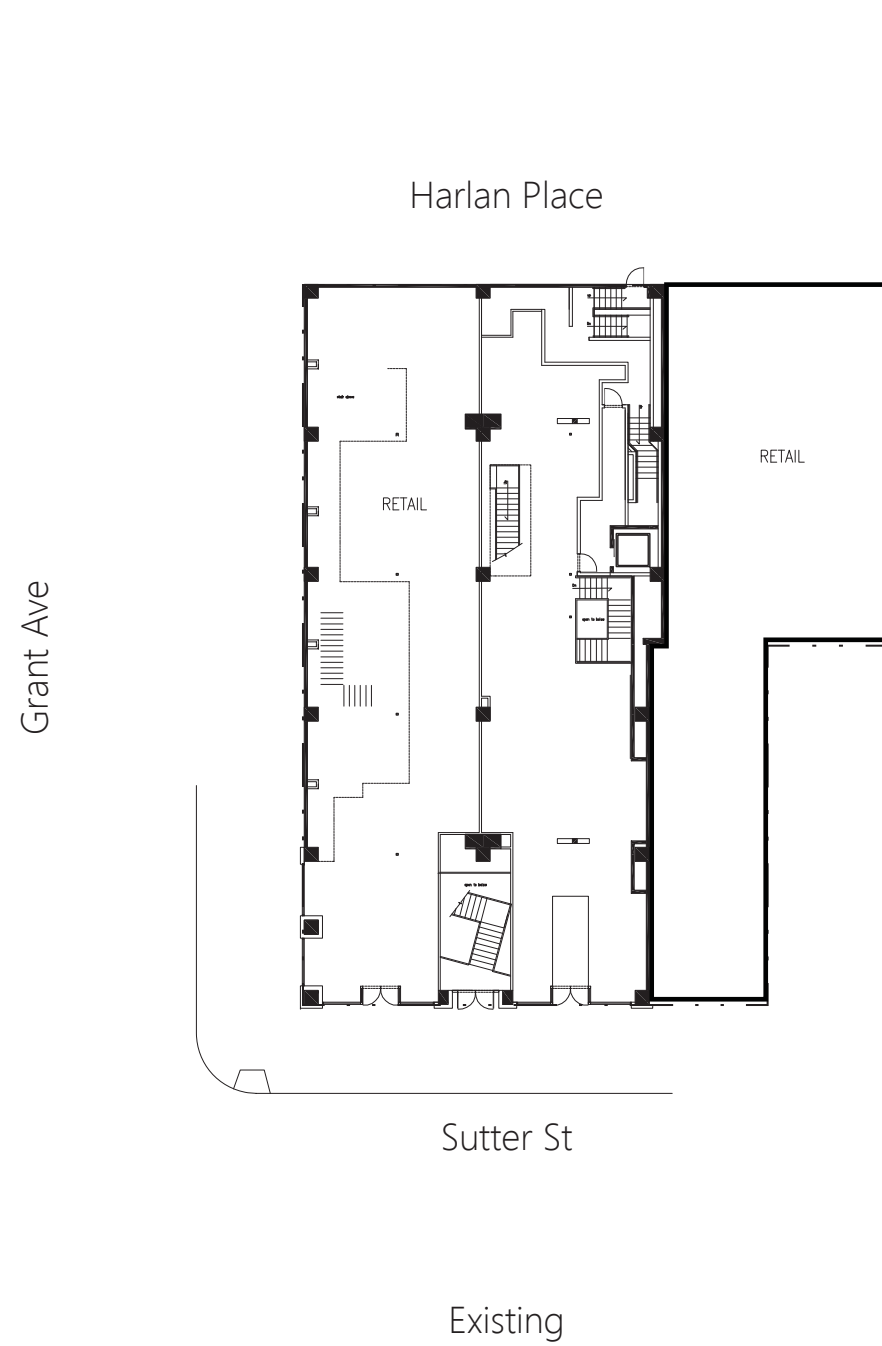


Proposed



7

Basement Comparison

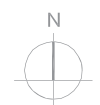
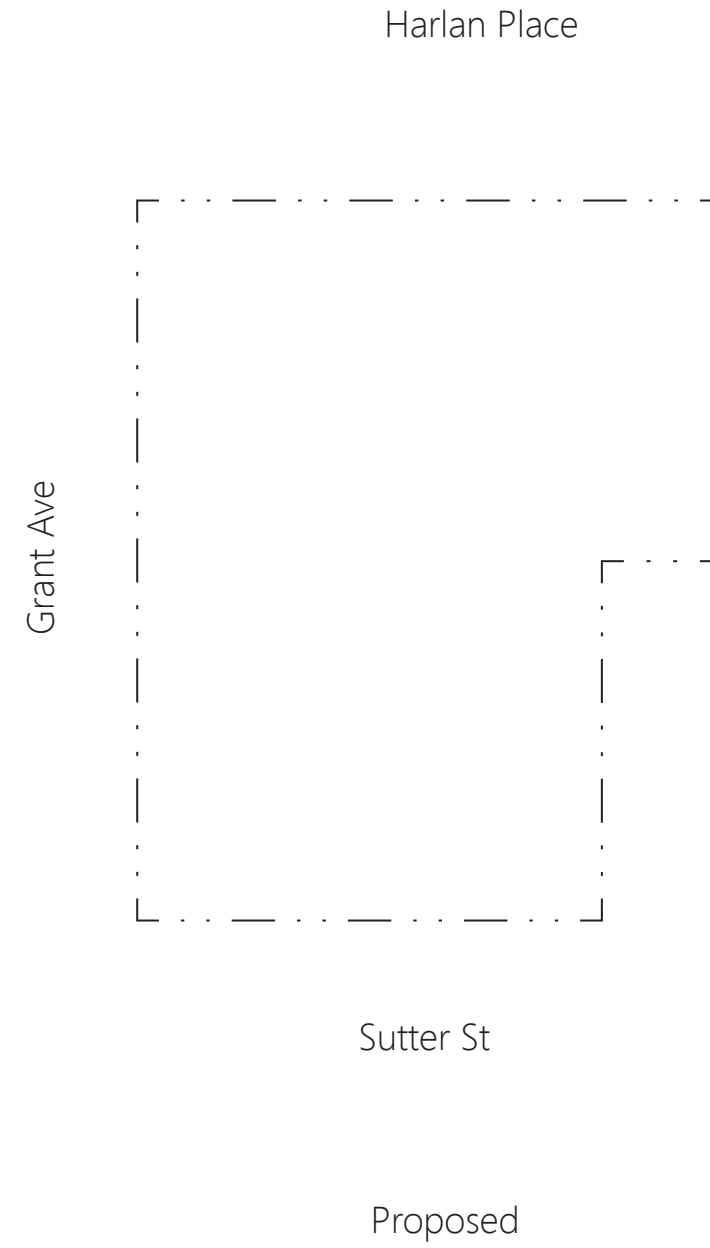
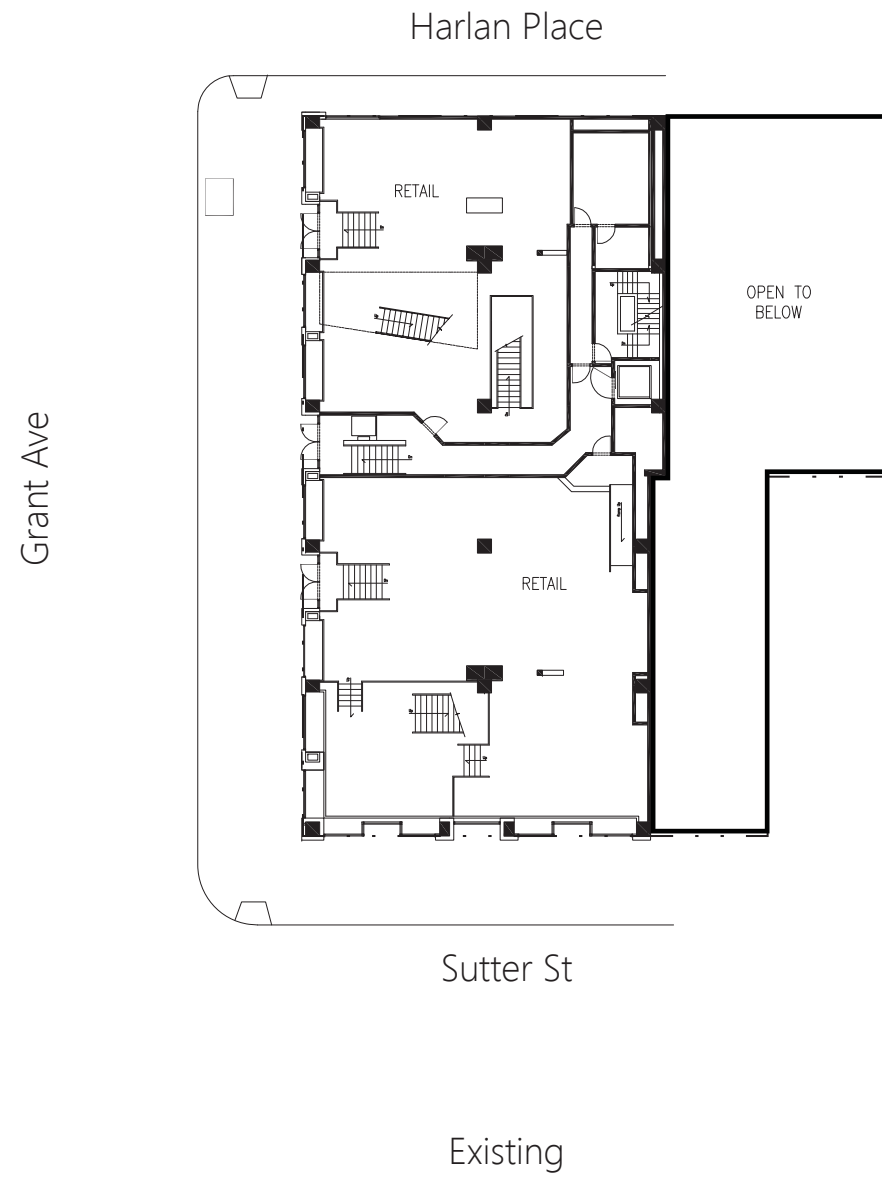


1st Floor Comparison

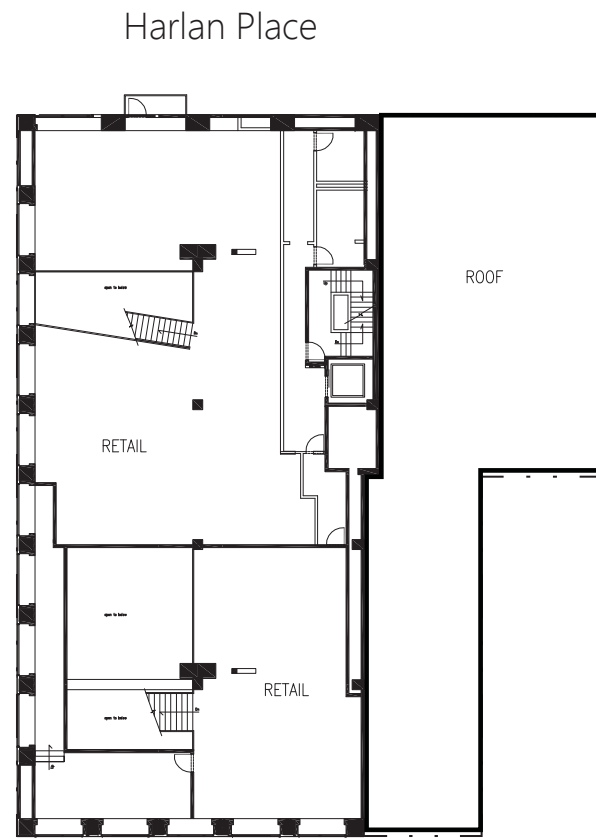


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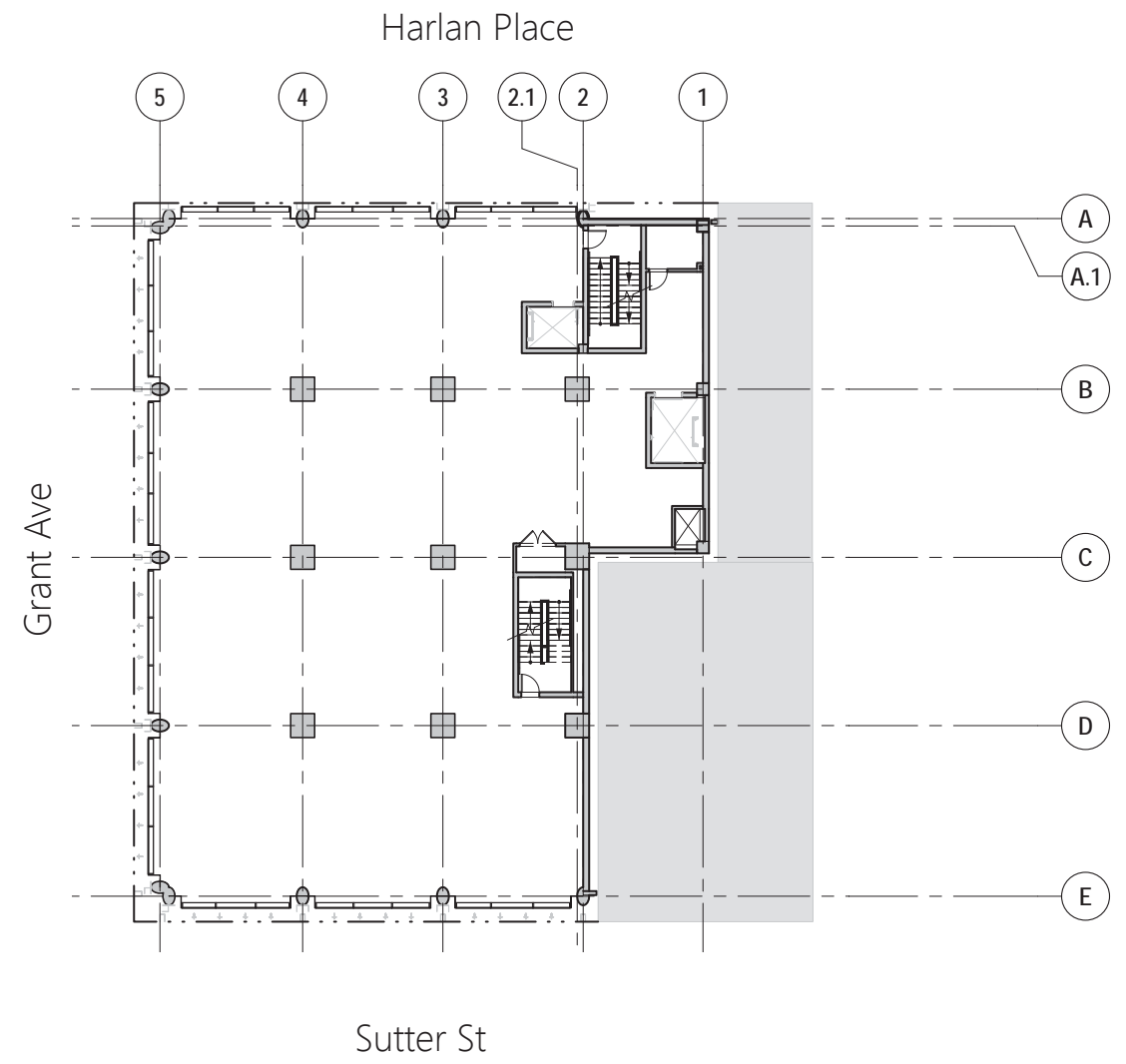


Grant Ave



Sutter St

Existing



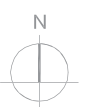
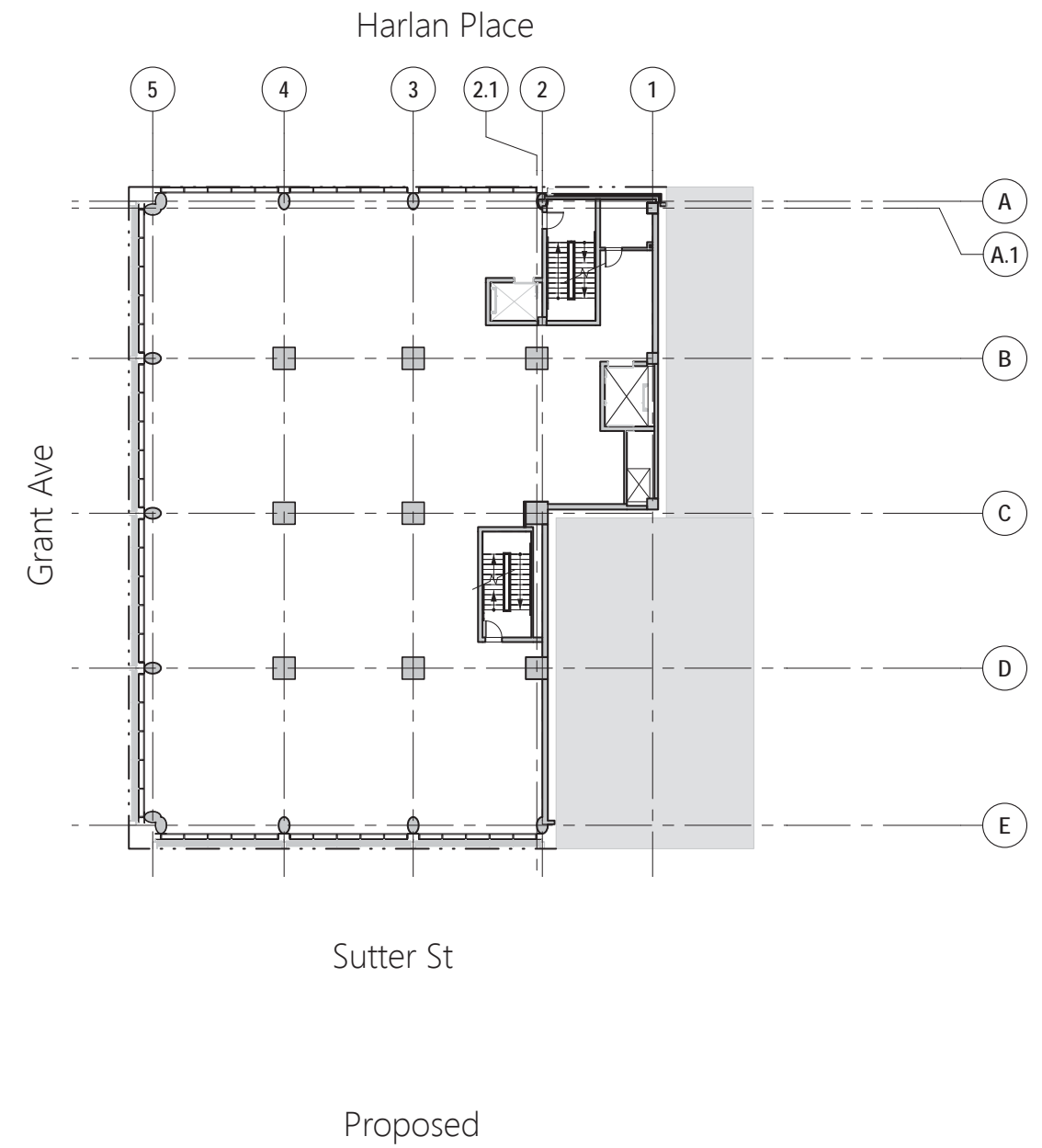
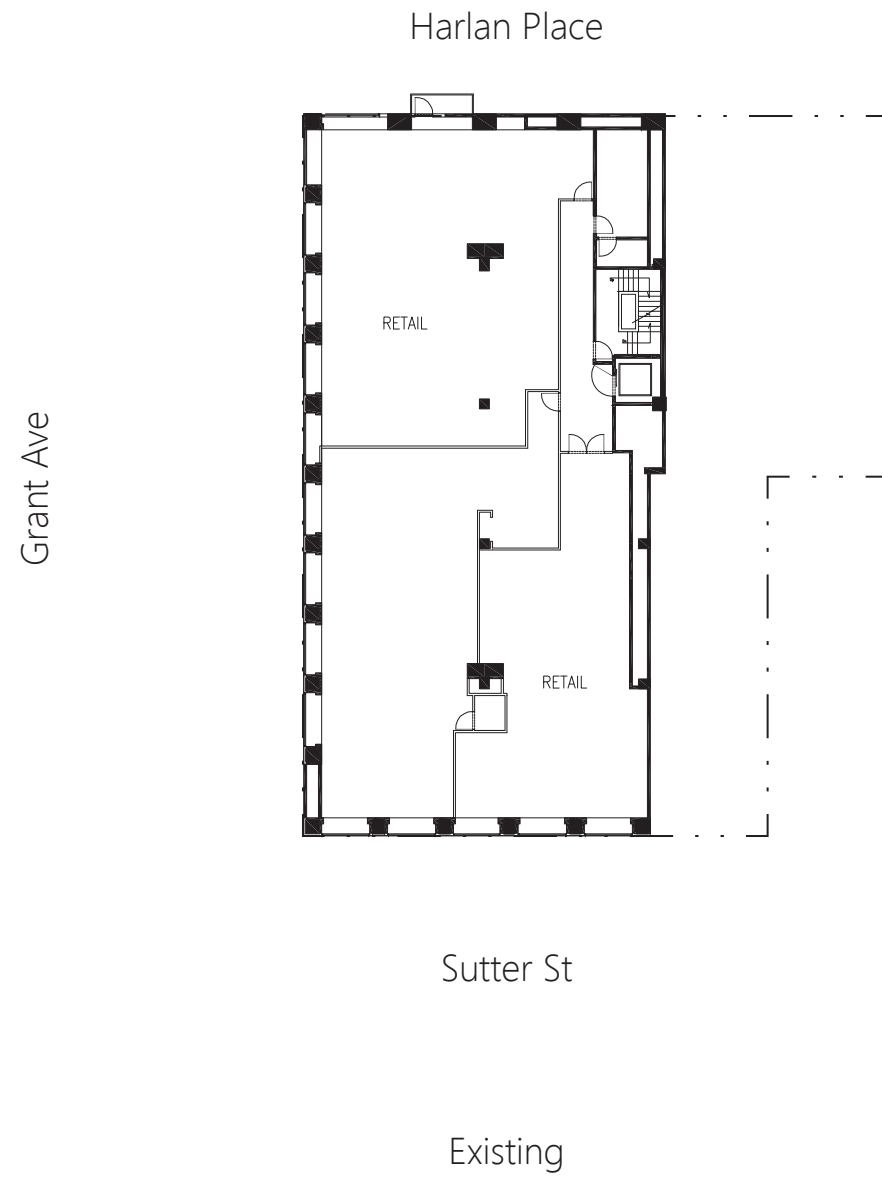
Sutter St

Proposed



10

2nd Floor Comparison



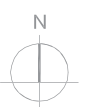
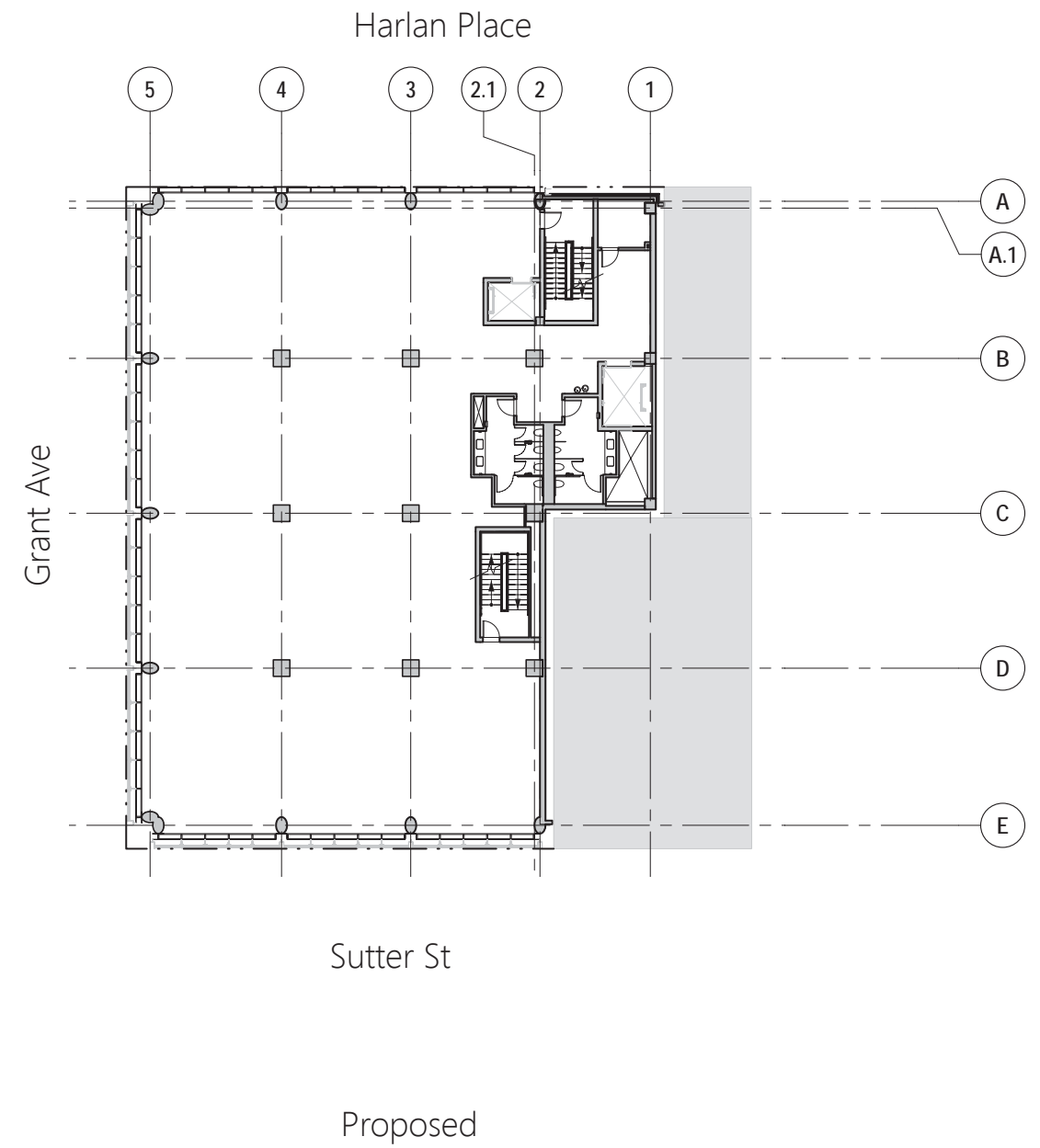
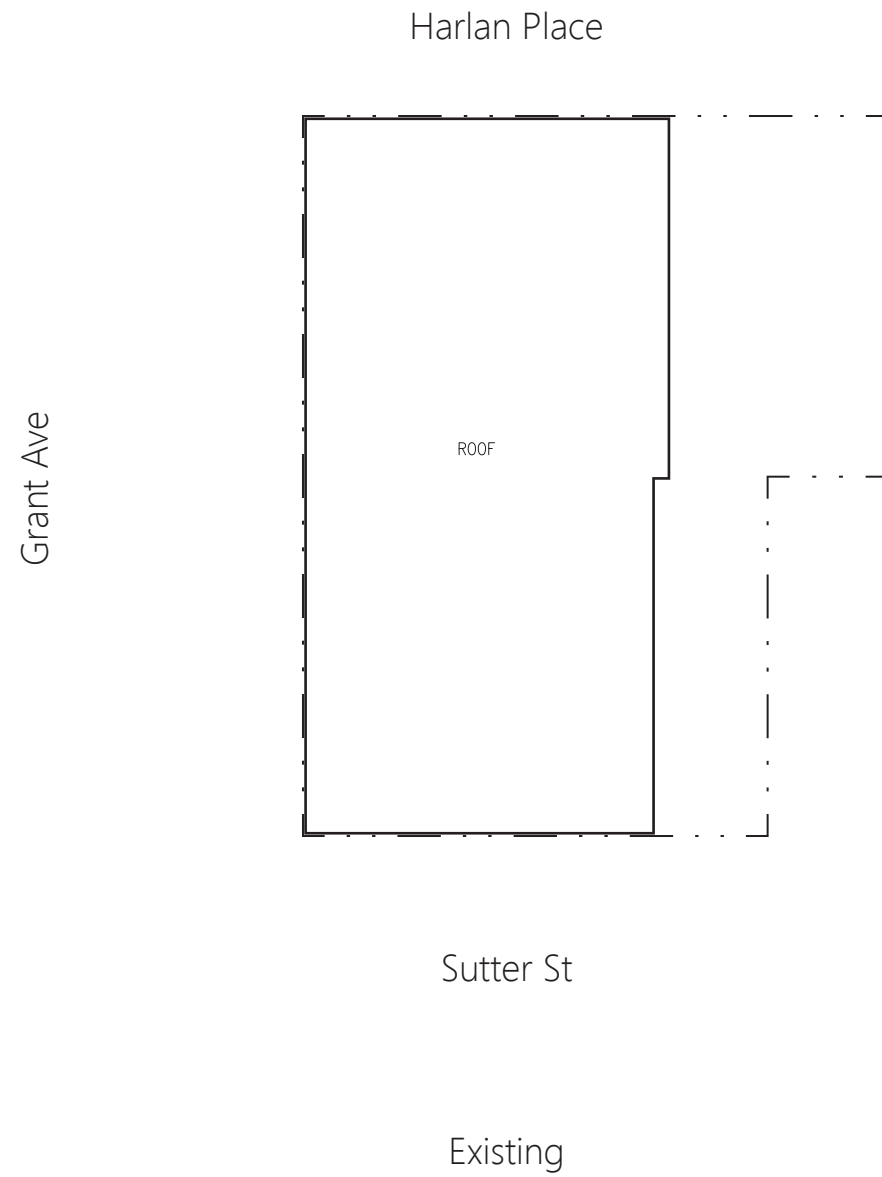
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3rd Floor Comparison



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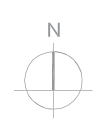
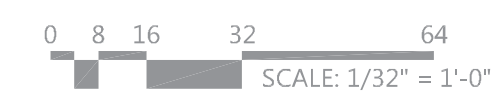
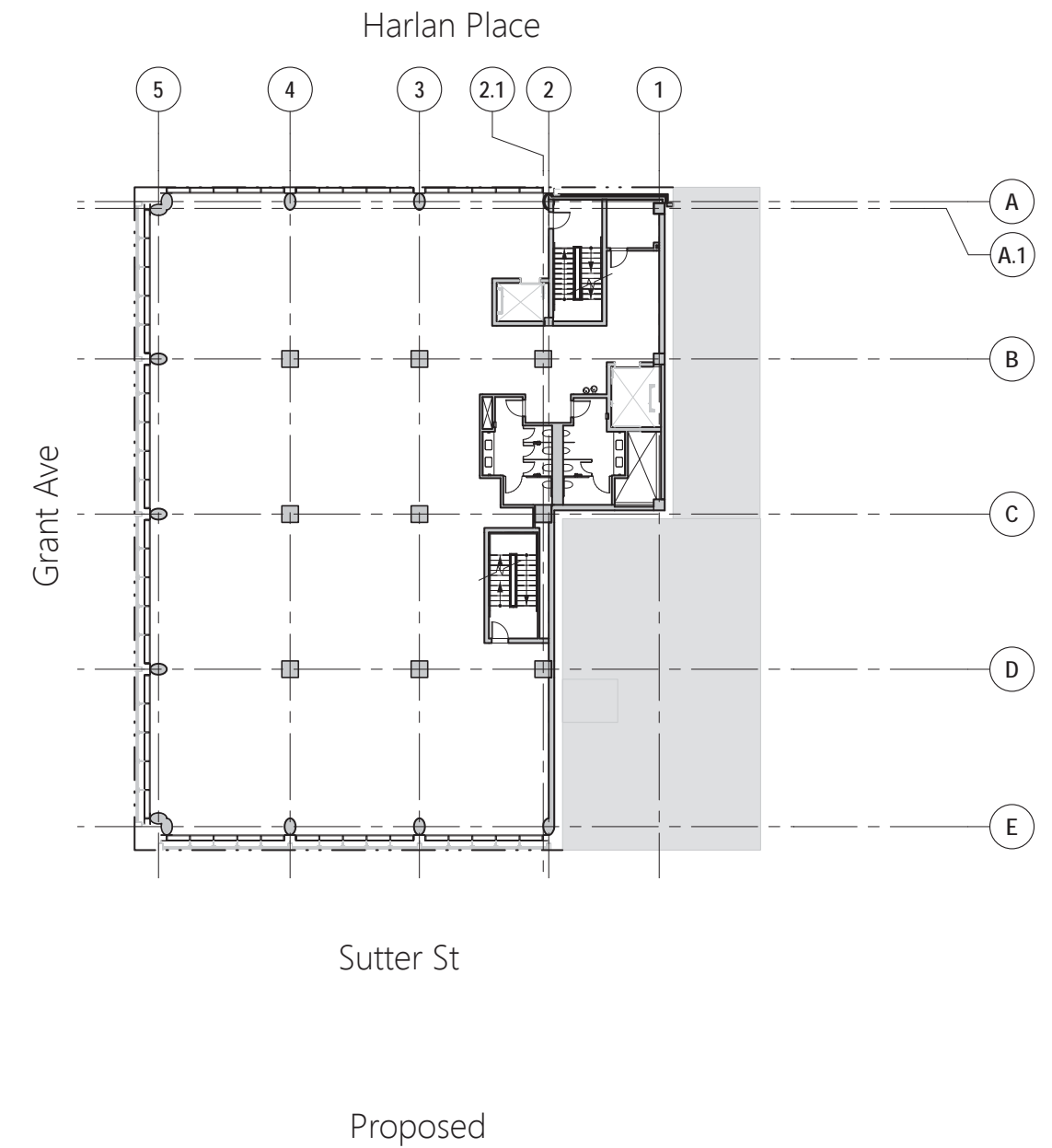
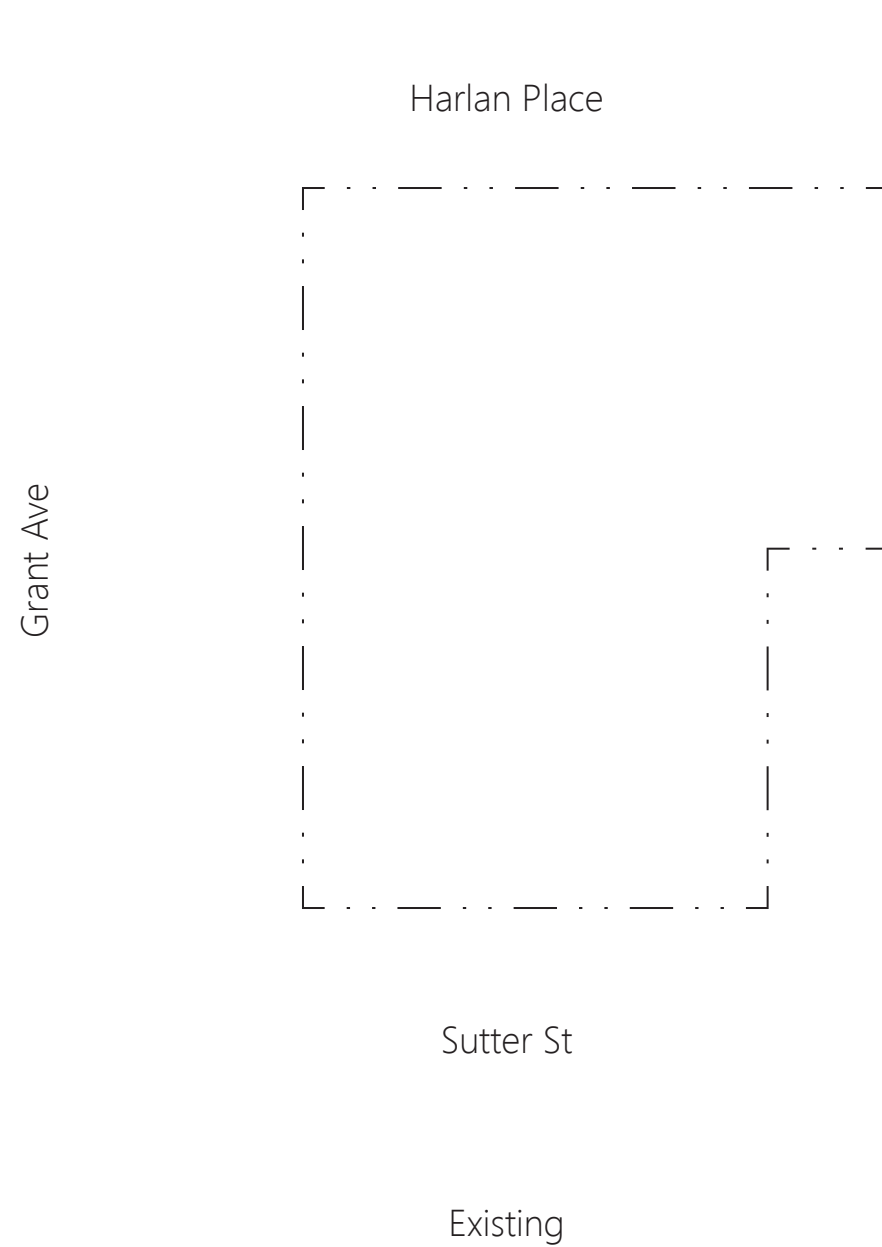
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4th Floor Comparison

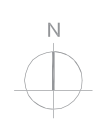
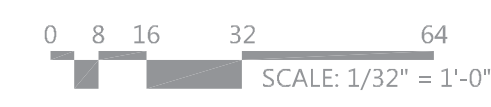
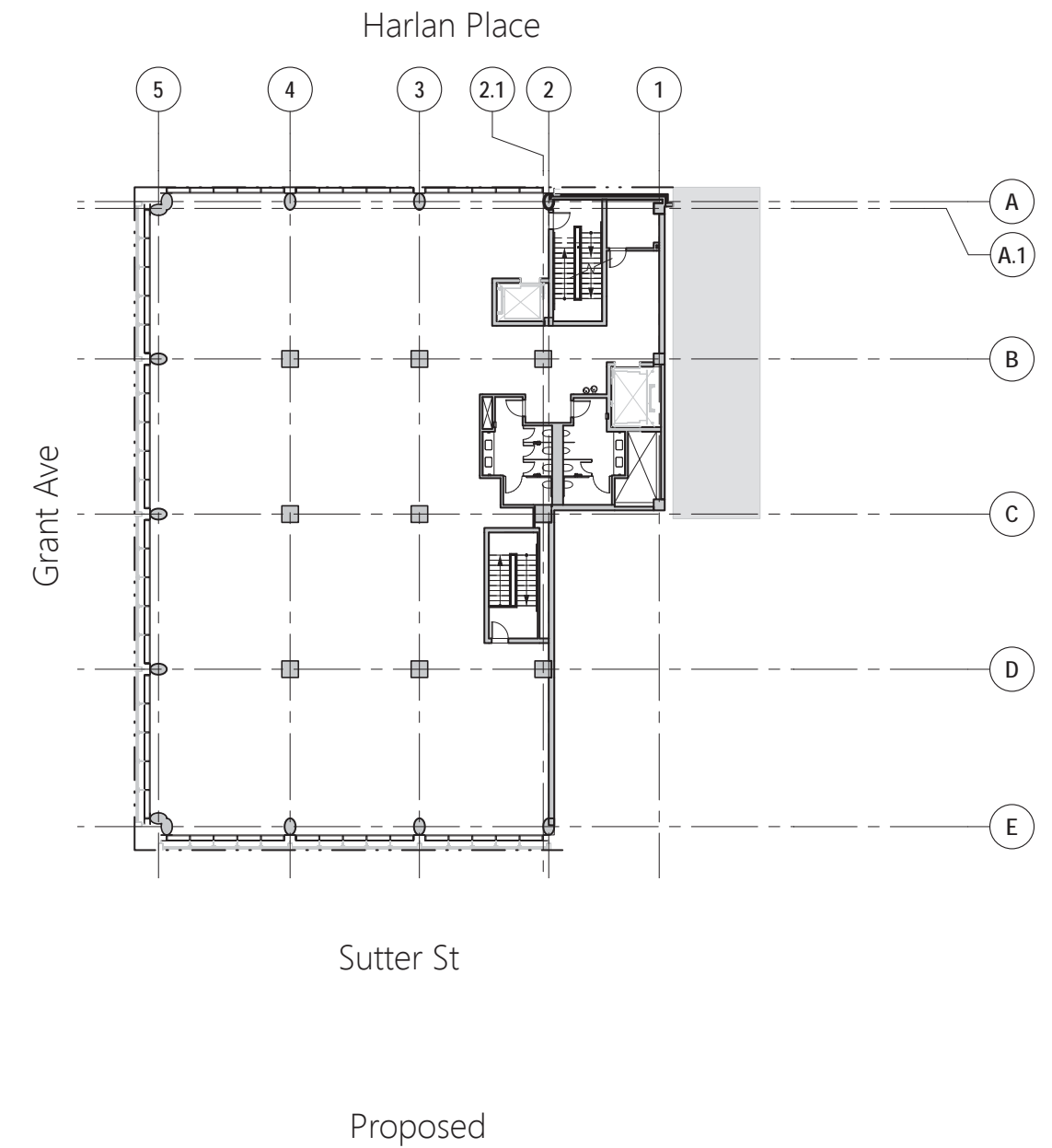
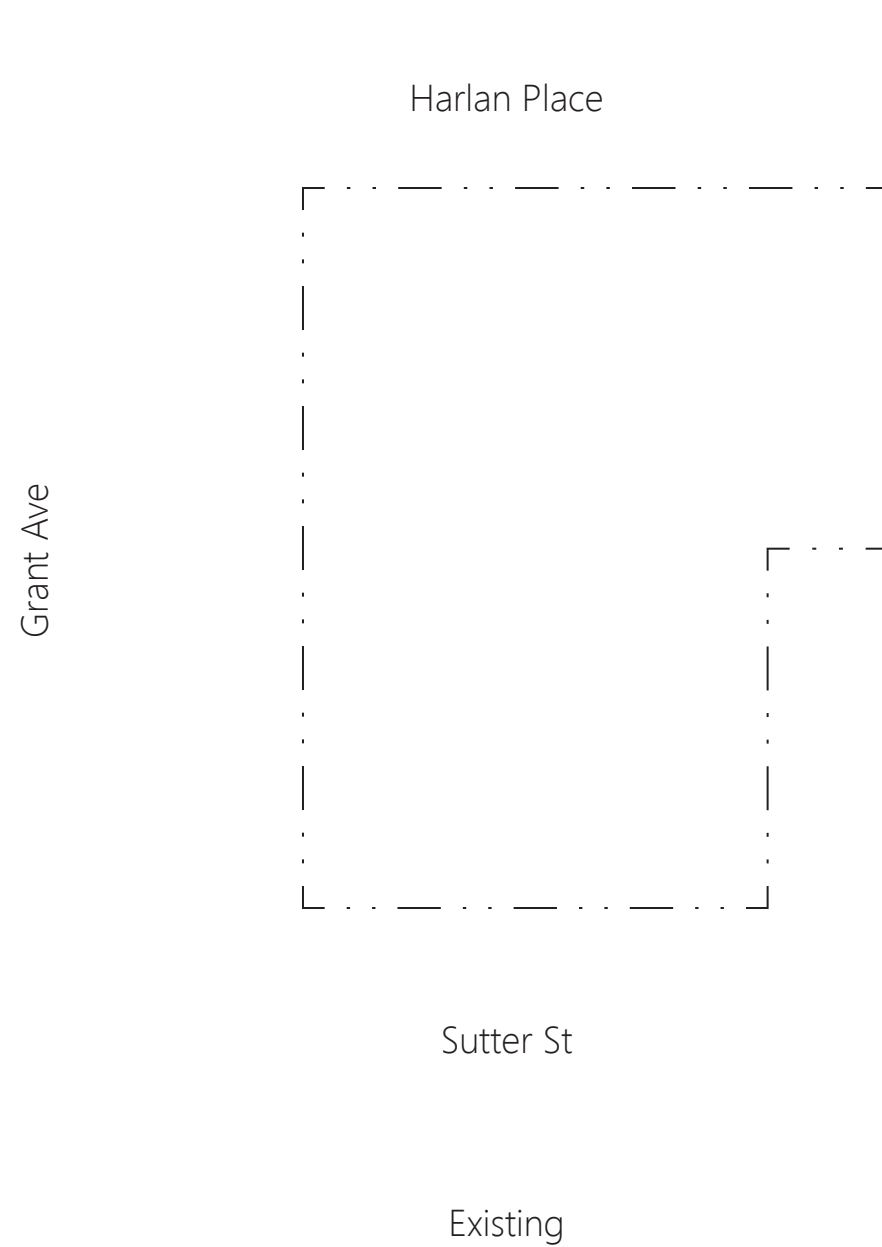




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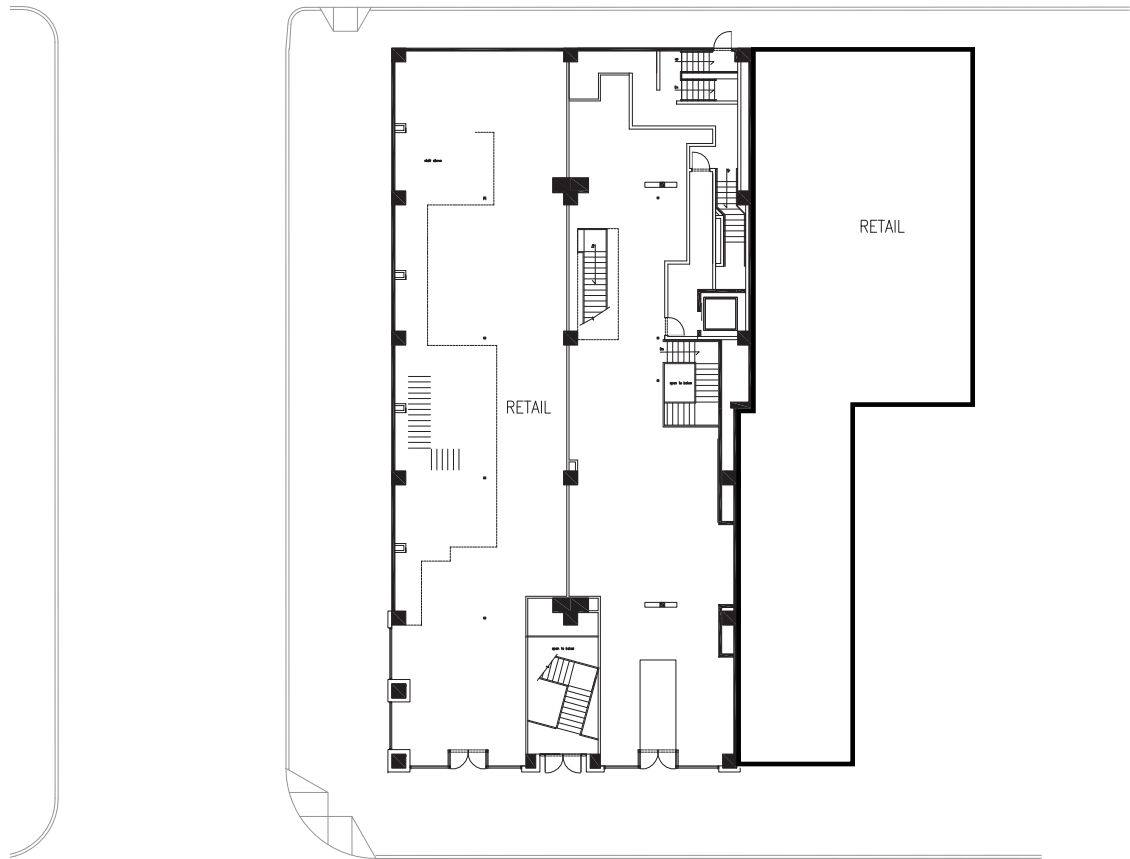
5th Floor Comparison





14

6th Floor Comparison



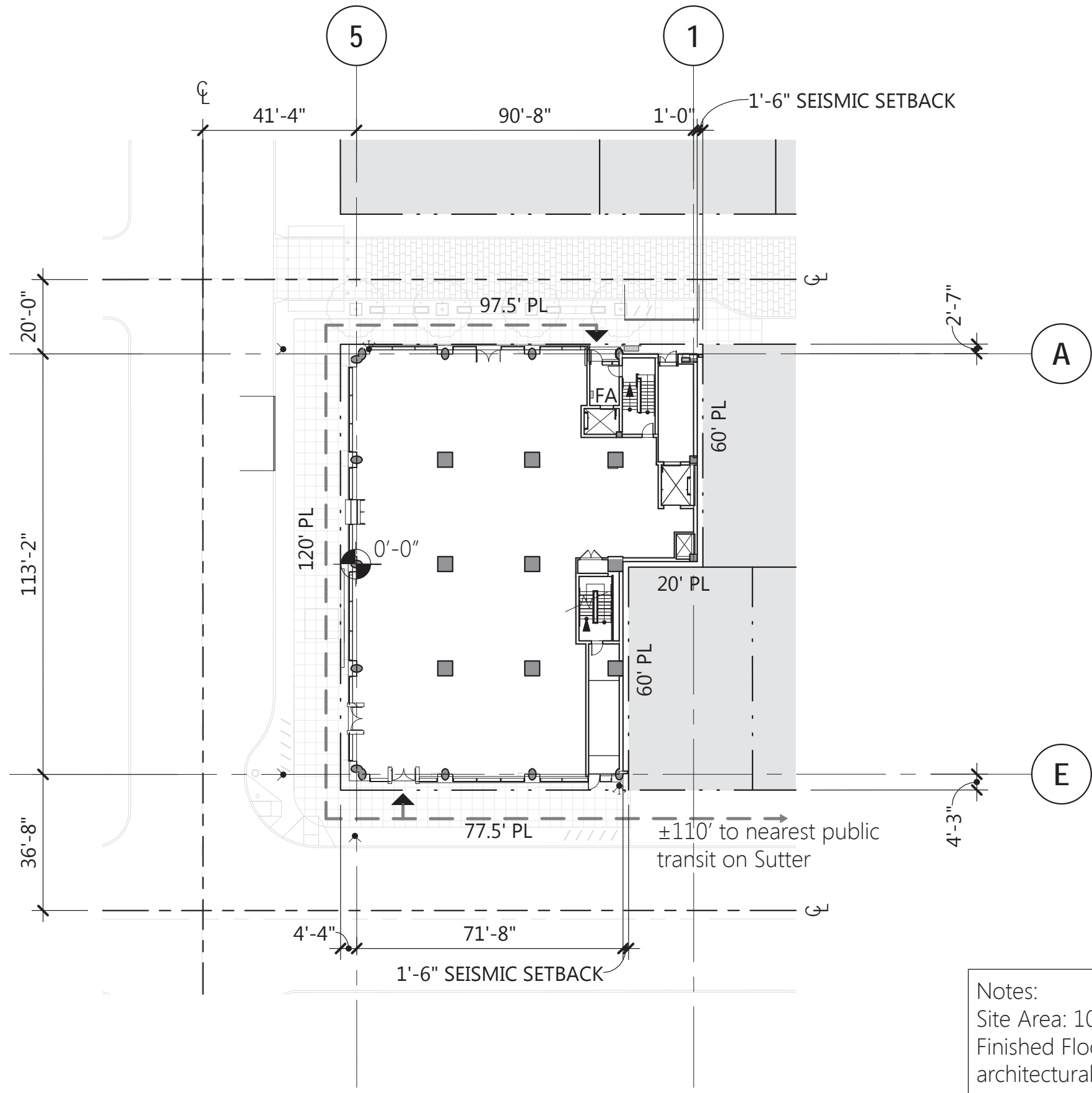
Existing Site Plan

15



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Notes:
 Site Area: 10,500 SF
 Finished Floor at 48.42' equals
 architectural datum -3'-11"



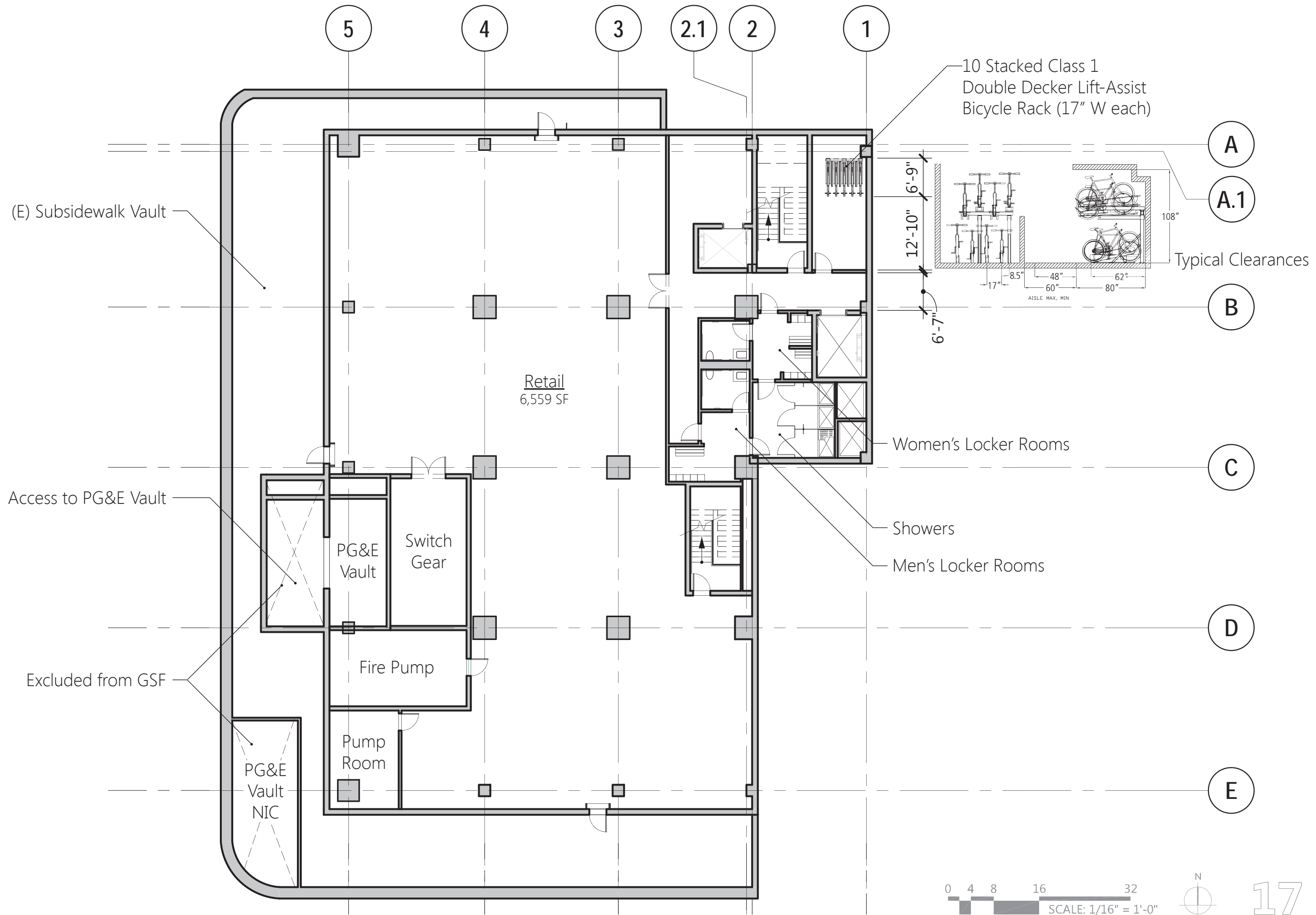
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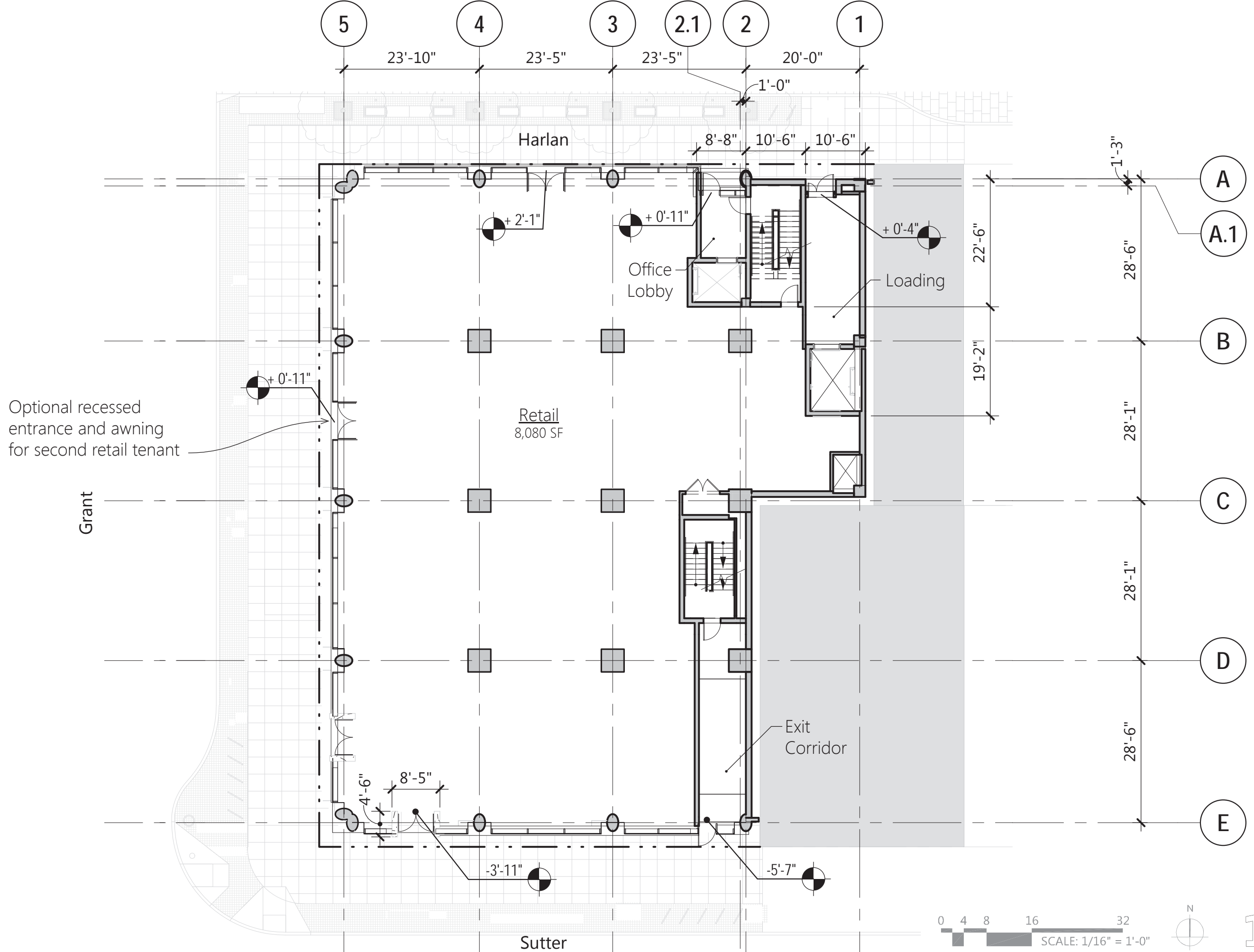
Proposed Site Plan



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Optional recessed
entrance and awning
for second retail tenant

Retail
8,080 SF

Office
Lobby

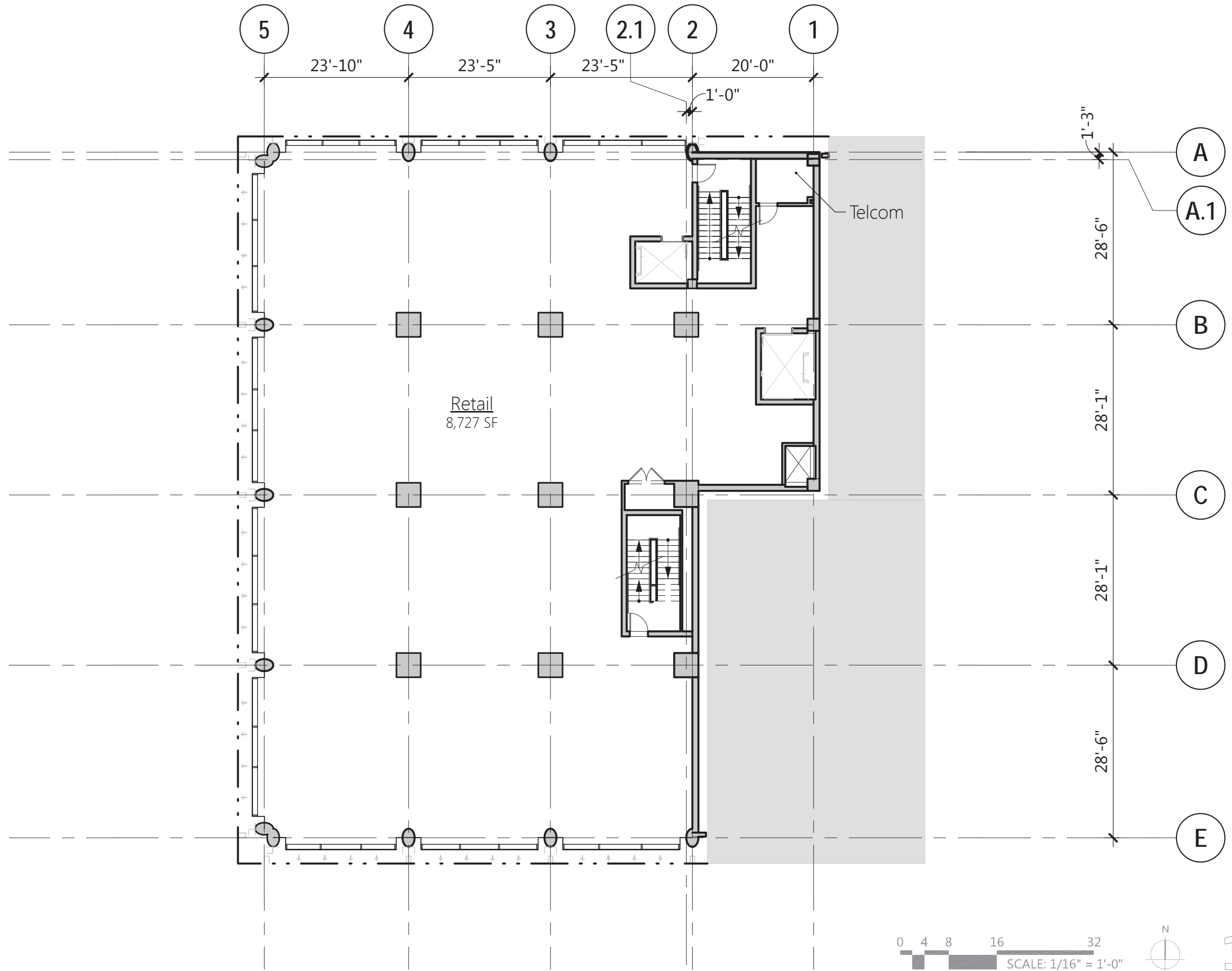
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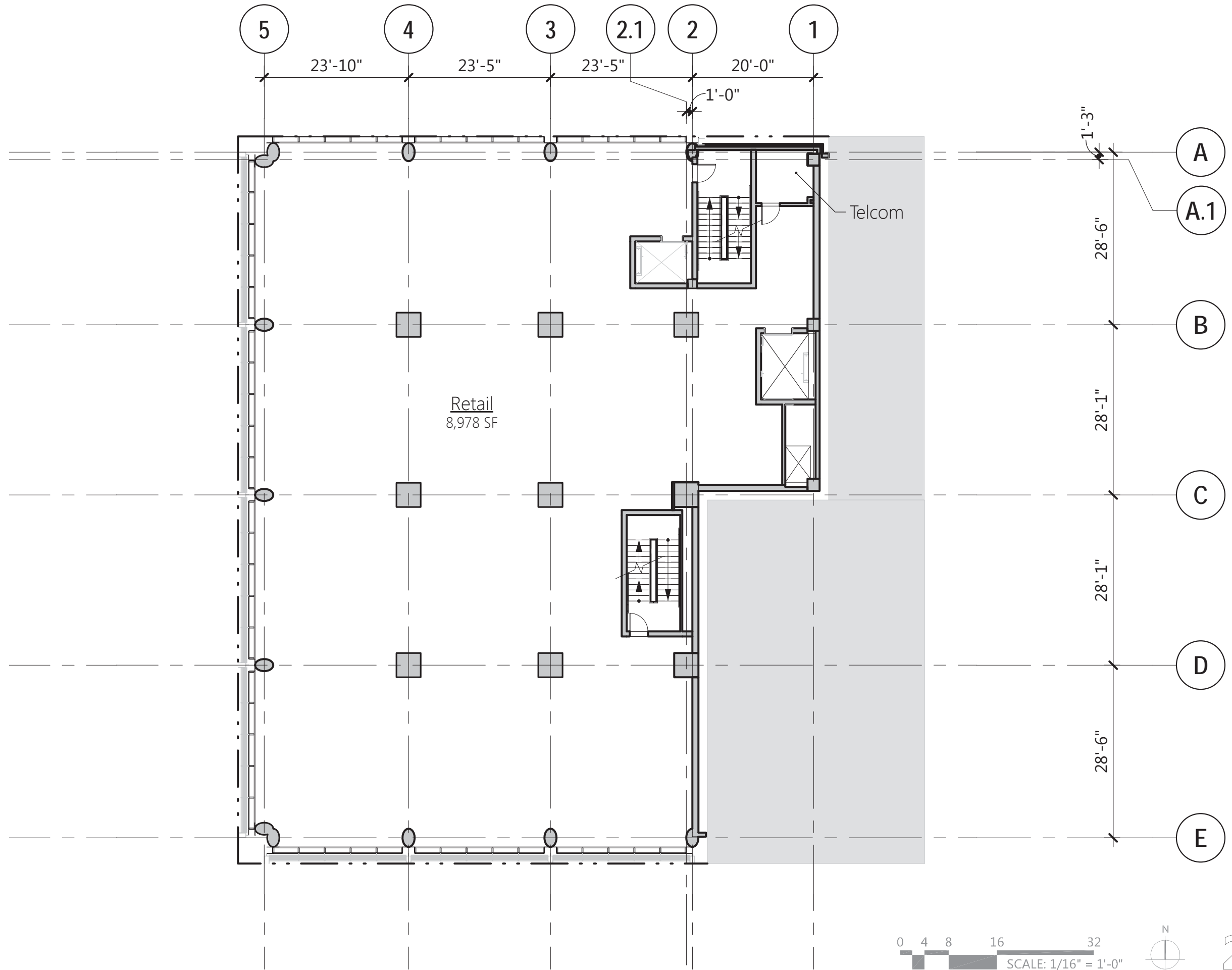
Exit
Corridor



18

1st Floor Plan







0 4 8 16 32
SCALE: 1/16" = 1'-0"



21

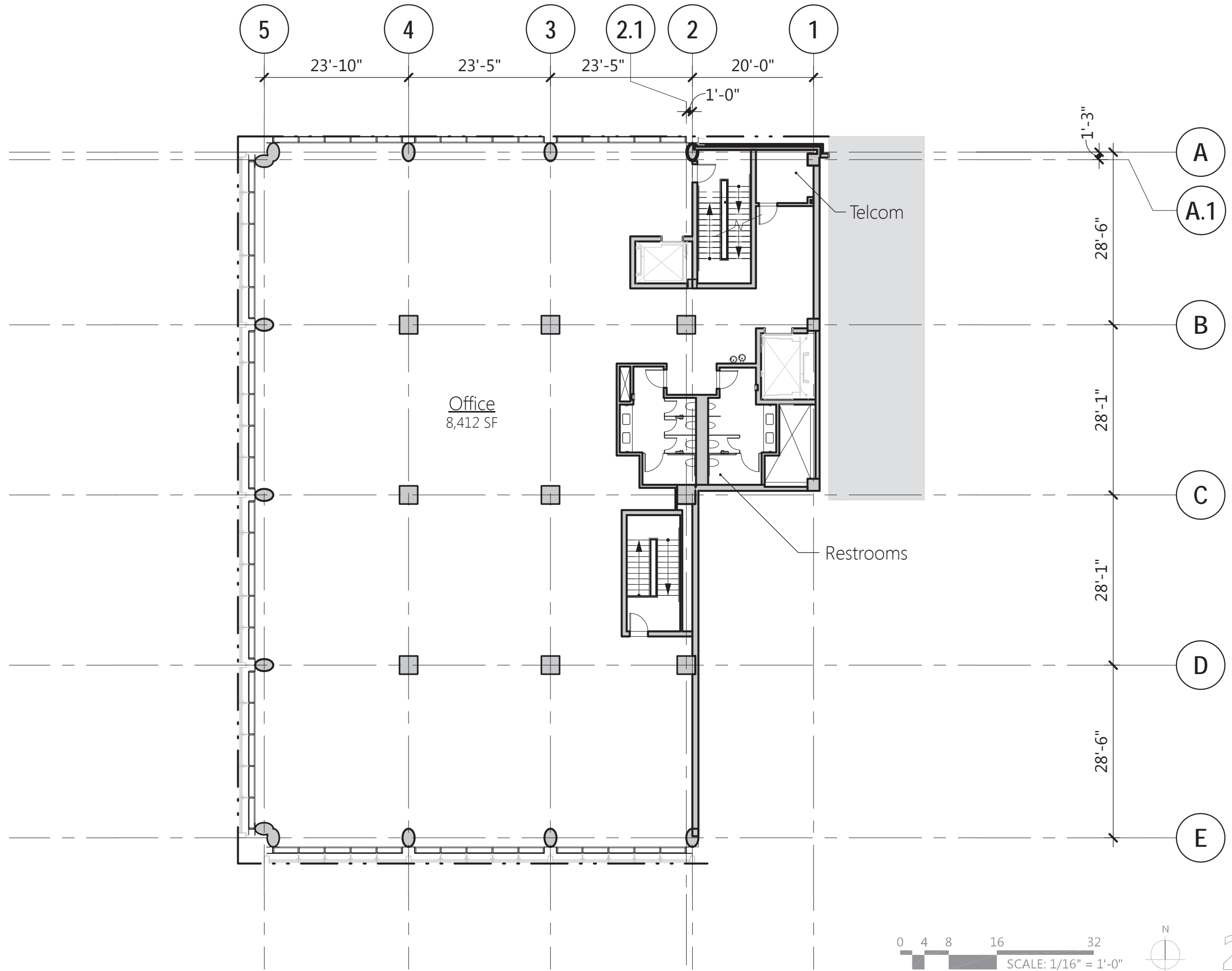
4th Floor Plan



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0 4 8 16 32
SCALE: 1/16" = 1'-0"



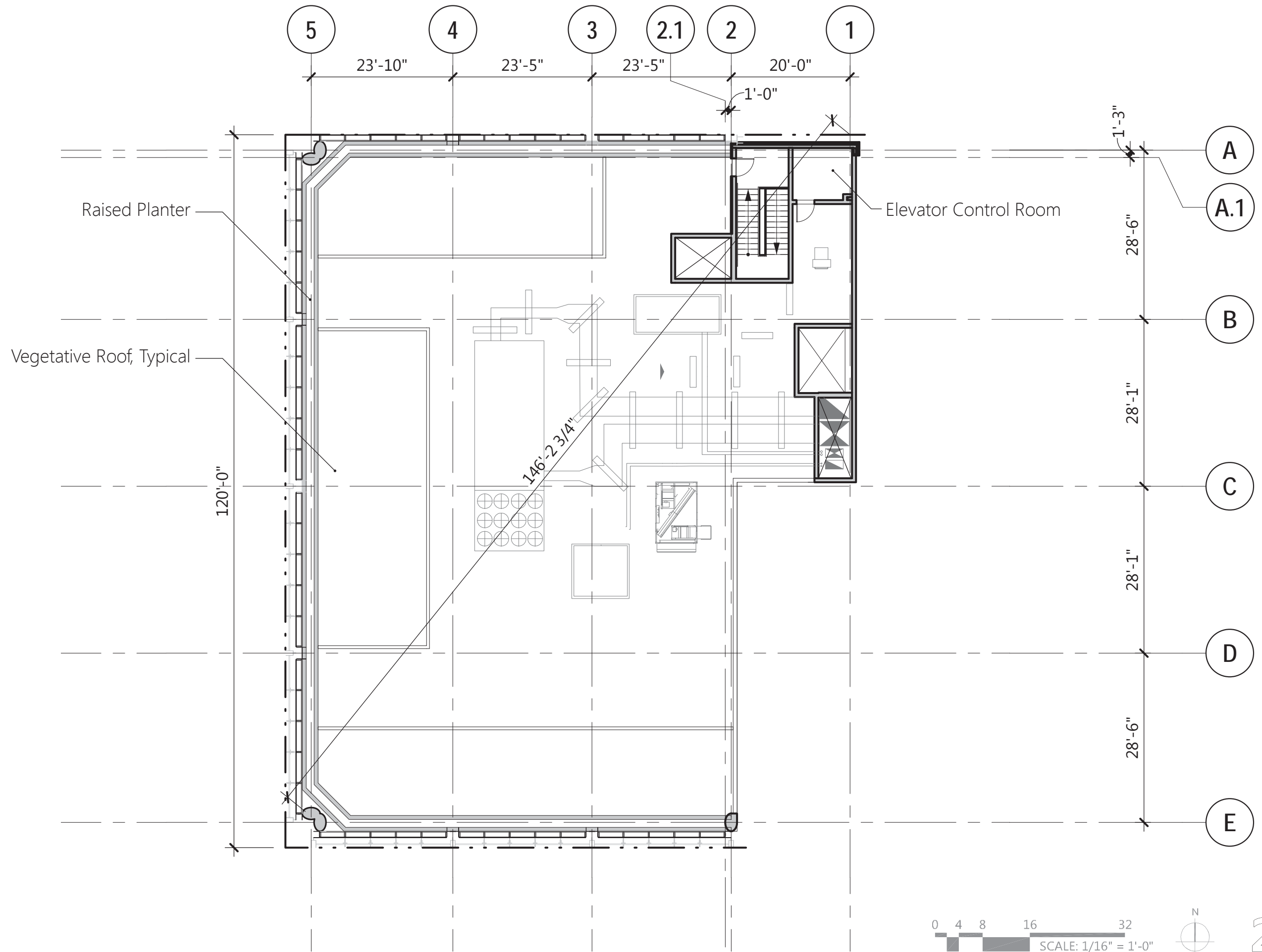
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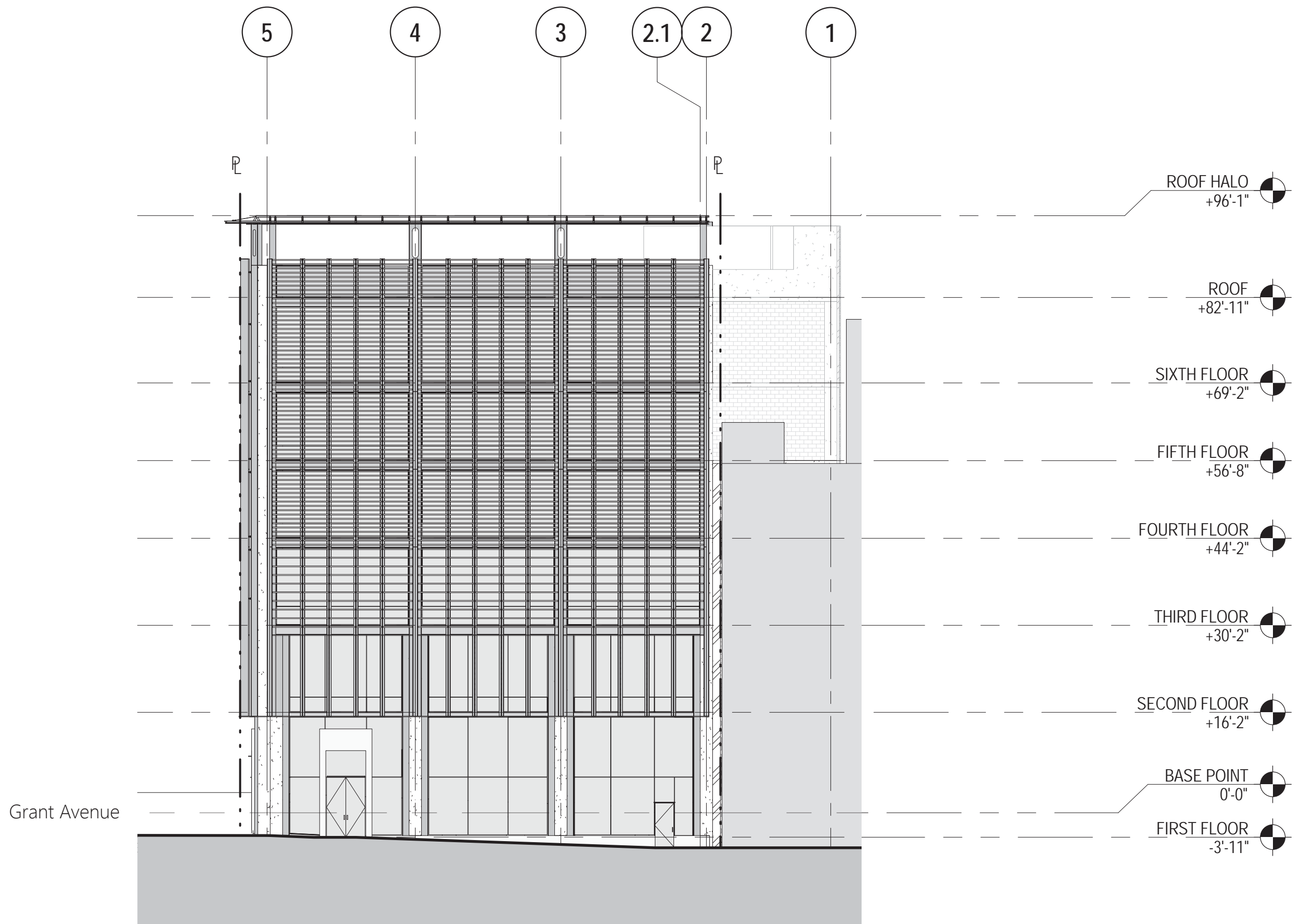
6th Floor Plan

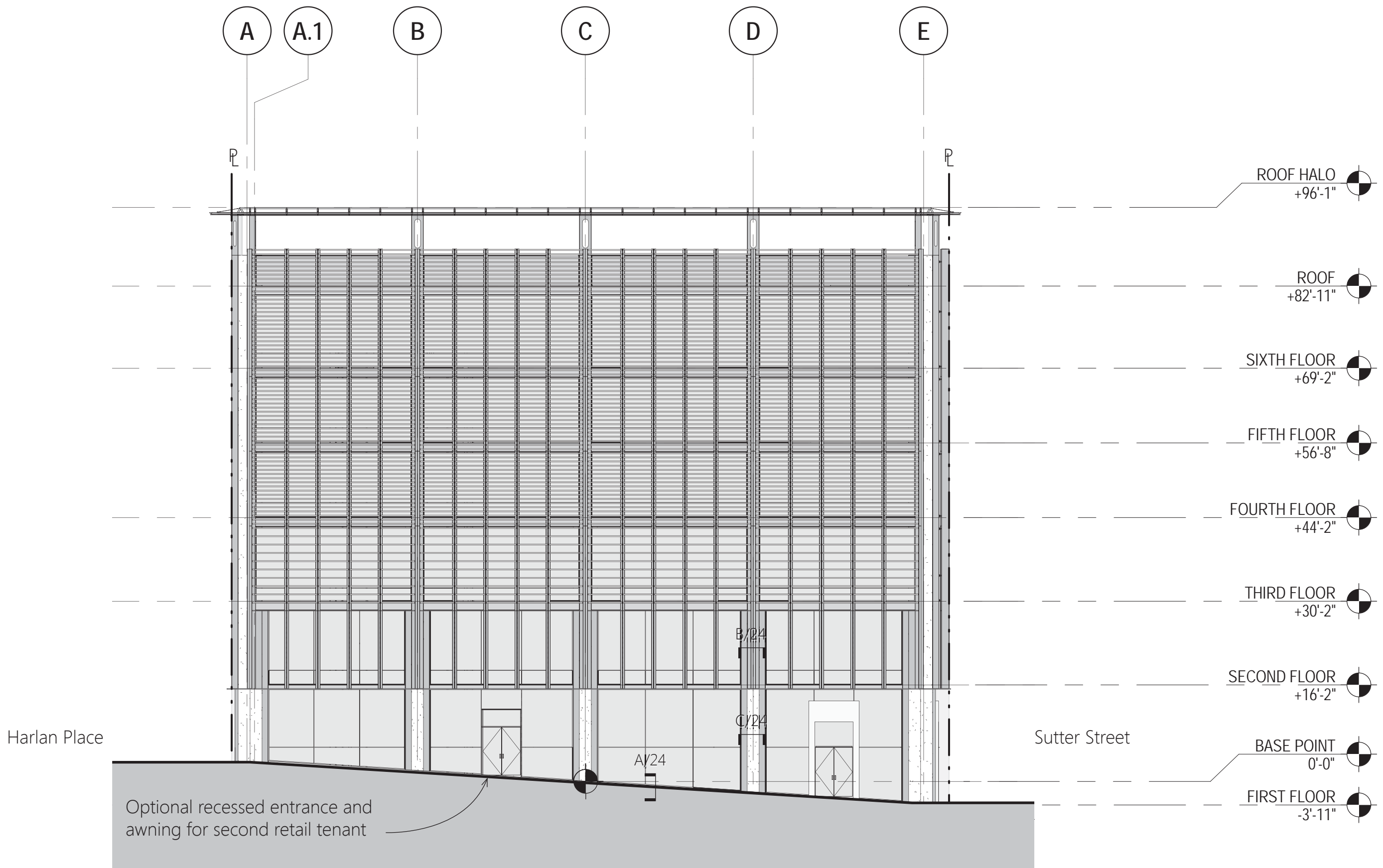


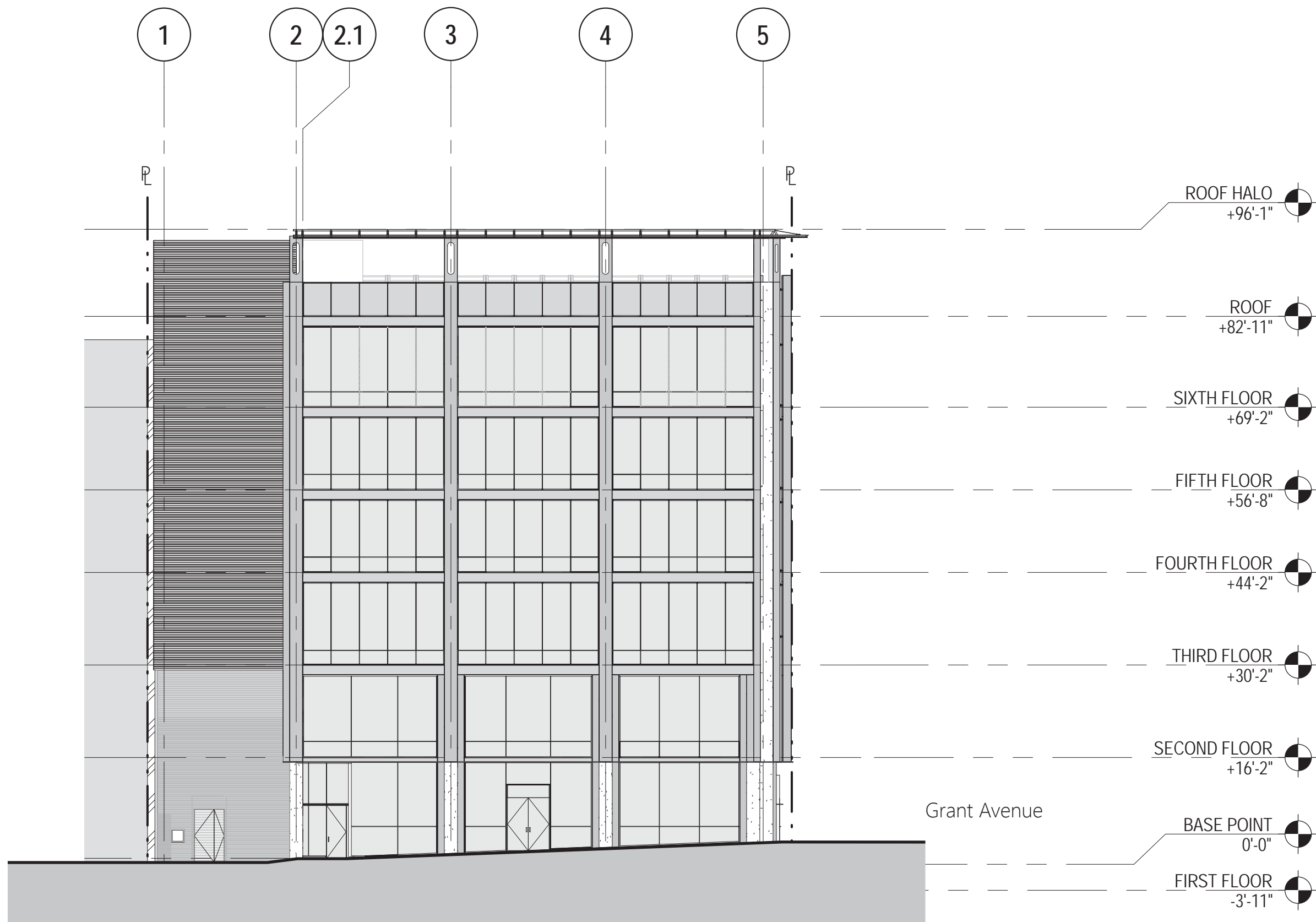
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0 4 8 16 32
SCALE: 1/16" = 1'-0"

27
North Elevation

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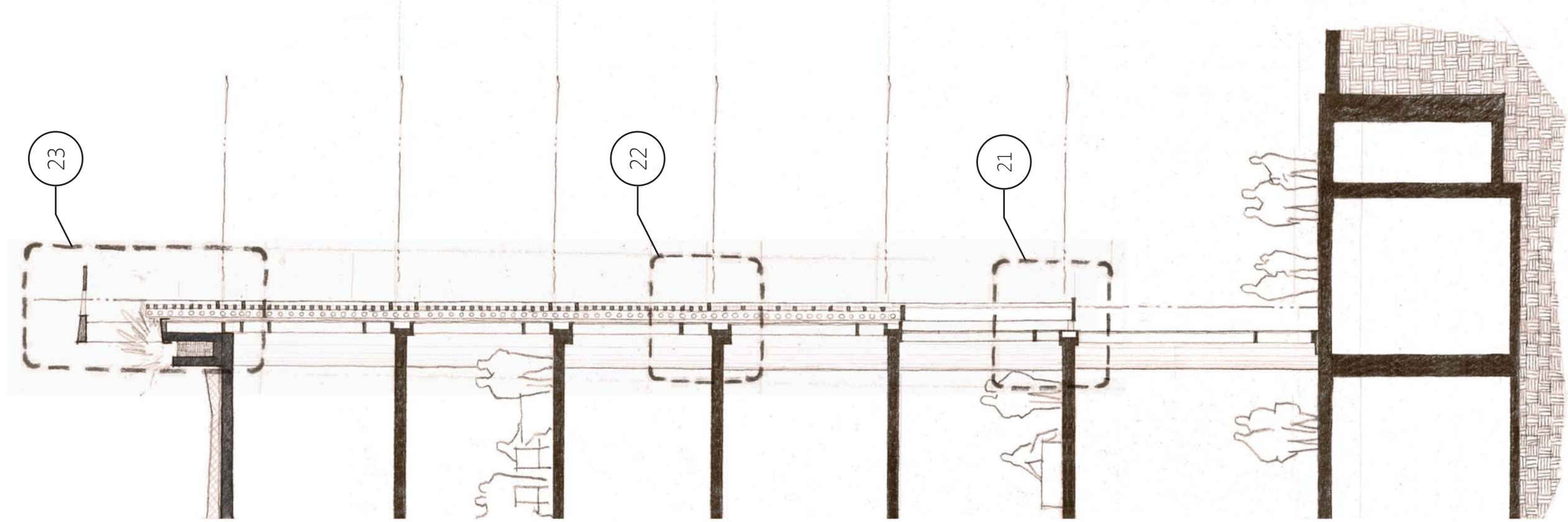
Architectural terra cotta
rain screen cladding

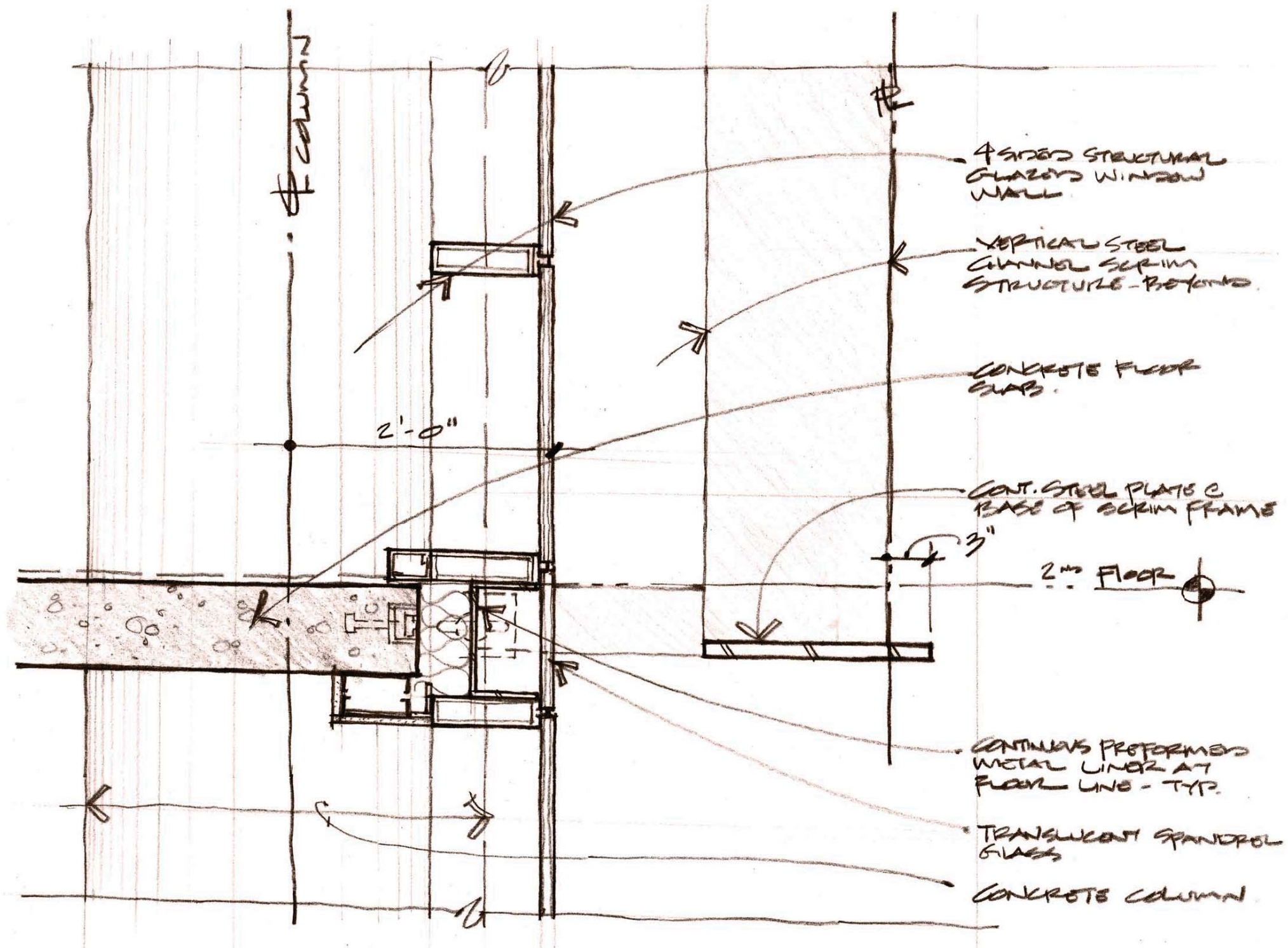
Corrugated metal panel

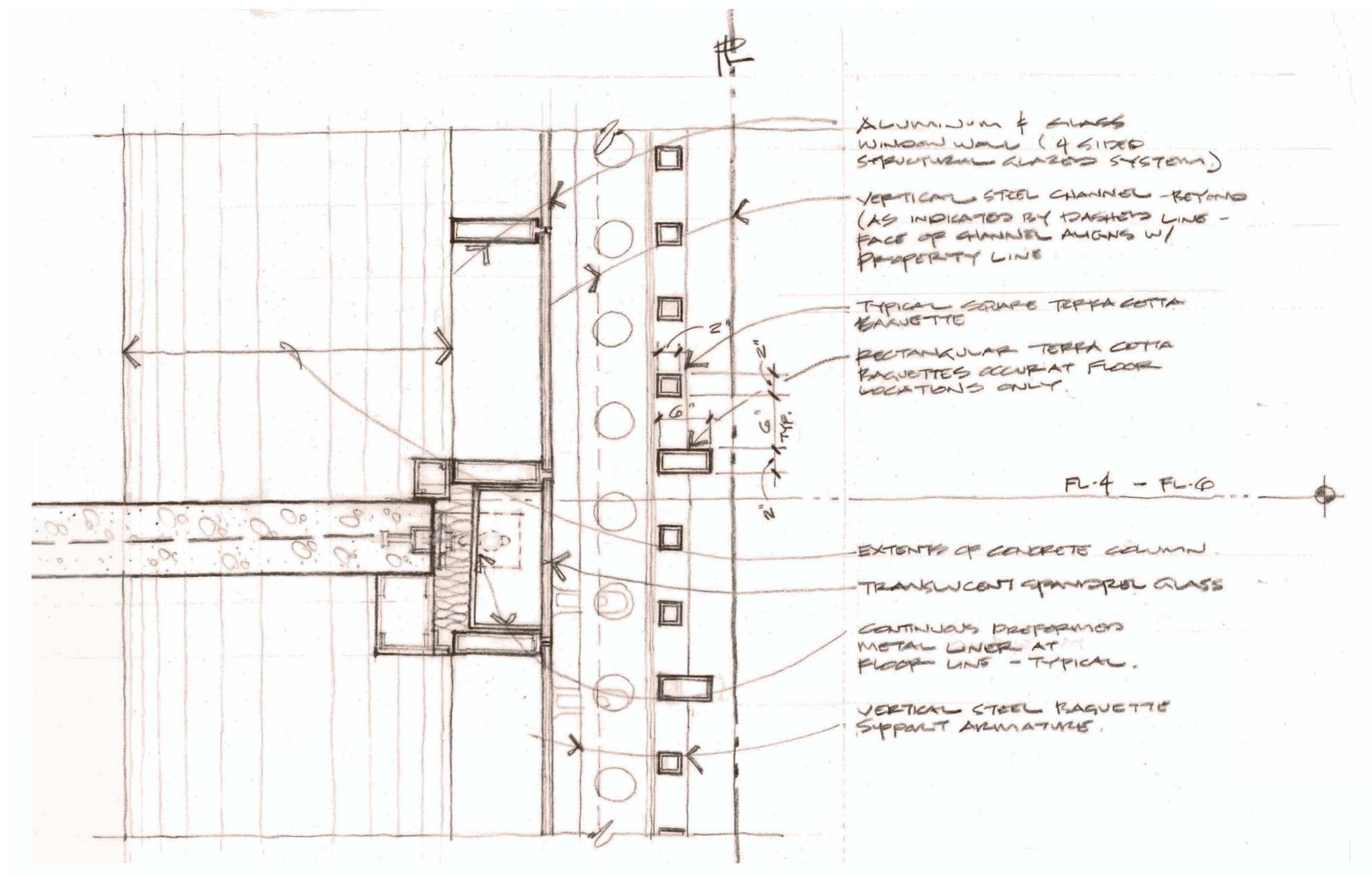
ROOF HALO
+96'-1"
HIGH ROOF
+91'-11"
ROOF
+82'-11"
SIXTH FLOOR
+69'-2"
FIFTH FLOOR
+56'-8"
FOURTH FLOOR
+44'-2"
THIRD FLOOR
+30'-2"
SECOND FLOOR
+16'-2"
BASE POINT
0'-0"

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ALUMINUM & GLASS
WINDOW WALL (4 GLAZED
STRUCTURAL GLAZED SYSTEM)

VERTICAL STEEL CHANNEL - REINFORCED
(AS INDICATED BY DASHED LINE -
FACE OF CHANNEL ALIGNS W/
PROPERTY LINE)

TYPICAL SQUARE TERRA COTTA
BARQUETTE

RECTANGULAR TERRA COTTA
BARQUETTES OCCUR AT FLOOR
LOCATIONS ONLY.

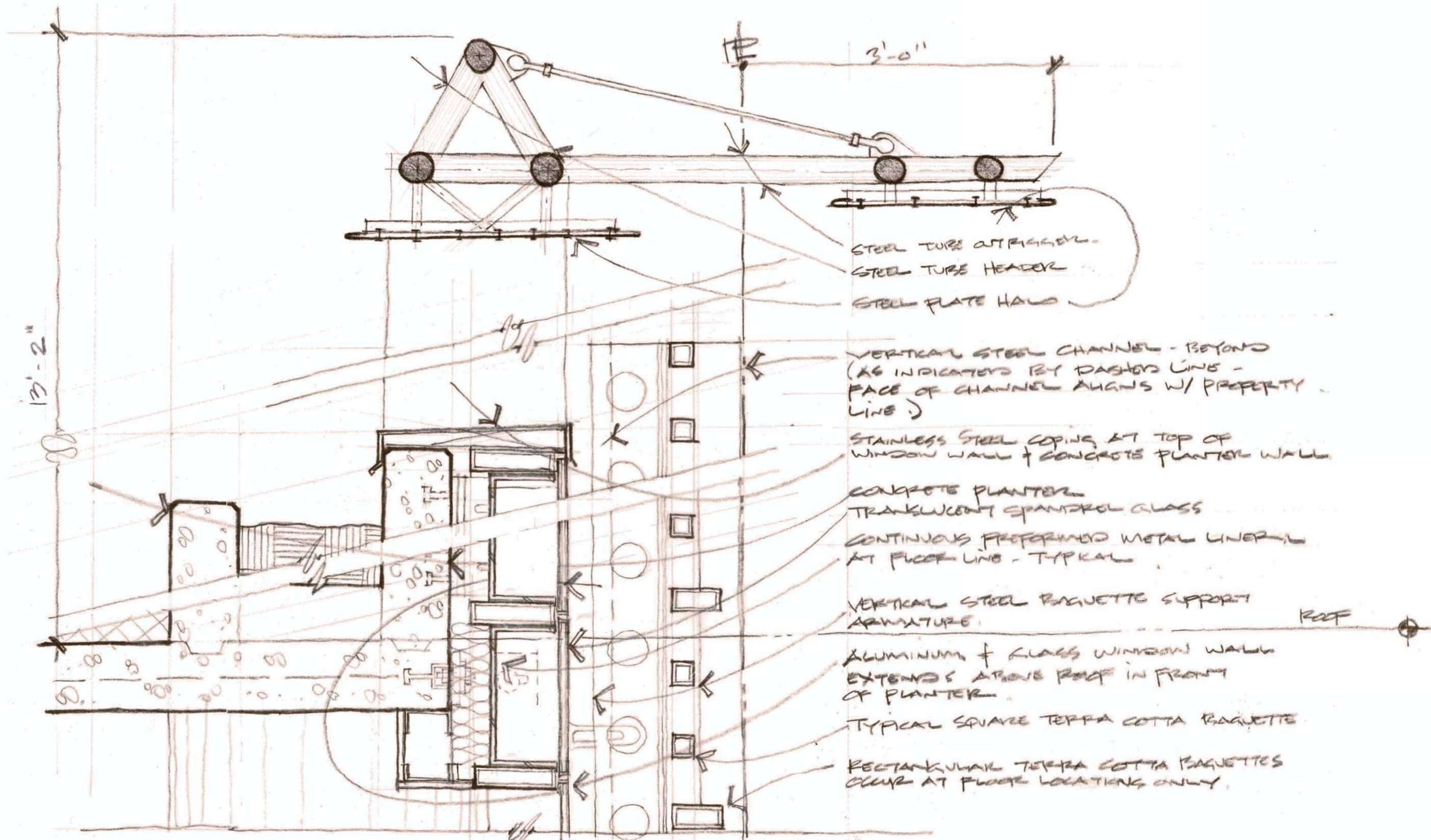
FL-4 - FL-4

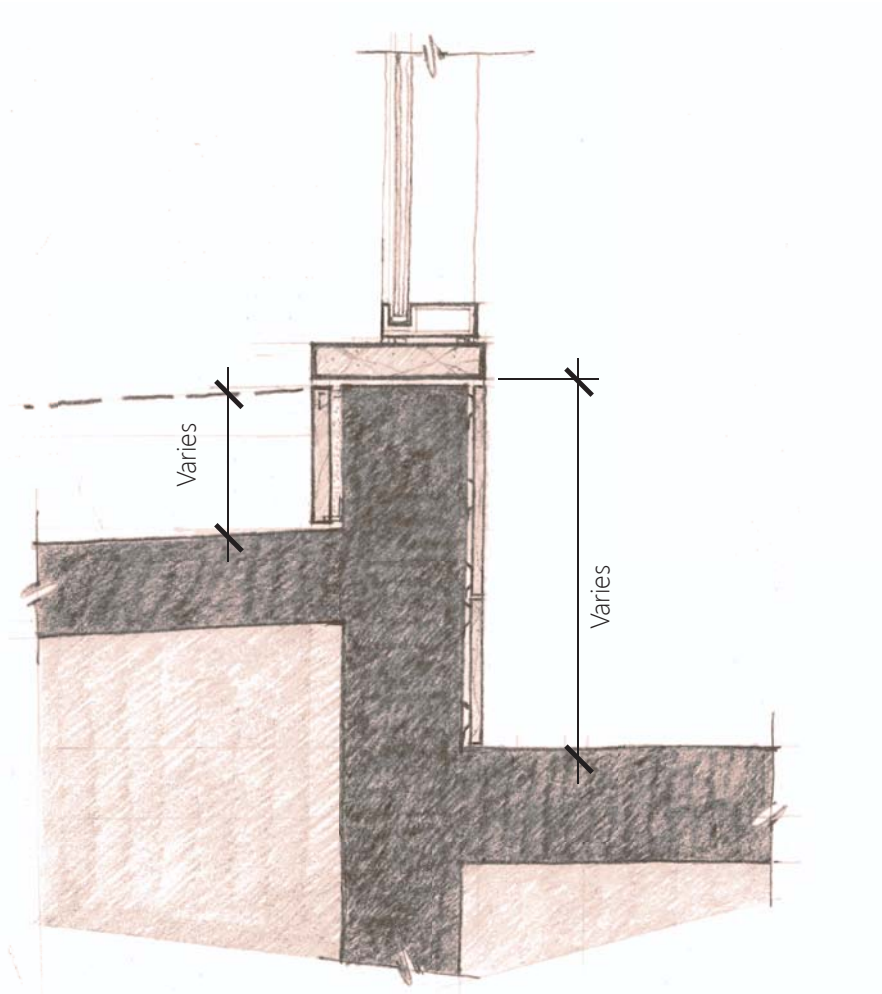
EXTENTS OF CONCRETE COLUMN

TRANSLUCENT SPANDREL GLASS

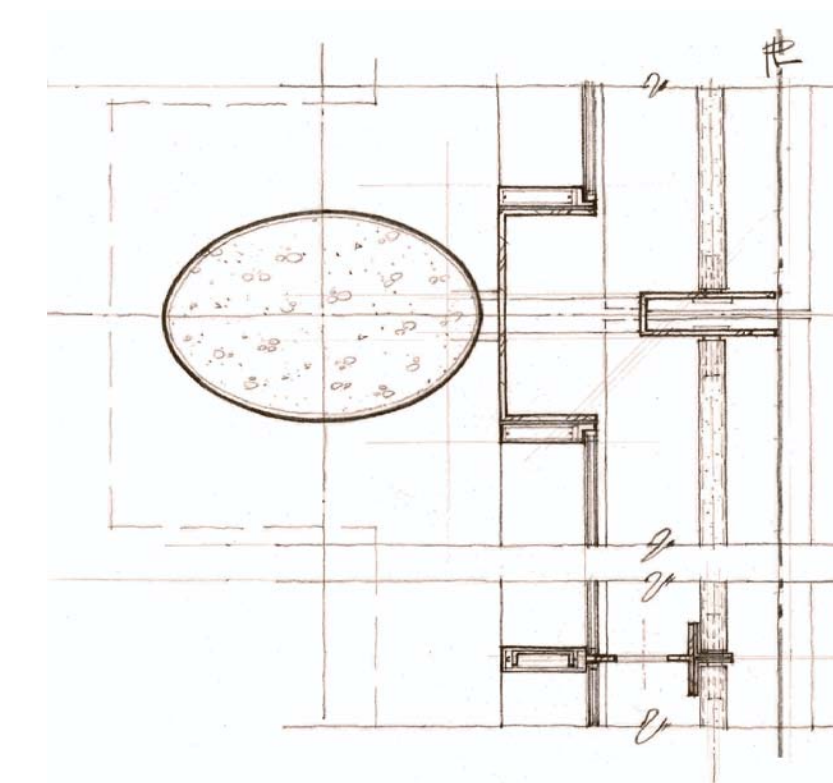
CONTINUOUS PREFORMED
METAL LINER AT
FLOOR LINE - TYPICAL.

VERTICAL STEEL BARQUETTE
SUPPORT ARMATURES

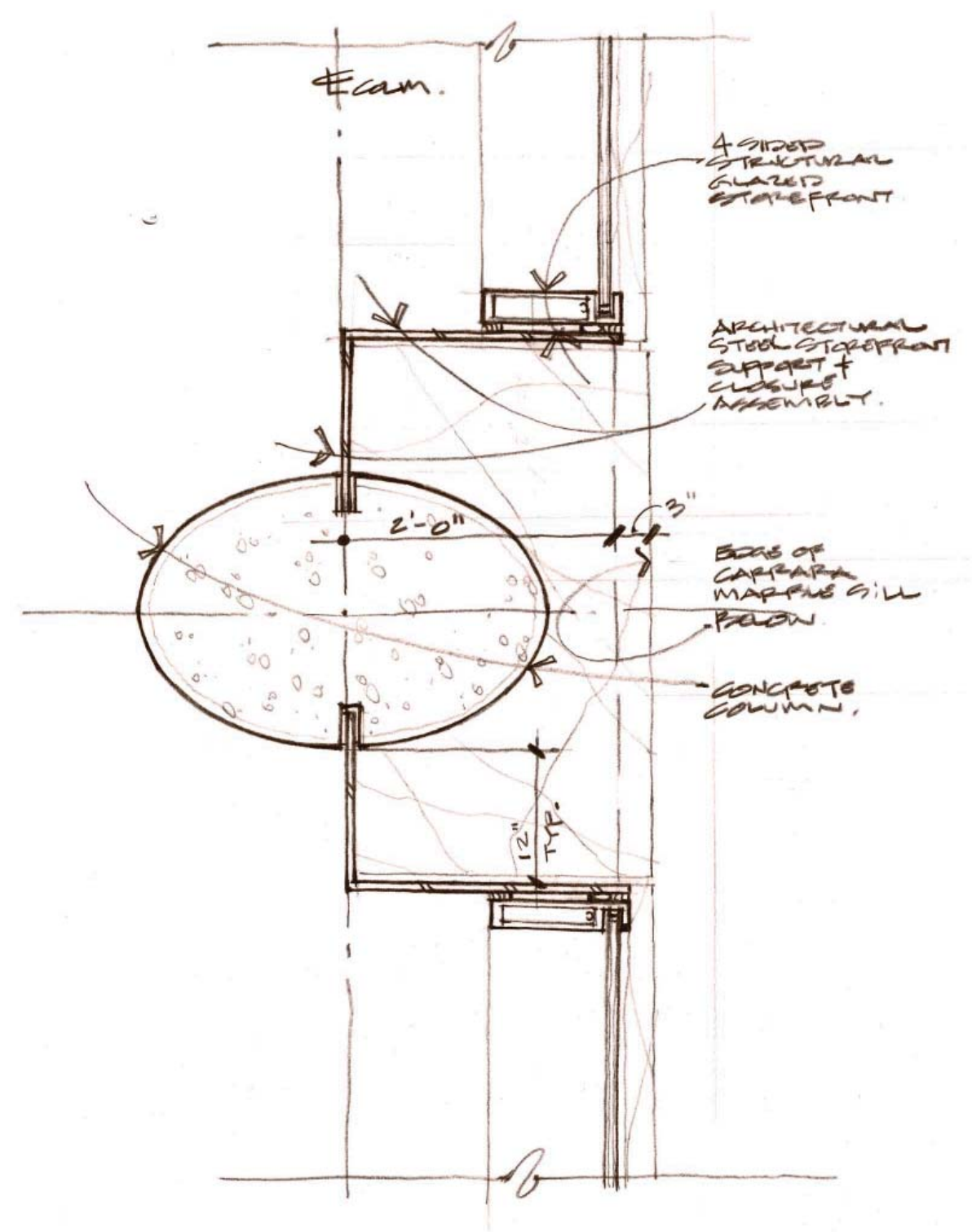




Section-A



Section-B



Section-C



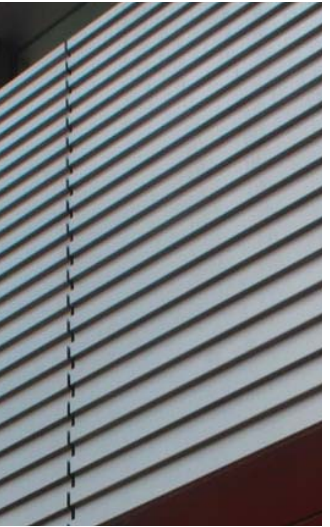
Terra Cotta 1



Terra Cotta 2



Terra Cotta 3



Painted Metal 1

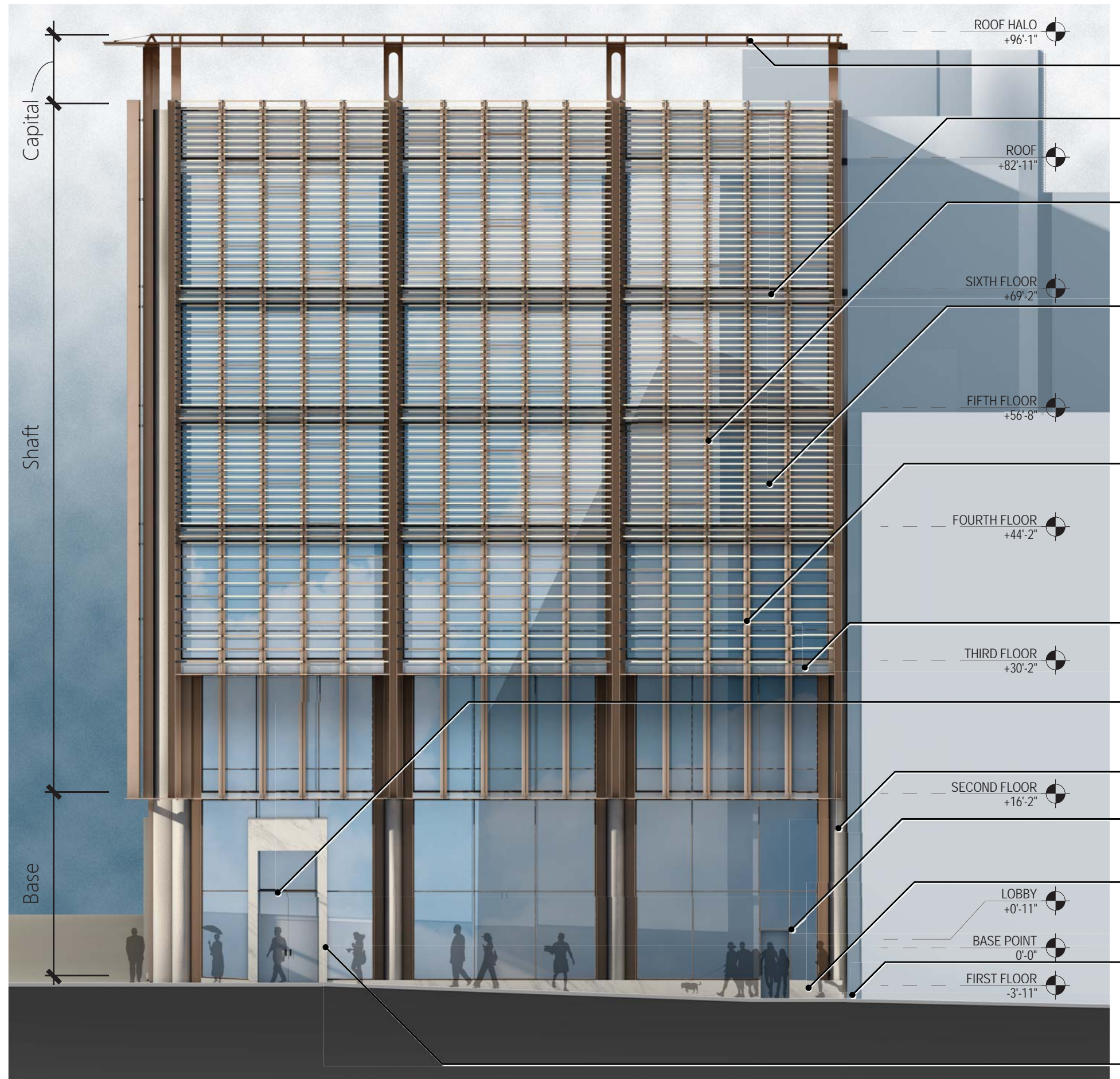


Painted Metal 2



Bronze





- A) Steel halo to receive bronze paint coating
- B) Deeper baguettes at floor lines express horizontal frame
- C) Steel plate scrim frame to receive bronze paint coating
- D) Architectural terra cotta scrim over glass curtain wall; terra cotta baguettes occur in 3 colors, 50% density at 3rd floor
- E) Structural bays expressed via primary vertical grid at column lines and secondary horizontal grid at floor lines
- F) Translucent spandrel glass at floor lines
- G) Glass and bronze paint coated steel awning
- H) Ovoid white portland cement architectural concrete columns
- I) 4 sided structurally glazed curtain wall; aluminum mullions to receive bronze paint coating
- J) Carrara marble base at storefront sill
- K) Base delineation expressed via recessed entry portal with projecting glass and steel awning and display windows set back to partially reveal smooth white Portland cement concrete columns to provide a pedestrian scale
- L) Carrara marble portal at entry

Conformance to the Kearny-Market-Mason-Sutter (KMMS) Conservation District and the Secretary of Interior’s Rehabilitation Standards:

Evaluation of Design and Response to Draft HRE Recommendations
(Graphic References A – L)

Evaluation of Design

The proposed project complies with the *Secretary of the Interior’s Standards for Rehabilitation* and to character-defining features of Contributing buildings in the KMMS Conservation District, defined in Appendix E of the City Planning Code.

Massing and Composition

- The massing and composition of the proposed project is largely consistent with the dense, urban full-build-out of Contributing buildings to the KMMS Conservation District.
 - The building will occupy the entire project site, and the façades facing Sutter Street, Grant Avenue, and Harlan Place will be constructed to the property line. The storefront at the southwest corner bays are set back approximately 3 feet from the property line and align with the face of the columns; the rest of the ground floor glazing is set back approximately 4 feet to align with the center line of the columns to further emphasize the entrance bay, and will align with the existing buildings along those streets, thereby forming to a continuous street wall. (I, K)
 - The proposed building has a solid massing that will visually hold its own on a corner with several prominent, ornate buildings within the District.
- While it does not have a rounded corner (like the White House Building at 255 Sutter Street across the street to the south) or corner entrance (such as the Hammersmith Building at 301-303 Sutter Street and the Myers Building on the opposite corners), the proposed building will emphasize its corner entrance at the corner of Sutter Street and Grant Avenue with a conjoined ovoid cement column exposed from the “base” to the “capital,” with a break in the scrims on both façades at the corner, with fenestration setbacks at both corner bays at the base level, and with a retail entry portal clad in white Carrera marble. (J, K, L)
- The building façades in the KMMS Conservation District are typically either two- or three-part vertical compositions. The proposed design forms a three-part composition with a commercial storefront at the first story forming the “base,” the aluminum window wall and architectural terra-cotta scrim on the second to sixth stories delineating the shaft, and the vertical scrim framing members extending approximately 6 feet above the top of the scrim and terminating in a projecting steel plate (Left - base, shaft, capital). The halo, comprised of plate steel supported by a light tubular space frame, and the space between it and the top of scrim and planter simulate the capital (A). The 6-foot scrim frame extension forms the vertical proportion of a classical frieze and the horizontally extending halo forms a cornice for the “capital” but do not replicate the deep, projecting, full-width cornices of adjacent buildings or the rooftop addition of the White House Building at 255 Sutter Street. The design does achieve a visual horizontal terminus and responds to adjacent cornices. The capital of many of the buildings in the KMMS Conservation District includes a row of fenestration in the frieze portion of the capital, above the architrave course and below the projecting cornice. The design reflects these components of building capitals in the district without historicism; The top of the scrim lends definition to the base of the capital, the space under the halo mirrors fenestration in frieze courses found in the District, and the halo projects like a classical cornice. The capital lends greater detailing and ornamentation to the design. (A, D)

- The full-height white cement columns and bronze-tone scrim frame divide the building into bays, and the profile of the metal mullions, which form vertically oriented rectangles within the window wall, and vertical division of the scrim between bays, provide a counterbalance to the architectural terra-cotta scrim, which is also semi-transparent, allowing the columns and vertical supports to be visible underneath (C, E, H).
- The buildings within one block of the subject property range in height from 40 to 170 feet; therefore, the proposed height of approximately 83 feet, as measured from the midpoint of the Grant Street elevation-sidewall to the top of roof, is consistent with heights in the KMMS Conservation District.

Scale

- The façades of the proposed building will be divided into bays, with the Sutter Street bays ranging from 20 to 25 feet wide and the Grant Avenue bays ranging from 28 to 30 feet wide. These widths are within the range of bay widths found on other buildings in the KMMS Conservation District. (E, H)
- The building’s base, with large windows separated by ovoid cement columns (H) and the Carrera marble bulkhead over the primary entrance (G), provides a pedestrian scale at the ground floor. The exterior screen formed by the architectural terra-cotta scrim/aluminum window wall (D, I) and the entry bulkhead provides visual separation between the first-story retail space and the floors above. Additionally, the large horizontal surfaces of the façades are broken up by the varying spacing of the architectural terra-cotta scrim’s horizontal members from the third story contrasting by gradation of separation from the fourth through sixth floors. (D)

Materials and Colors

- The majority of the materials, including the white cement columns and architectural terra-cotta scrim, will feature light, neutral colors, ranging from off-white to beige to bronze and light gray. The color and spacing of the architectural terra-cotta scrim and the bronze paint-coated aluminum minimize the modern window wall and blend the proposed building with the surrounding buildings in the KMMS Conservation District. In comparison, scrims are not commonly found in the KMMS Conservation District; however, the terra-cotta used to make the scrim baguettes is commonly found in the District, comparable in both texture and color. (D, G, H, I, K)

Detailing and Ornamentation

- The contemporary design detailing incorporates a simplified version of the ornate, Classical detailing on the adjacent buildings without directly copying detailing or ornamentation in the District. The vertical scrim framing members extending 6 feet above the top of the scrim and terminating it with a projecting steel plate simulate an entablature, echoing the Classical detailing found at the cornice lines of adjacent buildings in the KMMS Conservation District (A, D). Although the building capital, comprised of the vertical scrim framing members approximately 6 feet above the top of the scrim and terminating with a steel plate halo plate supported by a light tubular space frame with bronze paint-coating projecting approximately 3 feet, does not have the material bulk of other cornices with their large modillions and dentils, a heavier cornice would tend to appear as duplicative of historical materials and massing and inauthentic to current architectural design and materials. Instead of the historicism contrary to guidance by the Rehabilitation Standards, the cornice reflects Classical cornice proportions found in the District but in contemporary materials. The retail entry portal clad in white Carrera marble emphasizes the public point of egress, an emphasis typical feature of buildings in the District. (J, L)
- The conjoined, ovoid columns at the corners of the building suggest building access at the corner, similar to corner entrances found on the three other buildings at the corner of Sutter Street and Grant Avenue.

Rehabilitation Standard 9

- In compliance with Rehabilitation Standard 9, the proposed design has a modern, contemporary design vocabulary that distinguishes it from the KMMS Conservation District's Significant and Contributing buildings. Its use of modern materials such as the aluminum window walls and architectural terra-cotta scrim allow it to be recognized as a building from its own time (C, D, I). It is compatible with the size, scale and proportion, and massing of the adjacent contributing properties within the District. The proposed design has been altered since the Draft Historic Resource Evaluation submission of December 15, 2015 to be more compatible with the historic features of adjacent buildings, as evidenced below under Section 5.0.
- The proposed building at 300 Grant Avenue will be physically separated from the adjacent buildings at 246 and 266 Sutter Street; therefore, it will not directly alter those buildings' historic fabric and character-defining features.

Rehabilitation Standard 10

- Under Rehabilitation Standard 10, the new building will not alter existing buildings within the KMMS Conservation District, including the adjacent buildings at 246 and 266 Sutter Street (1.5 foot separation for seismic movement). Therefore, it does not remove or otherwise irreversibly alter any existing historic buildings or distinctive materials that characterize the KMMS Conservation District; the proposed building can be removed or altered in the future and leave the District intact.
-

Design Recommendations

The December 15, 2015 Draft Historic Resource Evaluation (Draft HRE) recommended the following design changes to improve the proposed project's compliance with the *Secretary of the Interior's Standards for Rehabilitation* and compatibility with the KMMS Conservation District. These design recommendations and changes were as follows:

- The Draft HRE suggested there be greater delineation of the building's base from the shaft, such as creating a stronger horizontal break between the first and second stories by 1) having the metal arm sign span the width of the south and west façades, 2) lowering the bottom edge of the window wall/architectural terra-cotta scrim so that it aligns with the top of the first story, or 3) adding a stronger horizontal line that creates a transom at the top of the storefront windows. These recommendations were provided to allow the building to have a more intimate scale at the street level and more firmly define the transition from the first and second stories. The change in the revised design response (see Appendix B) is:
 - To lower the bottom edge of the window wall/architectural terra-cotta scrim frame in alignment with the top of the first story and the scrim itself to the top of the second story (D);
 - To add a translucent spandrel glass at floor lines as a way to express the horizontal frame. (F)
- The Draft HRE suggested a redesign at the sixth story of the angled metal and ceramic canopy such that it has more weight and depth and it projects horizontally. It suggested the canopy span the full width of the façades and possibly connect to a solid corner post that would visually extend the wall surface at the rooftop to the same plane as the building and allow the top story to read as a capital of the building. This would create a solid, unified design to "cap" the building. The design changes in response are:
 - To pull the sixth story out flush with the stories below, removing the penthouse concept;
 - To bring the scrim to the top of the sixth story and define the building capital by extending the vertical scrim framing members approximately 6 feet above the top of the scrim (D), leave an open space to reflect a frieze course under the projecting cornice and terminating it with

steel plate supported by a light tubular space frame or "halo," projecting approximately 3 feet to cap the building's perimeter on the Sutter Street, Grant Avenue, and Harlan Place façades, suggest a projecting cornice, and lend greater ornamentation to the capital (A);

- The Draft HRE suggested that an alternative material rather than mirrored glass be selected at the sixth story if it will be prominently visible from the street. The design changes in response are:
 - To pull the sixth story out flush with the stories below, removing the penthouse concept and continuing the scrim design and define the building capital by extending the vertical scrim framing members 6 feet above the top of the scrim, terminating it with a projecting steel plate or "halo". These changes suggest a building capital of Classical proportions. The capital from top to bottom consists of the "halo" as cornice, the opening between the scrim and "halo" as frieze, and the top of the scrim as the capital's base or architrave (see Figure 1) to define the boundary of the building's shaft from its capital. (A, D)

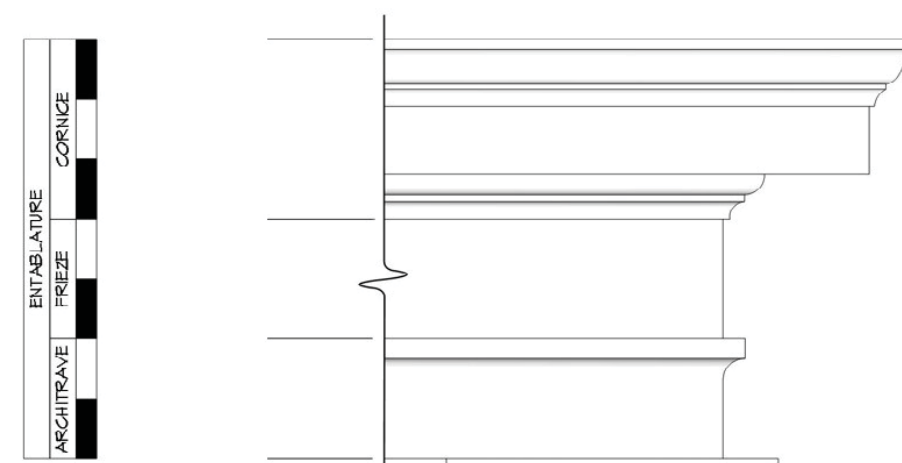
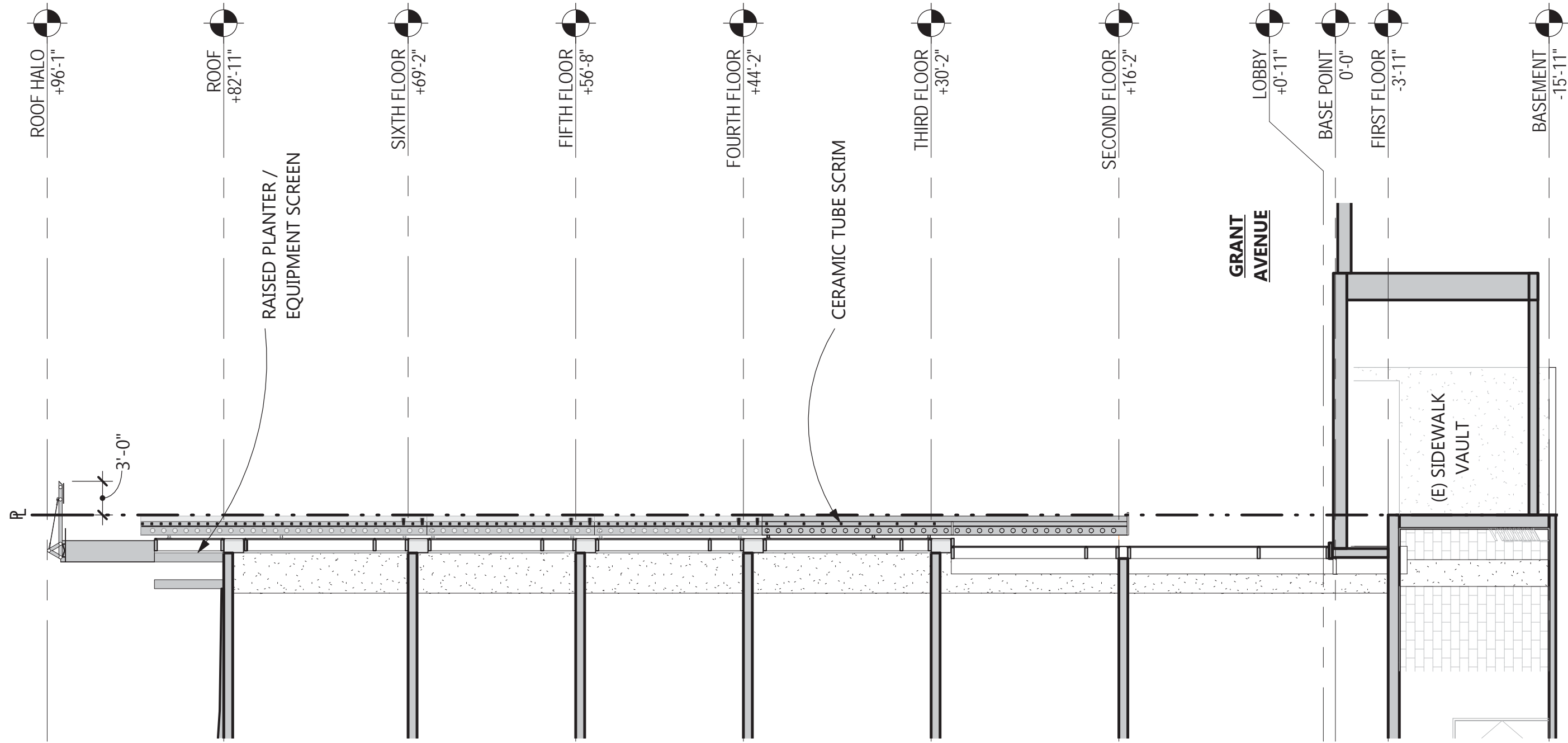
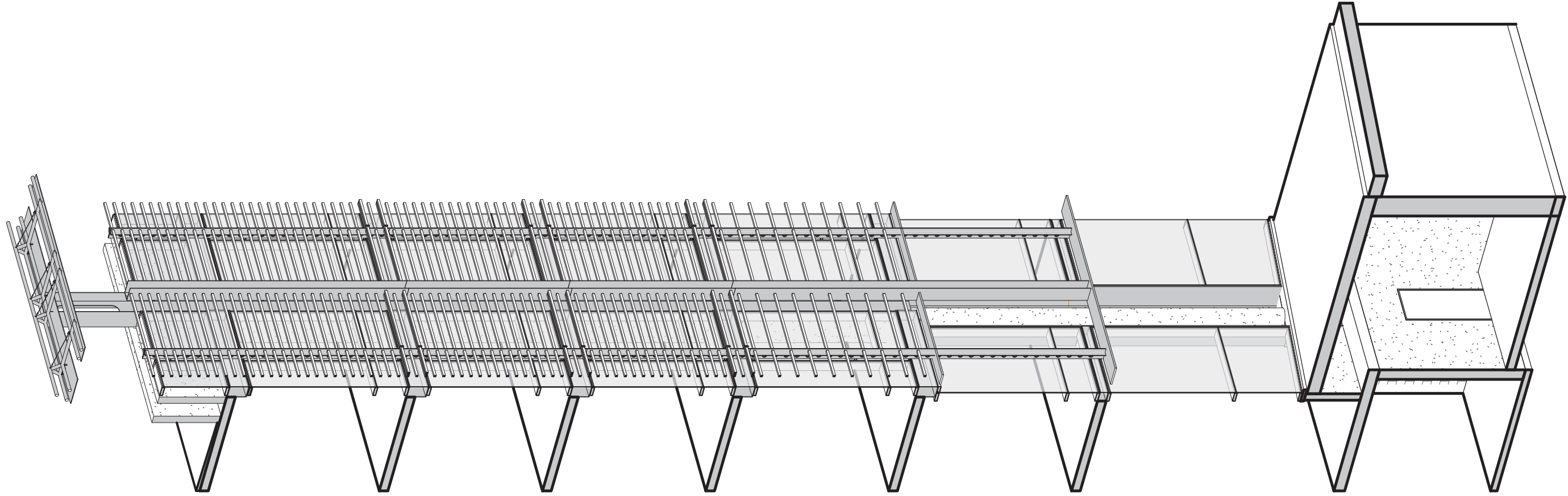


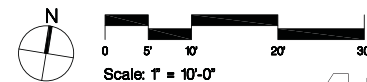
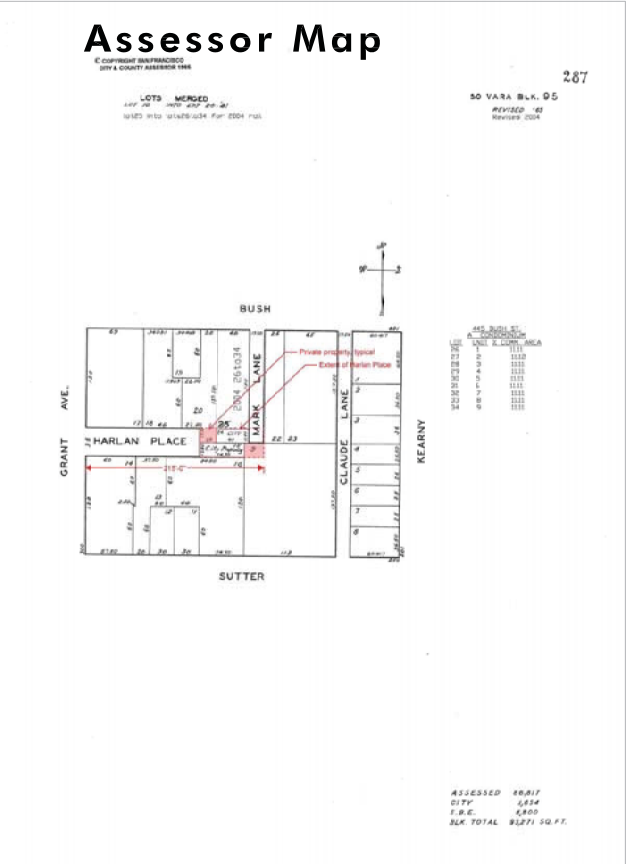
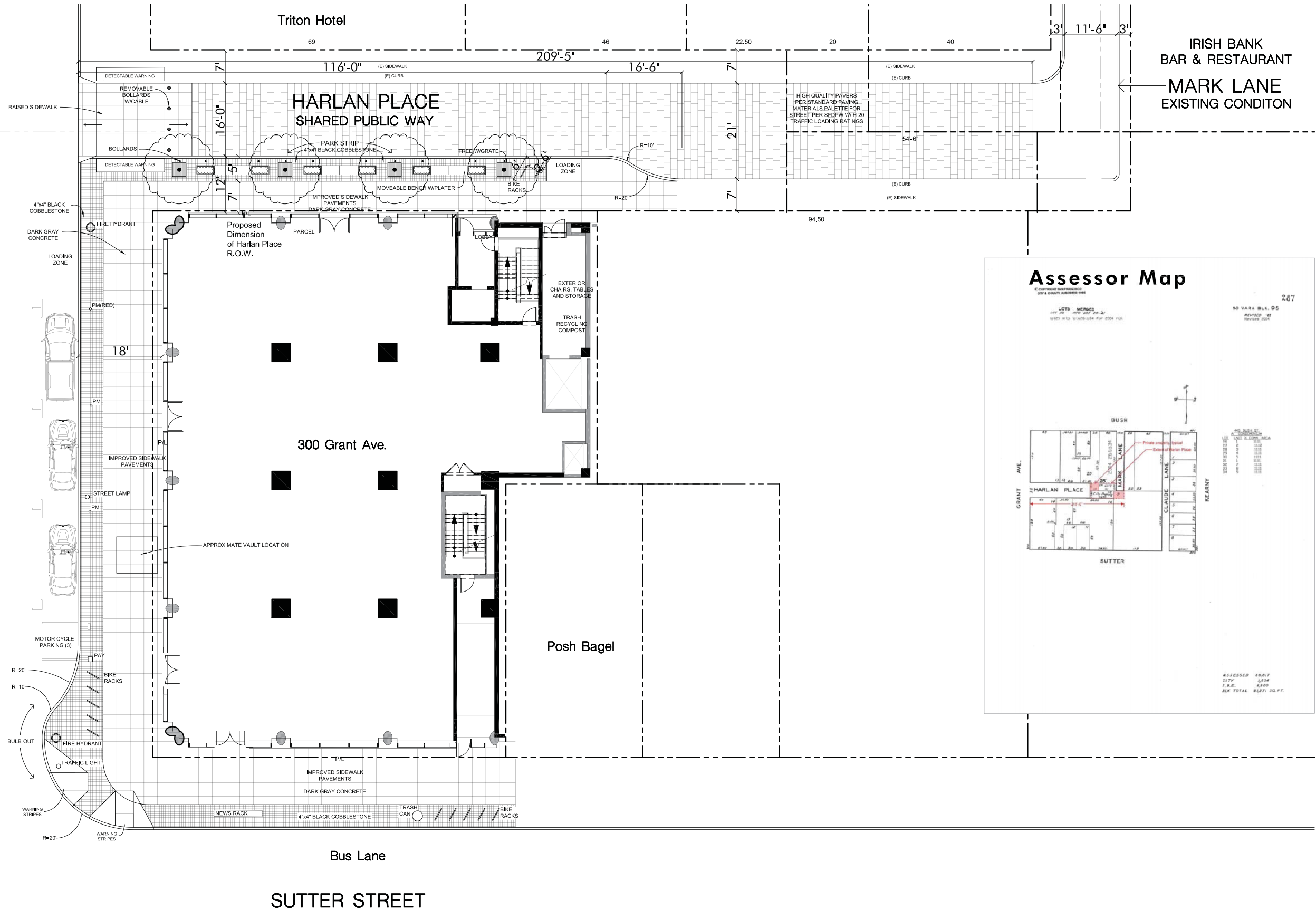
Figure 1 Entablature showing the relationship of cornice, frieze, and architrave.



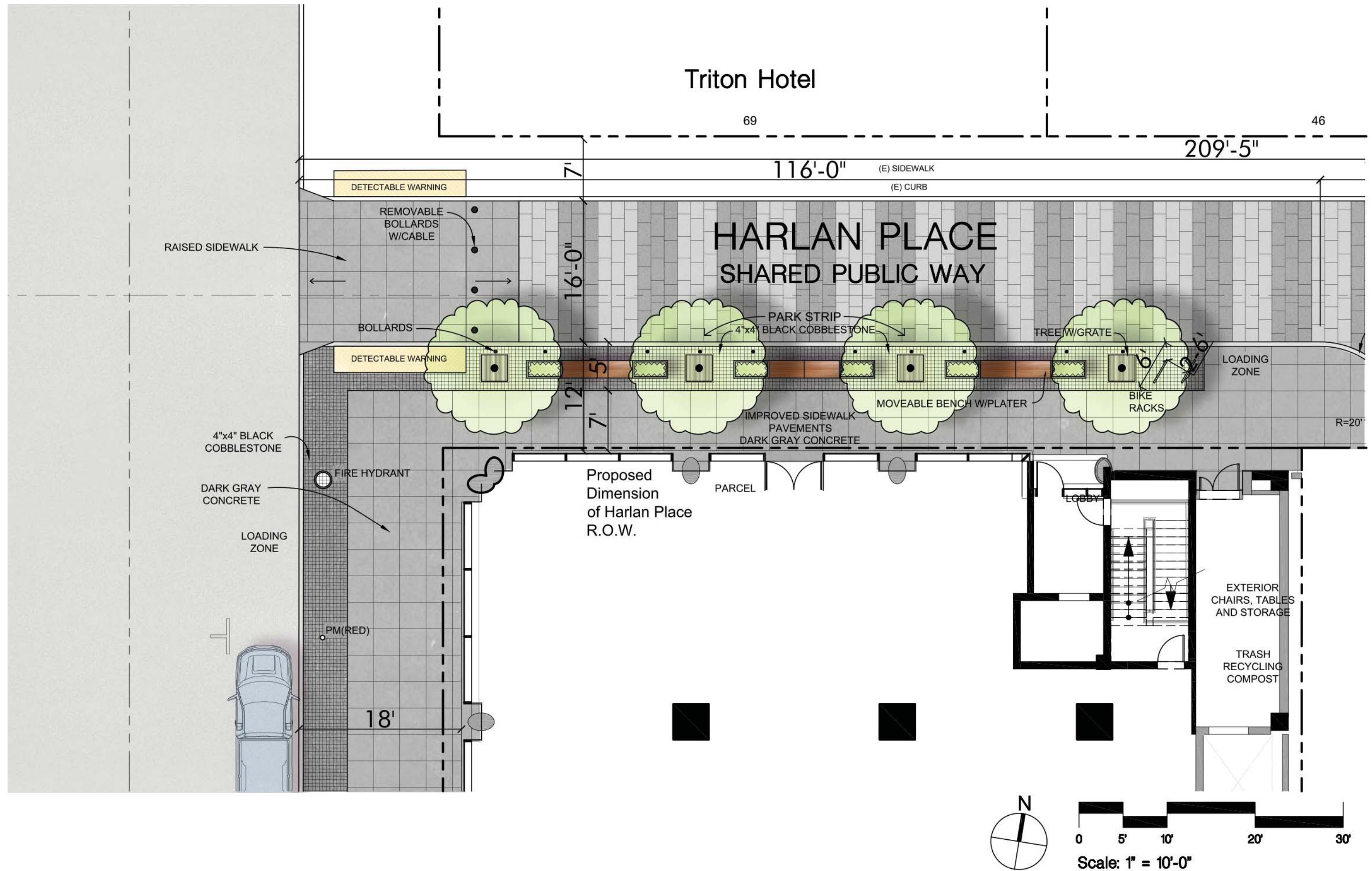




GRANT AVENUE



42



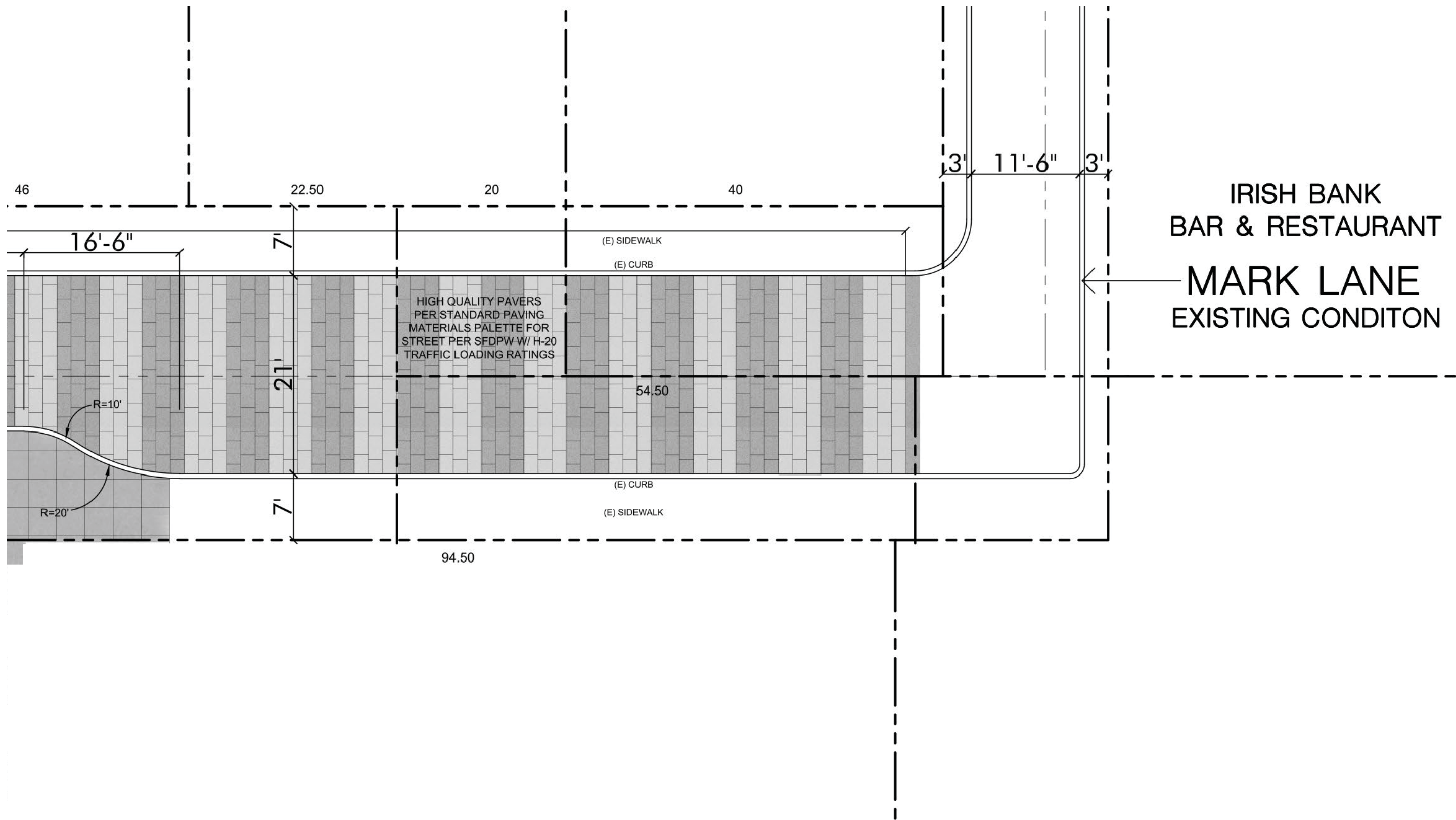
17 NOVEMBER 2016
 PROJECT NO: 49850
 960 ATLANTIC AVENUE
 ALAMEDA, CA 94501
 T 510.865.8663 F 510.865.1611
 © MBH ARCHITECTS

300 GRANT SAN FRANCISCO, CALIFORNIA

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Shared Public Way Harlan Place Improvements - Enlarge Plan 1



44

PLANTER WITH BENCH

Gus Planter - Landscape Forms



UrbanEdge / Gustafson Guhrle Nichol



<http://www.landscapeforms.com/en-US/product/Pages/Urban-Edge-Gus.aspx>

TREE GRATE

Jamison - Urban Accessories



<http://www.urbanaccessories.com/product-categories/tree-grates/products/jamison>

IMPROVED PAVEMENTS

Dark Grey Concrete and Black Cobblestone Paver



Sample image from Commercial Street, San Francisco

EVERGREEN TREE

Brisbane Box Tree



SCIENTIFIC NAME: *Lophostemon confertus*

GEOGRAPHIC AREA: Australia

EVERGREEN: Yes

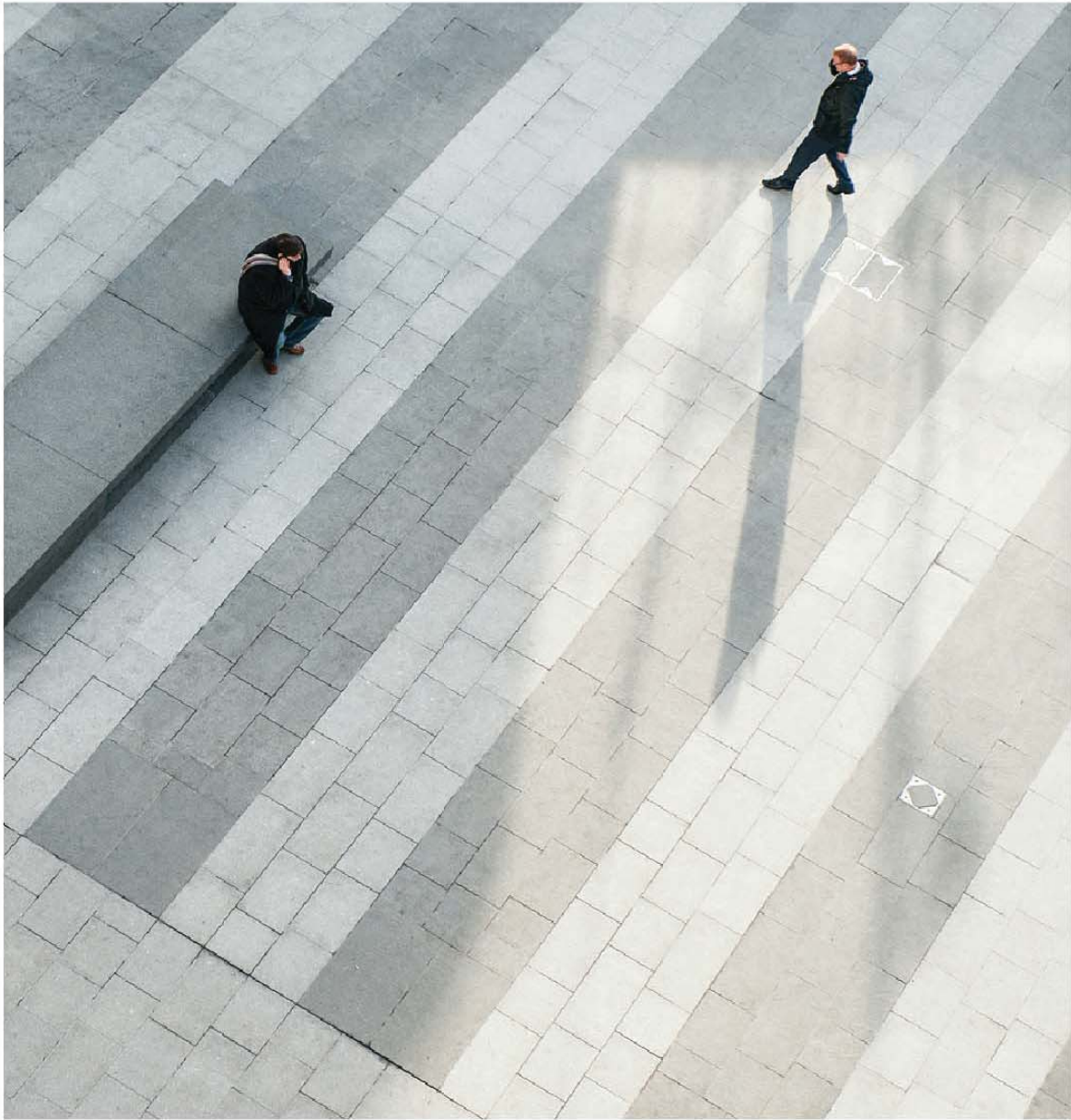
SIZE: 40-60'

GROWTH RATE: Fast

EXPOSURE: Full sun and partial shade

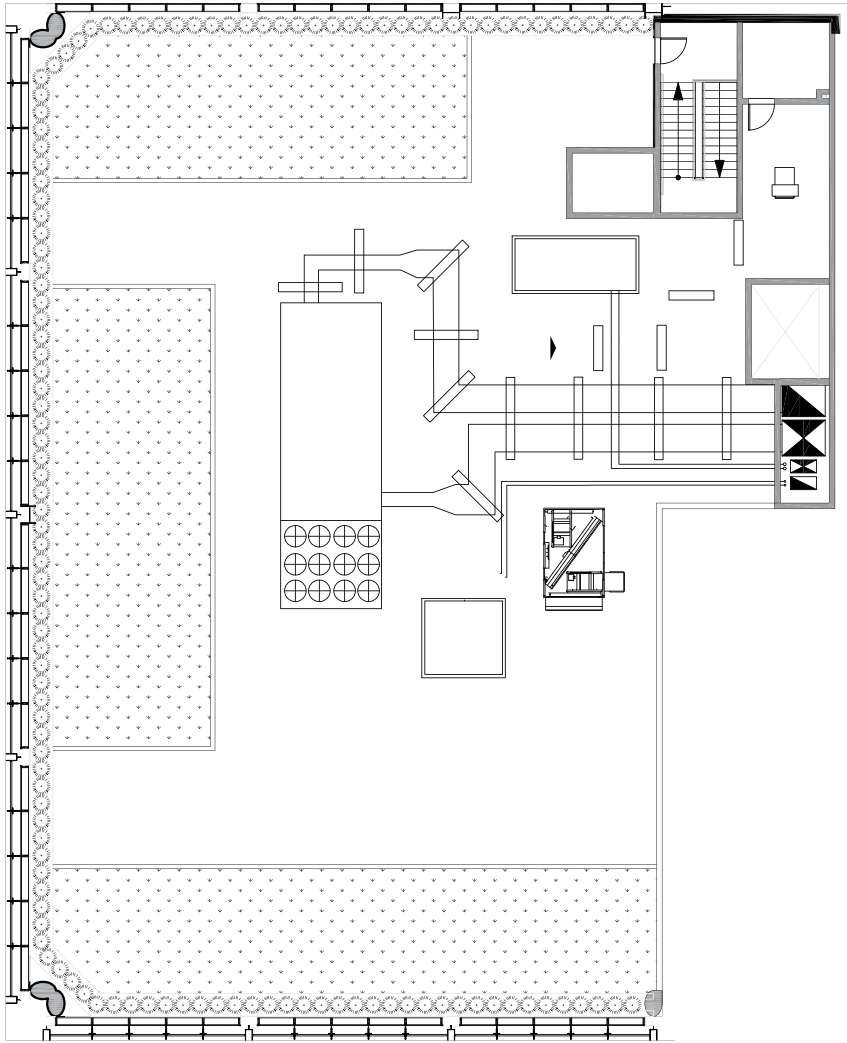
WATER USE: Low

PROPOSED ALLEYWAY
PAVER & PATTERN



REMOVABLE BOLLARD WITH CABLE





SYMBOL	Botanical name (Common Name)	SIZE	NOTES
GRASSES			
	Chondropetalum tectorum (Cape Rush)	5 Gal. • 24" O.C.	
GROUND COVER			
	Sedum Tile	Tile	



2 CHONDROPETALUM TECTORUM



1 TUFF STUFF - SEDUM TILE

