Memo to the Planning Commission

HEARING DATE: SEPTEMBER 22, 2016 Continued from the September 8, 2016 Hearing 1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception:

415.558.6378

Fax:

415.558.6409

Planning Information: **415.558.6377**

Date: September 12, 2016
Case No.: **2015-000904CUA**

Project Address: 2201 Market Street

Zoning: NCT (Upper Market Neighborhood Commercial Transit) District

60/65-X Height and Bulk District

Block/Lot: 3559/001 Project Sponsor: Alexis Pelosi

> Pelosi Law Group 560 Mission Street

San Francisco, CA 94105

Staff Contact: Todd Kennedy – (415) 575-9125

Todd.kennedy@sfgov.org

Recommendation: Approval with Conditions

BACKGROUND

On September 8, 2016, the Planning Commission took a Motion of Intent to grant approval and continued the proposed project at 2201 Market Street to September 22, 2016.

CURRENT PROPOSAL

No changes have been proposed to the plans. The Project Sponsor submitted four additional letters of support just before the September 8th Hearing. At the hearing, the Commission adopted a Motion of intent to approve the existing Real Estate Office.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant Conditional Use Authorization to allow the establishment of a 3,788 square foot Real Estate Office within the NCTY District pursuant to Planning Code Section 303, 733.53, and 790.108 of the Zoning Code

RECOMMENDATION: Approval with Conditions

Attachment:

Draft Motion to Approve Letters of Support Staff Report Packet



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)	
☐ Affordable Housing (Sec. 415)	☐ First Source Hiring (Admin. Code)
☐ Jobs Housing Linkage Program (Sec. 413)	☐ Child Care Requirement (Sec. 414)
□ Downtown Park Fee (Sec. 412)	☐ Other

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Planning Commission Draft Motion

HEARING DATE: SEPTEMBER 22, 2016

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Staff Contact: Todd Kennedy – (415) 575-9125

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Recommendation: Approval with Conditions

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 303 AND 733.53 and 790.108 OF THE PLANNING CODE TO LEGALIZE A REAL ESTATE USE (D.B.A. CATARRA REAL ESTATE) WITHIN AN NCT (UPPER MARKET NEIGHBORHOOD COMMERCIAL TRANSIT) ZONING DISTRICT, AND 60/65-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On January 28, 2015, Alexis Pelosi (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Section(s) 303 and 733.53 and 790.108 to correct a violation and legalize a Real Estate office use (d.b.a. Catarra Real Estate) within an NCT (Upper Market Neighborhood Commercial Transit) Zoning District and a 60/65-X Height and Bulk District.

On September 8, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing of a regularly scheduled meeting on Conditional Use Application No. 2015-000904CUA taking a Motion of Intent to approve the item continuing it to September 22, 2016.

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On September 22, 2016, the Commission conducted a duly noticed public hearing of a regularly scheduled meeting on Conditional Use Application No. 2015-000904CUA.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 3 categorical exemption.

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

MOVED, that the Commission hereby authorizes the Conditional Use Authorization requested in Application No. 2015-000904CUA, based on the following findings:

FINDINGS

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

- 1. The above recitals are accurate and constitute findings of this Commission.
- 2. Site Description and Present Use. The project is located on the ground floor of an existing commercial building on a corner lot at the intersection of Sanchez Street and Market Street. The subject lot faces Market Street, Block 3559, Lot 001. The property is located within the NCT (Upper Market Neighborhood Commercial Transit) Zoning District and the 60/65-X Height and Bulk District. The subject building is a one-story commercial building. There is also parking available.
- 3. Surrounding Properties and Neighborhood. The subject site is located in the Upper Market Neighborhood Commercial Transit District. This area has an active and continuous commercial frontage along most of Market Street. The district is a multi-purpose commercial district that provides limited convenience goods to adjacent neighborhoods, but also serves as a shopping area for the area. This area includes specialty stores, restaurants, business service uses, and other types of uses. This district encourages ground-story neighborhood-serving businesses and requires commercial uses on the ground floor along Market Street.
- 4. **Project Description.** The applicant proposes to correct a violation and legalize an existing business use in the existing commercial storefront near the corner of Market Street and Sanchez Street. The subject use is a Real Estate office use (d.b.a. Catarra Real Estate) that is considered Business or Professional Service per Sections 733.53 and 790.108 of the Zoning Code. The project currently occupies the ground floor totaling of 3,788 square feet of the existing commercial storefront. The improvements will be internal tenant improvements. The office is incorporated within the existing building. No additional interior or exterior modifications will be made to the building.

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- 5. **Public Comment**. To date, the Department has received six notices of support for this existing illegal use from associations in this area. Please see attached.
- 6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Signage**. Currently, there is not a proposed sign program on file with the Planning Department. Any proposed signage shall be subject to the review and approval of the Planning Department.
 - B. **Planning Review.** Currently, there is an open Zoning Violation because this use has been operating without CUA issuance since 2014. There is one active building permit application on file with the Planning Department.

No action can be taken on this property until the Zoning Violation has been abated. The subject site is proposed to be demolished and reconstructed with a large mixed-use building. A Variance was applied for and heard by the Zoning Administrator on March 23, 2016.

- 7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
 - 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 occupies 3,788 square feet in the existing building as a real estate office.

- 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 use occupies 3,788 square feet on the ground floor. The size and shape of the proposed use would not be detrimental to this Neighborhood Serving Commercial District because it is not a retail use.

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 traffic volumes will not be increased. The existing parking entrance onsite will continue to be used.

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

General office use does not create offensive emissions, noise, glare, dust or odor.

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

There will be no change to the existing streetscape, parking or lighting.

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 proposed Catarra Real Estate office will comply with the applicable provisions of Planning Code Section 303(c) and will not adversely affect the Master Plan.

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

NEIGHBORHOOD COMMERCE

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.1:

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

Policy 1.2:

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

Policy 1.3:

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

The proposed development will provide a desirable service to the neighborhood and will provide employment opportunities to community residents. The proposed commercial activity will add a real estate

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office to the area. No undesirable consequences that cannot be mitigated are anticipated by the proposed financial services use.

OBJECTIVE 2:

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

Policy 2.1:

Seek to retain existing commercial and industrial activity and to attract new such activity to the City.

The project will allow an existing tenant to remain and occupy a site that will otherwise be vacant. This project will encourage activity to take place both onsite and the surrounding area.

OBJECTIVE 3:

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

Policy 3.1:

Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

The Project will provide additional employment opportunities for local residents.

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1:

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

No commercial tenant would be displaced and the project would not prevent the district from achieving optimal diversity in the types of goods and services available in the neighborhood.

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

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Catarra Real Estate will provide local opportunities for employment of real estate agents, many of whom already live in the neighborhood. This will be serving the real estate needs of the residents.

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

The Project will not change the existing housing supply or neighborhood character. This company supports the area and the economic diversity of the surrounding neighborhood.

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

The project will have no effect on affordable housing.

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

The Project is small and will not impede traffic or MUNI services.

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.

This location will have no negative impact on industrial or service sectors. The location would be vacant and have no activity without this current tenant.

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

The establishment of this office does not conflict with the City's efforts to protect against injury or loss of life in an earthquake. Clients will be educated on how to protect themselves in an earthquake.

G. That landmarks and historic buildings be preserved.

The existing building is not a landmark and is not historically significant within an existing historic district.

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

The Project does not involve any expansion of the existing building and will therefore have no effect on parks or open space, or their access to sunlight and views.

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

11. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

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DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **Approves Conditional Use Application No. 2014-000904CUA** in general conformance with plans on file and stamped as "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. xxx. 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.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on September 22, 2016.

Jonas P. Ionin	
Commission S	Secretary
AYES:	
NAYS:	
ABSENT:	
ADOPTED:	September 22, 2016

Motion No. xxx Hearing Date: September 22, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow the establishment of a new Business or Professional Service Use (d.b.a. Catarra Real Estate) located at 2201 Market Street, Lot 001 in Assessor's Block 3559 pursuant to Planning Code Section(s) 303, 733.53, 790.108 within the Upper Market Neighborhood Commercial Transit (NCT) Zoning District and a 60/65-X Height and Bulk District; in general conformance with plans, dated September 15, 2016 included in the docket for Case No. 2015-000904CUA and subject to conditions of approval reviewed and approved by the Commission on September 22, 2016 under Motion No xxx. This authorization and the conditions contained herein run with the existing building, Project Sponsor, and current business and not with the property.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on September 22, 2016 under Motion No xxx.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. xxx 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.

Motion No. xxx Hearing Date: September 22, 2016

Conditions of Approval, Compliance, Monitoring, and Reporting PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for one (1) year 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 one-year period.

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

2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the one (1) 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. The time limit for this approved use shall be one year from the date of the approved motion. At which time, the use shall cease to exist.

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

- 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 one (1) year have passed since this Authorization was approved.

 For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

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

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

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

Motion No. xxx Hearing Date: September 22, 2016

MONITORING - AFTER ENTITLEMENT

6. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

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

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

OPERATION

- 8. **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
- 9. Sidewalk Maintenance. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.
 For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, http://sfdpw.org
- 10. 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, <u>www.sf-planning.org</u>

CATARRA

Real Estate

To Whom it May Concern:

We are writing this letter in regards to the zoning and usage of the space at 2201 Market Street. Our Real Estate company has operated out of this location for almost 3 years now. During that time we have worked diligently to be an asset to the community. We have conducted public Art Festivals, Pet Appreciation Festivals and a myriad of Educational Seminars to enrich and inform our neighbors. We have also worked tirelessly to keep the property and surrounding area clean and free of graffiti and homeless encampments.

In addition to our Real Estate services, we provide an environment for local small businesses to maintain affordable space to conduct their business and be accessible to their clientele in the community. We see this as a great value not only to keep these business people in the neighborhood, but to make these services available to our neighbors that might not otherwise have access to them.

Our past and present network of small businesses have included:

Attorneys

Insurers

Mortgage lenders

Bookkeepers

Designers

and several Non-Profits.

We have truly enjoyed being apart of this community. We have received so much positive feedback from the Castro Merchants Association (of which we are a member) and from our many friendly neighbors who stop by for dog treats and to ask questions about the real estate market as well as from our fellow merchants who we patronize and support. We hope with your blessing we will be able to continue to be a respected and steadfast partner in the community. Thank you for taking the time to hear our plea.

Sincerely

Lori Musca

FIDELITY NATIONAL TITLE INS CO

2241 MARKET ST.

SAN FRANCISCO, CA 94114

415.874.4440

August 25, 2016

To whom it may concern,

I am writing this letter regarding the zoning of property located at 2201 Market Street, San Francisco, CA 94114.

Having been in the community for several years, I have noticed that store/retail/office owners take pride in their property and surrounding community. Specifically to the address referenced above, the current tenant Catarra Real Estate, has not only taken care and improved the property, they have kept the area clean and free of homeless taking residence in the parking area.

As a tenant in this immediate community, it is important that commercial space for office/retail/store fronts be made available as the community strives through tourism.

Please consider keeping this property zoned for commercial office/retail/store.

Regards,

Geoff Cameron

AVP/Sales Executive

August 30, 2016

To whom it may concern:

I am an attorney in San Francisco, currently renting space at 2201 Market Street. I am also a SF homeowner (Mission) and I believe that a mixture of businesses enables our City to thrive and prosper.

The professional space offered at 2201 is rare in this part of town and very valuable. This type of business diversity encourages local business and allows small businesses to grow in our neighborhoods. We support one another and help to develop a homegrown business climate.

To that end, I support the professional business environment at 2201 Market Street and urge that it be allowed to continue operating as such.

Sincerely,

Dara M. Zandanel

To Whom It May Concern:

I am a business owner in the Castro and writing this letter in support of our neighbors at 2201 Market St. Since the real estate office opened up almost 3 years ago we have benefited from a cleaner and more professional environment in the neighborhood. The space used to be riddled with homeless encampments selling and doing drugs and graffiti. It was a real eyesore.

Now, we see a beautiful professional office and friendly real estate agents who are involved in our community sponsoring educational seminars as well as art and pet festivals. They place daily treats for our furry friends in the neighborhood and support the merchants association being one of the first to sponsor and continue to sponsor, our Tree lighting and decorating efforts for the holidays.

We hope that our neighborhood real estate office can stay and continue to contribute to our community.

Sincerely,

Sui Generis Consignment

Executive Summary Conditional Use Authorization

HEARING DATE: SEPTEMBER 8, 2016

Suite 400 San Francisco, CA 94103-2479

1650 Mission St.

Reception: 415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377

 Date:
 August 30, 2016

 Case No.:
 2015-000904CUA

Project Address: 2201 Market Street

Zoning: NCT (Upper Market Neighborhood Commercial Transit)

60-65-X Height and Bulk District

Block/Lot: 3559/001

Project Sponsor: Alexis Pelosi – Pelosi Law Group

560 Mission Street, Suite 2800

San Francisco, CA 94105

Staff Contact: Todd Kennedy – (415) 575-9125

Todd.kennedy@sfgov.org

PROJECT DESCRIPTION

The proposal is to correct a violation and legally establish a 3,788 square foot Real Estate Office located on the ground floor of an existing building. The project includes minor tenant improvements. This use has two part-time employees and five full-time agents.

SITE DESCRIPTION AND PRESENT USE

The project is located in the Upper Market Neighborhood Commercial Transit District with ground floor commercial space along Market Street. The use is located within the existing one-story building occupying the entire ground floor space. The use has been operating without a Conditional Use Authorization (CUA) prior to November of 2014. A Zoning Violation Case was opened at that time per Case #2014-001693ENF. As a result, the project sponsor applied for this CUA in January of 2015 in order to legally operate at this location.

The subject site, also currently is under review for a building permit application and Variance as per Project Record #2014.0161 to demolish the existing structure and construct a new residential building. This proposed project is separate from this proposed CUA.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The subject site is located in the upper market neighborhood commercial transit district. This area has an active and continuous commercial frontage along most of Market Street. The district is a multi-purpose commercial district that provides limited convenience goods to adjacent neighborhoods, but also serves as a shopping area. This district includes specialty stores, restaurants, business service uses, and other types of uses. This district encourages ground-story neighborhood-serving businesses and requires commercial uses on the ground floor along Market Street.

Executive Summary
Hearing Date: September 8, 2016

ENVIRONMENTAL REVIEW

The project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	August 20, 2016	August 19, 2016	21 days
Posted Notice	20 days	August 20, 2016	August 18, 2016	22 days
Mailed Notice	20 days	August 20, 2016	August 19, 2016	21 days

PUBLIC COMMENT/COMMUNITY OUTREACH

• As of August 26, 2016 the Department has received two inquiries regarding this proposal. These inquiries are in support of the project and were issued from local neighborhood groups.

ISSUES AND OTHER CONSIDERATIONS

- <u>Conditional Use Authorization</u>: The proposal requires Conditional Use Authorization from the Planning Commission, pursuant to Planning Code Sections 303, 733.53 and 790.108 to establish a Real Estate Office use at the ground floor of a commercial building located in the NCT, Neighborhood Commercial, Shopping Center District and a 60/65-X Height and Bulk District.
- The subject site is under review for a new demolition and construction. It includes the construction of a six-story, 65-foot tall mixed-use building. The building will have commercial and residential uses. This project requires a Variance Request for the deviation of Sections 134 and 136 of the Zoning Code in order for the project to move forward. This project cannot move forward until this violation has been abated.
- The Project Sponsor was advised to file for a Conditional Use Authorization or change the use to
 one use that would not require a Conditional Use Authorization or vacate the site. The Project
 Sponsor wanted to proceed with the CUA.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant Conditional Use authorization to allow the establishment of a 3,788 square foot Real Estate Office within the NCT District pursuant to Planning Code Sections 303, 733.53, 790.108 of the Zoning Code.

BASIS FOR RECOMMENDATION

- The use has been operating without a City-Approved Conditional Use Authorization since 2014 and was brought to Staff's attention by Zoning Violation.
- The use is not recognized as a neighborhood serving use.
- A Formula Retail Use was proposed at this location in 2011 per Case# 2011.1404C, but was disapproved by Commission.
- The subject site is under review for demolition and reconstruction of a new project.

RECOMMENDATION: Denial

Attachments:

Draft Motion

Project Sponsor Submittal

CU Application

Parcel Map

Sanborn Map

Zoning Map

Aerial Photograph

Site Photos

Plans

Letters of support

Attachment Checklist

Executive Summary		Project sponsor submittal
Draft Motion		Drawings: Existing Conditions
Environmental Determination		Check for legibility
Zoning District Map		Drawings: <u>Proposed Project</u>
Height & Bulk Map		Check for legibility
Parcel Map		3-D Renderings (new construction or significant addition)
Sanborn Map		Check for legibility
Aerial Photo		Wireless Telecommunications Materials
Context Photos		Health Dept. review of RF levels
Site Photos		RF Report
		Community Meeting Notice
		Housing Documents
		Inclusionary Affordable Housing Program: Affidavit for Compliance
Exhibits above marked with an "X" are inc	clude	d in this packet <u>TK</u>
		Planner's Initials

LA: G:\Cases\2015-010423CUA - 1567 Sloat\PC packet\Executive Summary.doc



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)	
☐ Affordable Housing (Sec. 415)	☐ First Source Hiring (Admin. Code)
☐ Jobs Housing Linkage Program (Sec. 413)	☐ Child Care Requirement (Sec. 414)
□ Downtown Park Fee (Sec. 412)	☐ Other

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

Reception: 415.558.6378

Fax: 415.558.6409

Planning Information: **415.558.6377**

Planning Commission Draft Motion

HEARING DATE: SEPTEMBER 8, 2016

Date:August 30, 2016Case No.:2015-000904CUAProject Address:2201 Market Street

Zoning: NCT (Upper Market Neighborhood Commercial Transit) District

60/65-X Height and Bulk District

Block/Lot: 3559/001 Project Sponsor: Alexis Pelosi

> Pelosi Law Group 560 Mission Street

San Francisco, CA 94105

Staff Contact: Todd Kennedy – (415) 575-9125

todd.kennedy@sfgov.org

Recommendation: Disapproval

ADOPTING FINDINGS RELATING TO THE DENIAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 303 AND 733.53 and 790.108 OF THE PLANNING CODE TO LEGALIZE A REAL ESTATE USE (D.B.A. CATARRA REAL ESTATE) WITHIN AN NCT (UPPER MARKET NEIGHBORHOOD COMMERCIAL TRANSIT) ZONING DISTRICT, AND 60/65-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On January 28, 2015, Alexis Pelosi (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Section(s) 303 and 733.53 and 790.108 to correct a violation and legalize a Real Estate office use (d.b.a. Catarra Real Estate) within an NCT (Upper Market Neighborhood Commercial Transit) Zoning District and a 60/65-X Height and Bulk District.

On September 8, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing of a regularly scheduled meeting on Conditional Use Application No. 2015-000904CUA.

Motion No. xxx Hearing Date: September 8, 2016

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 3 categorical exemption.

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

MOVED, that the Commission hereby denies the Conditional Use Authorization requested in Application No. 2015-000904CUA, based on the following findings:

FINDINGS

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

- 1. The above recitals are accurate and constitute findings of this Commission.
- 2. Site Description and Present Use. The project is located on the ground floor of an existing commercial building on a corner lot at the intersection of Sanchez Street and Market Street. The subject lot faces Market Street, Block 3559, Lot 001. The property is located within the NCT (Upper Market Neighborhood Commercial Transit) Zoning District and the 60/65-X Height and Bulk District. The subject building is a one-story commercial building. There is also parking available.
- 3. Surrounding Properties and Neighborhood. The subject site is located in the Upper Market Neighborhood Commercial Transit District. This area has an active and continuous commercial frontage along most of Market Street. The district is a multi-purpose commercial district that provides limited convenience goods to adjacent neighborhoods, but also serves as a shopping area for the area. This area includes specialty stores, restaurants, business service uses, and other types of uses. This district encourages ground-story neighborhood-serving businesses and requires commercial uses on the ground floor along Market Street.
- 4. **Project Description.** The applicant proposes to correct a violation and legalize an existing business use in the existing commercial storefront near the corner of Market Street and Sanchez Street. The subject use is a Real Estate office use (d.b.a. Catarra Real Estate) that is considered Business or Professional Service per Sections 733.53 and 790.108 of the Zoning Code. The project currently occupies the ground floor totaling of 3,788 square feet of the existing commercial storefront. The improvements will be internal tenant improvements. The office is incorporated within the existing building. No additional interior or exterior modifications will be made to the building.
- 5. **Public Comment.** To date, the Department has received two notices of support for this existing illegal use from associations in this area. Please see attached.

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- 6. **Planning Code Compliance:** The Commission finds that the Project is inconsistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Signage**. Currently, there is not a proposed sign program on file with the Planning Department. Any proposed signage shall be subject to the review and approval of the Planning Department.
 - B. **Planning Review.** Currently, there is an open Zoning Violation because this use has been operating without CUA issuance since 2014. There is one active building permit application on file with the Planning Department.

No action can be taken on this property until the Zoning Violation has been abated. The subject site is proposed to be demolished and reconstructed with a large mixed-use building. A Variance was applied for and heard by the Zoning Administrator on March 23, 2016.

- 7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
 - 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 occupies 3,788 square feet in the existing building as a real estate office. There are already several similar uses taking place in the area, leading to a proliferation of this use in this Neighborhood Serving Commercial 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:
 - Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The proposed use occupies 3,788 square feet on the ground floor. The size and shape of the proposed use would be detrimental to this Neighborhood Serving Commercial District because it is not a retail use.

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 traffic volumes will not be increased. The existing parking entrance onsite will continue to be used.

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

General office use does not create offensive emissions, noise, glare, dust or odor.

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

There will be no change to the existing streetscape, parking or lighting. The existing canopy over the front door will be modified to identify the name of the company.

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 proposal does not comply with all relevant requirements and standards of the Planning Code and is inconsistent with the objectives and policies of the General Plan as indicated below.

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

NEIGHBORHOOD COMMERCE

Objectives and Policies

OBJECTIVE 2:

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

Policy 2.1:

Seek to retain existing commercial and industrial activity and to attract new such activity to the City.

The existing illegal use already exists on this portion of Market Street. Legalization of this use will only exacerbate this occurrence in this neighborhood and not considered a neighborhood serving use. By denying this use, further opportunities for new business opportunities will be created.

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1:

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

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The denial of this proposed business would not prevent the district from achieving optimal diversity in the types of goods and services available in the neighborhood. This denial maintains the diversity of the Upper Market NCT and the nearby Castro District by limiting the increase in Real Estate Offices found in this area.

The subject site is significant corner for the Upper Market and should be occupied by a use that is neighborhood serving and retail in nature. Also, this site is proposed to be demolished and reconstructed into a mixed-use development that will include residential uses. By denying this proposal, it will abate the violation and allow the proposed reconstruction to proceed.

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

The denial of this project would open new opportunities for new neighborhood-serving businesses and residential uses where employment opportunities are nearby.

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

The proposed Real Estate Office will diminish the cultural and economic diversity of the neighborhood. Denying the proposal will not impact the City's housing supply and the neighborhood character will be preserved by not allowing an additional use that is not neighborhood serving to be located on an intersection that is proposed for a large development.

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

The denial will have no effect on affordable housing for the City.

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

This denial will have no impact on the existing commuter traffic or transit systems.

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.

Denying the proposed real estate office will allow for future businesses and residents to be located on the subject site.

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

The establishment occupies an existing structure and does not include any renovations that might impact the structural and seismic integrity of the building.

G. That landmarks and historic buildings be preserved.

The existing building is not a landmark and is not historically significant within an existing historic district.

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

There will be no impact on the City's parks and open space.

- 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 denial of the Conditional Use authorization would promote the health, safety and welfare of the City.

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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 **Denies Conditional Use Application No. 2014-000904CUA** in general conformance with plans on file and stamped as "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. xxx. 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.

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

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

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

Jonas P. Ionin Commission Se	cretary
AYES:	
NAYS:	
ABSENT:	
ADOPTED:	September 8, 2016



August 26, 2016

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

> 2201 Market Street (Case No. 2015-000904CUA) - September 8, 2016 Hearing on Re:

Conditional Use Authorization

Dear President Fong and Commissioners,

I am writing on behalf of my clients, Caterra Real Estate, the lessee, and Donald St. Sure, the property owner, of 2201 Market Street (the "Property" or "Project Site"). On September 8, 2016, the Planning Commission will consider approving a Conditional Use Authorization ("CUA") to allow the use of the existing 3,788 square foot building on the Property for Business or Professional Services uses.

The Property is in the process of obtaining the necessary approvals and building permits to allow for the construction of a 14-unit residential development with ground floor retail ("Future Project"). The Business or Professional Services use requested under the CUA is therefore temporary and will be terminated once the Future Project is approved (it has been 2+ years and the approvals are still pending). A CUA is requested because given the short-term nature of the use, only a Business or Professional Services use was feasible. A retail use is not feasible because it would require tenant improvements and other investments in the space that businesses simply were not willing to make given the short lease term. Some use is necessary, however, on site because of the history of graffiti, vandalism and vagrancy along Market Street. Entering into a short-term lease with Catarra Real Estate, a Business Service use, is the best solution given that the building is slated for demolition in early 2017.

As the uses proposed under the CUA before you for consideration will only be temporary, and because, we believe, the short-term use is preferable to a vacant space, we respectfully request that the Planning Commission grant the Conditional Use Authorization.

A. Property

2201 Market Street is a small, 4,082 square foot triangular lot at the corner of Market Street and Sanchez Street. The site is currently occupied by a single-story, 3,788 square foot commercial building, with seven off-street parking spaces.

The area surrounding the Project Site is developed with a mix of multi-family and single family residential uses and commercial/retail uses. The surrounding building heights range from two (2) to four (4) to six (6) stories with two new six (6) story mixed-use residential developments under construction or recently completed across Market Street.



The Project Site is located in the Upper Market Neighborhood Commercial Transit (NCT) District and the 60/65-X height and bulk district. It is in the Castro/Upper Market neighborhood and within the Market and Octavia Neighborhood Plan Area. It is also the location of a very public failed attempt by Starbucks to locate a formula retail use in the Upper Market NCT.

As noted above, the Project Site is the location of a proposed 14-unit residential development with ground floor retail. Applications for the development of the Future Project were first submitted in January 2014 and, unfortunately, are still pending. On March 23, 2016, the Zoning Administrator held a hearing on the variances required and indicated his support for granting them. Following that action building permit applications were submitted, but unfortunately we recently received notice that Discretionary Review ("DR") has been requested. It is our understanding that the DR is likely to be heard by the Planning Commission in November.

B. Project Background

Under Planning Code section 102, real estate offices are considered a Business or Professional Service use. Business or Professional Service uses were permitted in the Upper Market NCT until July 2013, when an interim ordinance, which is now permanent, was adopted by the Board of Supervisors. At the time the lease was entered into with Caterra Real Estate¹ it was unknown that the use required a CUA. When notified that a CUA was required as part of an enforcement action, we immediately began working with Planning Department staff on a solution.

Initially, the hope was that approvals for the Future Project would be granted quickly, thereby curing the violation. Unfortunately, that has not occurred and as a result the CUA application under consideration was filed. The CUA is for a temporary use only as once the Future Project is approved, the use authorized by the CUA application will terminate, the building will be demolished and a new 14-unit residential development with ground floor <u>retail</u> will be developed.

C. Required Conditional Use Authorization

Business and Professional Service uses on the Property require a CUA. (Planning Code Section 733.53.) Business and Professional Service is the only feasible use of the Property given the Future Project and short-term nature of the lease. The Property was offered to retail tenants, but they were not interested.

As you may be aware, there is significant graffiti, vandalism and vagrancy that is occurring to vacant properties along Market Street. Prior to Caterra Real Estate occupying the Project Site, similar types of activities were occurring at the Property. Because of this, we believe it is necessary and desirable for the Property to remain occupied until the building is demolished. Maintaining an

¹ Since the submittal of the CUA application, Catarra has, with the permission of the Property owner, further subleased the space to local businesses and non-profits including Justia, Guide One, Bean Counter and Lopatin Attorney. These businesses would also be considered a Business or Professional Service use, but are local, providing much needed services to the community.



active business presence helps the risk of vandalism, eliminates potential blight, and improves the overall quality of the neighborhood.

The use of the Property, which include more than just Caterra Real Estate (see Footnote 1) are compatible with the Upper Market Street neighborhood. The Upper Market Street neighborhood is a multi-purpose commercial district and ground floor commercial space is required along Market Street in the Upper Market Neighborhood Commercial Transit District (see Planning Code section 733.13b).

The use of the Property also would not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity as it is **temporary** in nature and uses the existing building, entrances and parking that exist on the site. No changes to the existing building are proposed.

The use of the Property also would have a minimal impact on traffic as it is a low volume service use with a majority of the traffic being pedestrian. Most customers walk from nearby locations or use public transit since the Project Site is well served by transit, including the Market Street subway; the F-Market historic streetcar line; the F, J, K, L, M, and N light rail; and additional key cross-town transit service.

Finally, the benefit of the proposed, temporary use of the Property to the surrounding area is evidenced by the support of neighborhood organizations. Both the Castro Merchants (the merchants' organization serving San Francisco's Castro-Upper Market area) and the Castro/Upper Market Community Benefit District have submitted letters in support of the CUA.

C. Conclusion

The CUA requested will allow the continued, <u>temporary use</u> of the Property by Catarra Real Estate and other Business and Professional Service uses until the Future Project is ready for construction. That construction is anticipated to begin in early 2017.² Should the CUA not be approved, the space will once again become vacant as it is very unlikely the Property owner will be able to find a retail tenant to occupy the space for such a short time. The net result will be the displacement of existing tenants, including two non-profits, and the creation of a vacant building on a prominent corner lot on Market Street that will almost certainly result in vandalism, vagrancy and blight in the neighborhood.

For this reason, we respectfully request you support and approve the CUA.

Very truly yours,

Alexis M. Pelosi

² As noted above, a DR was filed on the building permits. The Planning Commission is likely to hear the DR in November. The Zoning Administrator has heard and indicated support for the variances, but cannot issue them until the pending violation is cured through the issuance of the requested CUA. The Property owner anticipates pulling building permits upon resolution of the DR and any potential appeal of the variance.

CASE NUMBER:

2-015 -000904CUA

APPLICATION FOR

Conditional Use Authorization

1. Owner/Applicant Information	
PROPERTY OWNER'S NAME: Donald St. Sure	
PROPERTY OWNER'S ADDRESS:	TELEPHONE:
336 Bon Air Ctr, PMB 522 Greenbrae, CA 94904	() EMAIL:
APPLICANT'S NAME: Bryan Robertson	Same as Above
APPLICANT'S ADDRESS: 2201 Market Street San Francisco, CA 94114	TELEPHONE: (650) EMAIL: bryan@catarra-re.com
CONTACT FOR PROJECT INFORMATION:	
Alexis Pelosi	Same as Above
ADDRESS:	TELEPHONE:
Pelosi Law Group	(415) 273-9670
560 Mission Street, STE 2800	EMAIL:
San Francisco, CA 94105	alexis@pelosilawgroup.com
COMMUNITY LIAISON FOR PROJECT (PLEASE REPORT CHANGES TO THE ZON	ING ADMINISTRATOR):
Alexis Pelosi	Same as Above 🔀
ADDRESS:	TELEPHONE:
	() EMAIL:
	
2. Location and Classification	
STREET ADDRESS OF PROJECT: 2201 Market Street, San Francisco, CA	zip code: 94114
CROSS STREETS: Sanchez	
ASSESSORS BLOCK/LOT: LOT DIMENSIONS: LOT AREA (SQ FT) 3559 / 001 83x97x128 4082	ZONING DISTRICT: HEIGHT/BULK DISTRICT: 00/65-X

3. Project Description

(Please check all that apply)	ADDITIONS TO BUILDING:	PRESENT OR PREVIOUS USE: Services business (real estate office)	
Change of Use	☐ Rear		
☐ Change of Hours	☐ Front	PROPOSED USE:	
New Construction	Height	Services business (real estate office)	
Alterations	Side Yard		
Demolition		BUILDING APPLICATION PERMIT NO.: N/A	DATE FILED:
Other Please clarify:			

4. Project Summary Table

If you are not sure of the eventual size of the project, provide the maximum estimates.

	EXISTING USES:	EXISTING USES TO BE RETAINED:	NET NEW CONSTRUCTION AND/OR ADDITION:	PROJECT TOTALS:
		PROJECT FEATURES		
Dwelling Units	0	0	0	0
Hotel Rooms	0	0	0	0
Parking Spaces	7	7	0	7
Loading Spaces		1	0	1
Number of Buildings	·· 1	1	0	1
Height of Building(s)	20'	20'	0	20'
Number of Stories		1	0	. i
Bicycle Spaces	0	0	0	0
	GR	OSS SQUARE FOOTAGE (C	GSF)	
Residential	, 0 ,	0	0	0
Retail	0	0	0	0
Office	3788	3788	0	3788
Industrial/PDR Production, Distribution, & Repair	0	0	0	0
Parking	1071	1071	0	1071
Other (Specify Use)	0	0	0	0
TOTAL GSF				

Please describe any additional project features that are not included in this table: (Attach a separate sheet if more space is needed)

There is no new construction on the site.

CASE NUMBER:
For Staff Use only 2015-000104CUA

5. Action(s) Requested (Include Planning Code Section which authorizes action)

See Attached.

Conditional Use Findings

Pursuant to Planning Code Section 303(c), before approving a conditional use authorization, the Planning Commission needs to find that the facts presented are such to establish the findings stated below. In the space below and on separate paper, if necessary, please present facts sufficient to establish each finding.

- 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 or desirable for, and compatible with, the neighborhood or the community; and
- 2. That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:
 - (a) The nature of the proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;
 - (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;
 - (c) The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;
 - (d) Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs; and
- 3. That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the Master Plan.

See Attached.

Priority General Plan Policies Findings

Proposition M was adopted by the voters on November 4, 1986. It requires that the City shall find that proposed projects and demolitions are consistent with eight priority policies set forth in Section 101.1 of the City Planning Code. These eight policies are listed below. Please state how the project is consistent or inconsistent with each policy. Each statement should refer to specific circumstances or conditions applicable to the property. Each policy must have a response. IF A GIVEN POLICY DOES NOT APPLY TO YOUR PROJECT, EXPLAIN WHY IT DOES NOT.

a r	esponse. IF A GIVEN POLICY DOES NOT APPLY TO YOUR PROJECT, EXPLAIN WHY IT DOES NOT.
1.	That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
See	Attached.
2.	That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;
Se	e Attached.
•	That the Ottober and of the Label I is a second
	That the City's supply of affordable housing be preserved and enhanced; e Attached.
	That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;
Se	e Attached.

CASE NUMBER
For Staff Use only 2015 - 000904 CUA

 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;
See Attached.
 That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;
See Attached.
7. That landmarks and historic buildings be preserved; and
See Attached.
8. That our parks and open space and their access to sunlight and vistas be protected from development.
See Attached.

Estimated Construction Costs

BY PROPOSED USES:

Applicant's Affidavit

Under penalty of perjury the following declarations are made:

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

Signature: Date: 12/16/14

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

Authorized Agent

Owner / Authorized Agent (circle one)

CASE NUMBER:

2015-000904CUA

Application Submittal Checklist

Applications listed below submitted to the Planning Department must be accompanied by this checklist and all required materials. The checklist is to be completed and **signed by the applicant or authorized agent and a department staff person.**

APPLICATION MATERIALS	CHECKLIST	
Application, with all blanks completed		
300-foot radius map, if applicable	3	
Address labels (original), if applicable		
Address labels (copy of the above), if applicable	1 n/a	
Site Plan		
Floor Plan	9	
Elevations	4	
Section 303 Requirements		
Prop. M Findings	9	
Historic photographs (if possible), and current photographs		NOTES:
Check payable to Planning Dept.		Required Material. Write "N/A" if you believe the item is not applicable, (e.g. letter of authorization is not required if application is
Original Application signed by owner or agent		signed by property owner.)
Letter of authorization for agent		Typically would not apply. Nevertheless, in a specific case, staff may require the item.
Other: Section Plan, Detail drawings (ie. windows, door entries, trim), Specifications (for cleaning, repair, etc.) and/or Product cut sheets for new elements (ie. windows, doors)	Phtos	 Two sets of original labels and one copy of addresses of adjacent property owners and owners of property across street.

After your case is assigned to a planner, you will be contacted and asked to provide an electronic version of this application including associated photos and drawings.

Some applications will require additional materials not listed above. The above checklist does not include material needed for Planning review of a building permit. The "Application Packet" for Building Permit Applications lists those materials.

No application will be accepted by the Department unless the appropriate column on this form is completed. Receipt of this checklist, the accompanying application, and required materials by the Department serves to open a Planning file for the proposed project. After the file is established it will be assigned to a planner. At that time, the planner assigned will review the application to determine whether it is complete or whether additional information is required in order for the Department to make a decision on the proposal.

For Department Use Only		
Application received by Planning Department:		
a had of Charles		10/11
By: /// / Medil	Date:	5/9/10

Conditional Use Authorization - Supplemental Information and Findings.

5. Action(s) Requested (Include Planning Code Section which authorizes action).

The Project is the use of 3,788 square feet in the existing building at 2201 Market Street as a real estate office. In the Upper Market Neighborhood Commercial Transit District, Business Services uses (which include real estate brokerage) are permitted on the ground floor (see Planning Code sections 733.53 and 790.108). However, pursuant to the Interim Zoning Controls that went into effect on July 25, 2013 and are in effect for 18 months or until permanent controls are adopted (Board File No. 130677/Reso. No. 254-13), due to concerns about street frontages and overconcentration of certain uses, Business Services uses currently require Conditional Use Authorization.

Conditional Use Findings

Pursuant to Planning Code Section 303(c), before approving a conditional use authorization, the Planning Commission needs to find that the facts presented are such to establish the findings stated below. In the space below and on separate paper, if necessary, please present facts sufficient to establish each finding:

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 or desirable for, and compatible with, the neighborhood or the community; and

The proposed use is an approximately 3,788 square foot real estate office within an existing building.

The existing building is set to be demolished in 2015, making it unlikely that a retail store would occupy the space since such uses are unlikely to invest in the necessary improvements for a short lease period. Viable short-term uses, such as a real estate office, are desirable until the building is demolished because they will help reduce vandalism of the building and improve the overall quality of the neighborhood. In addition, a real estate office use is compatible with the uses in the Upper Market Street neighborhood, which is a multi-purpose commercial district. In fact, ground floor commercial space is required along Market Street in the Upper Market Neighborhood Commercial Transit District (see Planning Code section 733.1).

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

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

The real estate office occupies approximately 3,788 square feet on the ground floor. The size and shape of the proposed use would not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity or be injurious to property, improvements or potential development in the vicinity since the real estate office is a small percentage of the overall floor area of the existing building.

(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;

The real estate office would continue to be accessed via the existing entrance. The use is a low volume service use, with majority of the traffic being pedestrian.

Most customers will likely walk from nearby locations or use public transit since the Project site is well served by transit, including the Market Street subway; the F-Market historic streetcar line; the F, J, K, L, M, and N light rail; and additional key cross-town transit service. Additionally, Market Street is a primary bicycle corridor.

For the small number of customers driving to the site, the Project includes seven (7) off-street parking spaces, which will be more than adequate to accommodate any vehicular traffic.

The proposed real estate office use will not receive deliveries on a regular basis. Nonetheless, the Project site provides one off-street loading space.

For all these reasons, the Project will not result in parking or traffic that would be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity or injurious to property, improvements or potential development in the vicinity.

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

The proposed use - a real estate office - will not generate noxious or offensive emissions such as noise or odor.

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

The proposed use fronts Market Street. The existing entry point and lighting will be retained. The use includes signage along Sanchez Street and Market Street. Along Sanchez Street a sign with 12" and along Market Street there is a 12' x 36" sign. The signs are not illuminated and are either stickers or 3-D letters.

The Project will not alter the existing street tree planting and will not require any sidewalk improvement.

Off-street parking and loading is located off of Sanchez Street in a surface parking lot. The parking lot is an existing feature of the property and has not been changed as part of the proposed use.

3. That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the Master Plan.

The proposed use complies with all applicable provisions of the Planning Code, including Section 733.1 regarding the Upper Market Street Neighborhood Commercial Transit District.

In addition, the Project will not adversely affect the General Plan. The following sets forth various objectives and policies in the General Plan that the Project is consistent with, including but not limited to, the following:

Commerce and Industry

- Objective 6 Maintain and strengthen viable neighborhood commercial areas easily accessible to City residents.
 - Policy 6.1 Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity amount the districts.
 - Policy 6.2 Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society.

Urban Design

- Objective 4 Improvement of the neighborhood environment to increase personal safety, comfort, pride and opportunity.
 - Policy 4.13 Improve pedestrian areas by providing human scale and interest.

The Project proposes the use of approximately 3,788 square feet in the ground floor of an existing building as a real estate office, a neighborhood serving business. Pursuant to Planning Code section 733.1, ground-story neighborhood-serving uses are encouraged in the Upper Market Street Neighborhood Commercial Transit District, with ground floor-commercial space required along Market Street.

Because the existing building is set to be demolished in 2015, long-term uses, such as retail, are not likely to occupy the space, resulting in a dark storefront. By allowing a short-term use such as a real estate office, the Project will help maintain a viable neighborhood. Further, it will help discourage vandalism, thereby increasing personal safety, comfort and pride in the area.

4. That such use or feature as proposed with provide development that is in conformity with the stated purpose of the applicable Neighborhood Commercial District.

The Upper Market Neighborhood Commercial Transit District has an active and continuous commercial frontage along almost all of Market Street. The district is a multi-purpose commercial district that provides limited convenience goods to adjacent neighborhoods, but also serves as a shopping street for a broader trade area. It includes business service uses, restaurants and bars, and specialty stores, among other uses. The Upper Market Neighborhood Commercial Transit District encourages ground-story neighborhood-serving businesses and requires commercial uses on the ground floor along Market Street.

The use – a real estate office – is a neighborhood-serving business on the ground floor along Market Street. The Project therefore conforms to the stated purpose of the Upper Market Neighborhood Commercial Transit District.

MASTER PLAN PRIORITY POLICIES CONSISTENCY

The following set forth the Project consistency with the eight priority planning policies set forth in Planning Code section 101.1.

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

There were no existing neighborhood-serving retail uses at the site prior to the Project; the property had been vacant for an extended period of time.

The Project is a locally owned business that revitalizes the existing structure by occupying approximately 3,788 square feet with a real estate office use. The real estate office employs two part-time employees and five full time agents, approximately 80% of which live within three miles of the Project site. The location of a real estate office at the site provides additional neighborhood serving amenities, as well as additional employment opportunities for local residents.

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

There was no existing housing in the proposed space; it was formerly occupied by retail but had been vacant for an extended period of time.

The Project conserves the character of the existing neighborhood by maintaining the existing façade.

3. That the City's supply of affordable housing be preserved and enhanced.

The Project is a commercial project in an existing building and will not have any impact on the City's supply of affordable housing.

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

The Project is well served by public transportation, including the Market Street subway; the F-Market historic streetcar line; the F, J, K, L, M, and N light rail; and additional key cross-town transit service. Additionally, Market Street is a primary bicycle corridor.

Because the Project is a local, neighborhood serving business, it is anticipated that most customers will walk, bike or take public transportation to the site. Most of the staff is also anticipated to walk, bike or use public transit since approximately 80% live within three miles of the site. Combined, the total number of staff and customers using public transit on a daily basis will be minimal. As a result, the Project will not adversely impact public transit.

The Project provides seven off-street parking spaces and therefore will not place a burden on the existing supply of parking in the neighborhood.

5. 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.

There are no industrial or service sector uses in the existing building that will be displaced by the Project.

The Project provides future opportunities for resident employment by providing employment for two part-time employees and five real estate agents.

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

The Project occupies an existing structure and does not include any renovations that might impact the structural and seismic integrity of the building. Two exits are provided and an emergency preparedness plan has been created to help protest against injury and loss of life in the event of an earthquake.

7. That landmarks and historic buildings be preserved.

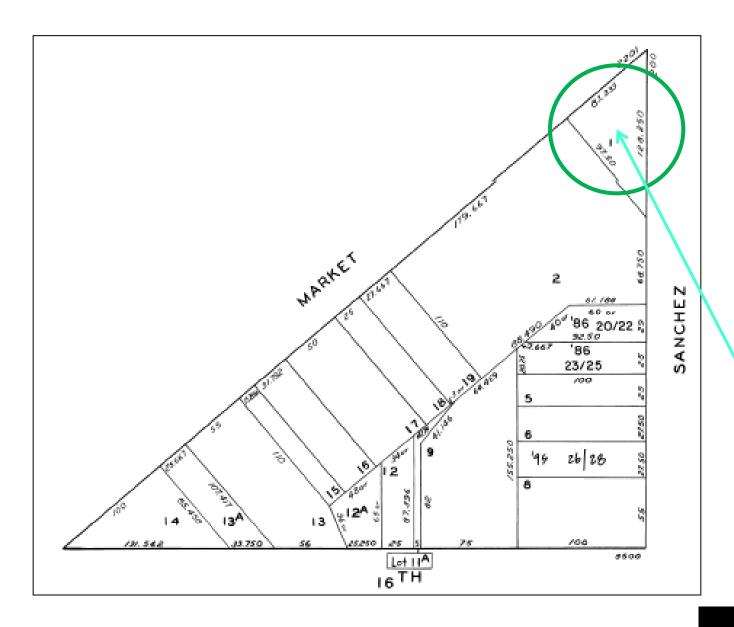
The existing building is not a landmark and is not historically significant or located within an existing historic district.

2201 Market Street Supplemental Information for Conditional Use Application

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

The Project will not impact any parks or open spaces or their access to sunlight or vistas.

Parcel Map

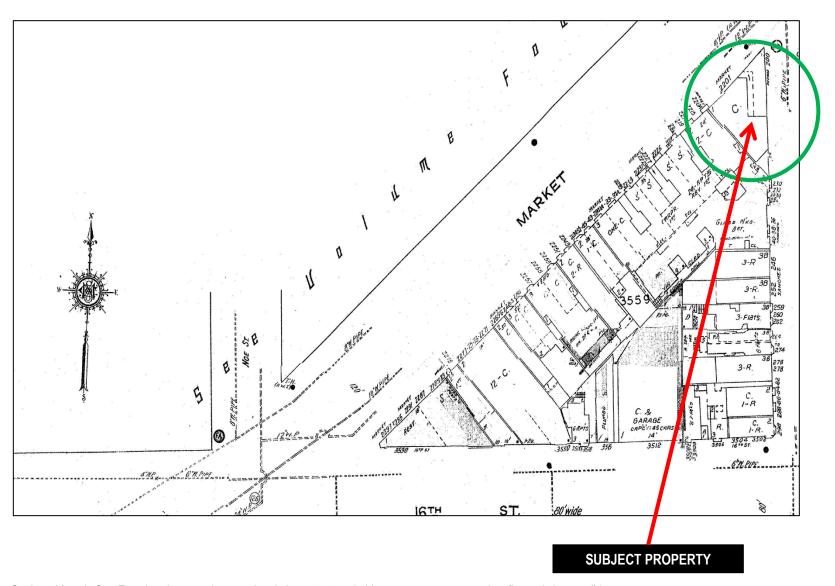


SUBJECT PARCEL



Conditional Use Hearing
Case Number 2015-000904CUA
2201 Market Street

Sanborn Map*



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

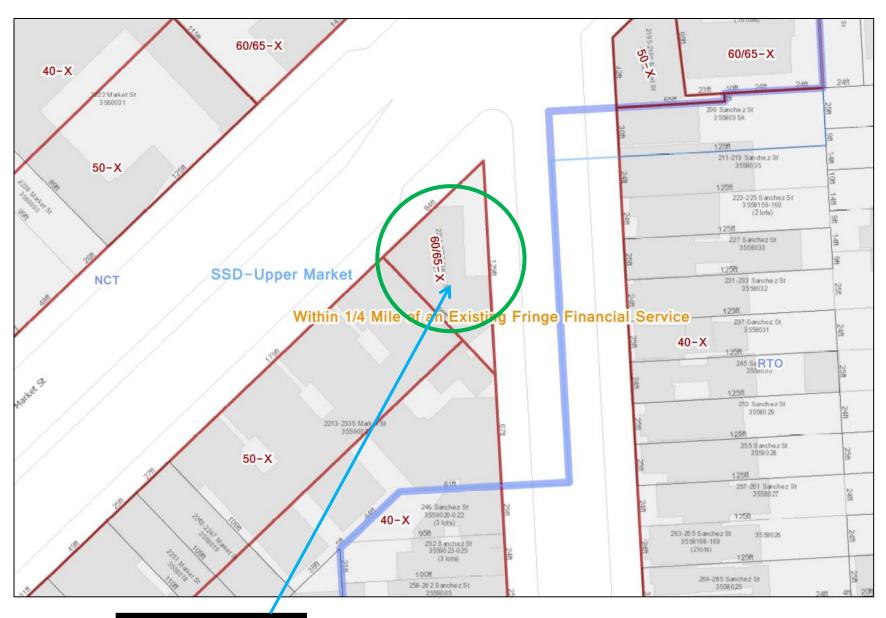


Conditional Use Hearing

Case Number 2015-000904CUA

2201 Market Street

Zoning Map



SUBJECT PROPERTY



Conditional Use Hearing
Case Number 2015-000904CUA
2201 Market Street Boulevard

Aerial Photo



SUBJECT SITE



Conditional Use Hearing

Case Number 2015-000904CUA

2201 Market Street

MARKET ST. 2201 MARKET STREET

SAN FRANCISCO, CA 94114	DRAWING:	SOTOH DE
	•	

SCALE	AS NOTED
DATE:	OCTOBER 1, 201
JOB NO.	2013.10
DRAWN:	

SCALE:	AS NOTED
DATE:	OCTOBER 1, 201
JOB NO.	2013.10
DRAWN:	
CAD FILE:	



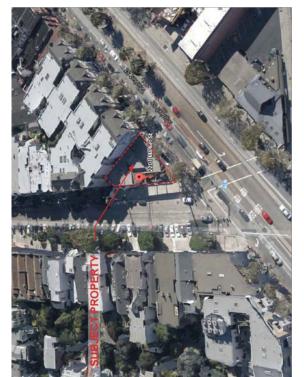
EDMONDS + LEE
ARCHITECTS, INC.
2601 Mission St., #503
Son francisco, CA 94110
T 415 · 285 · 1300
www.edmondslee.com

(03) VIEW OF SUBJECT PROPERTY SCALE NTS.



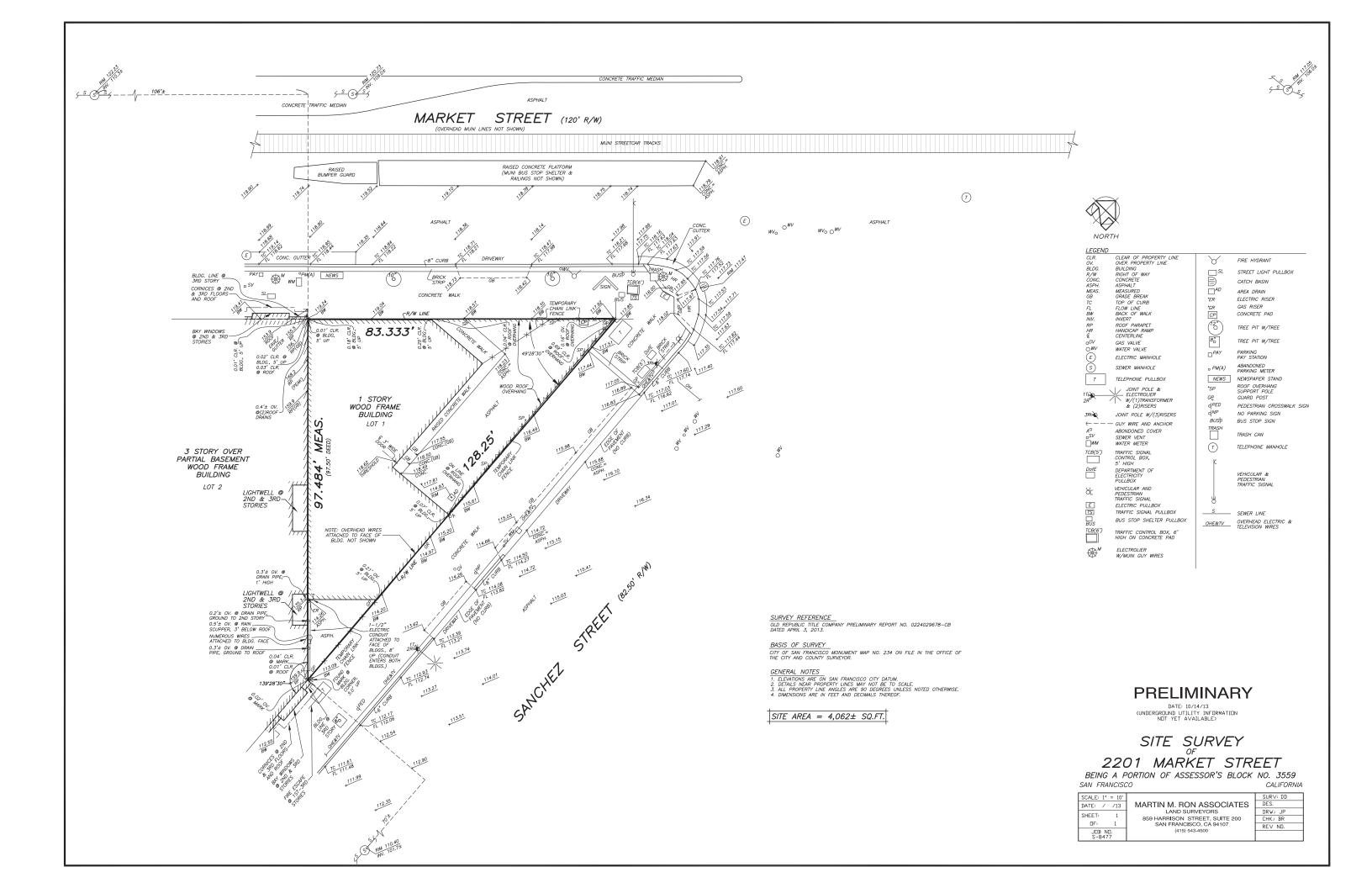
VIEW LOOKING SW FROM SANCHEZ STREET SCALE NTS.

VIEW LOOKING NE FROM MARKET STREET
SCALE:NTS.

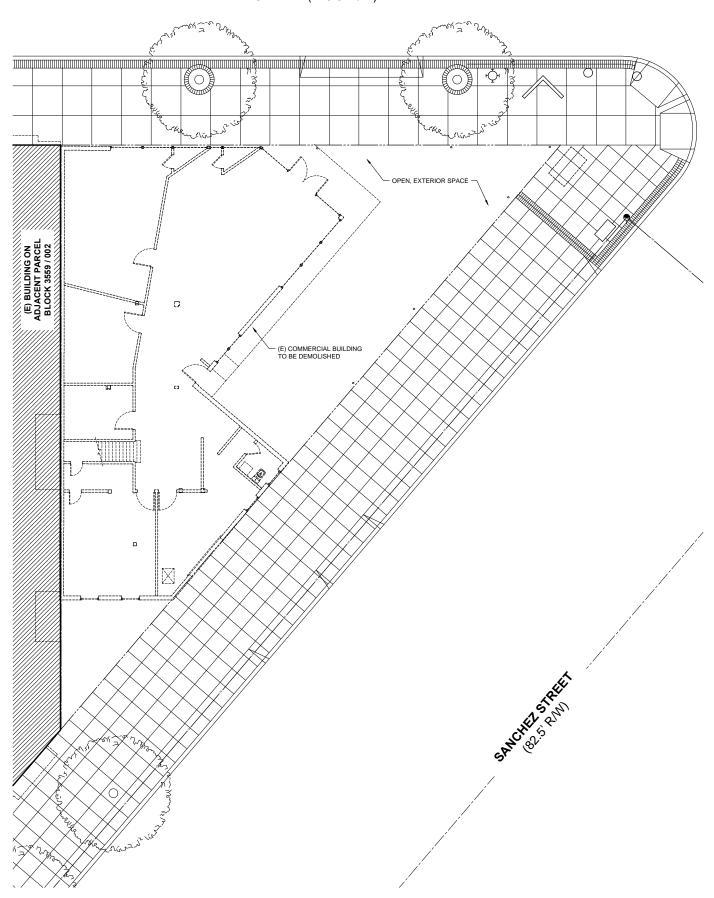


VIEW OF SUBJECT PROPERTY SCALE:NITS.

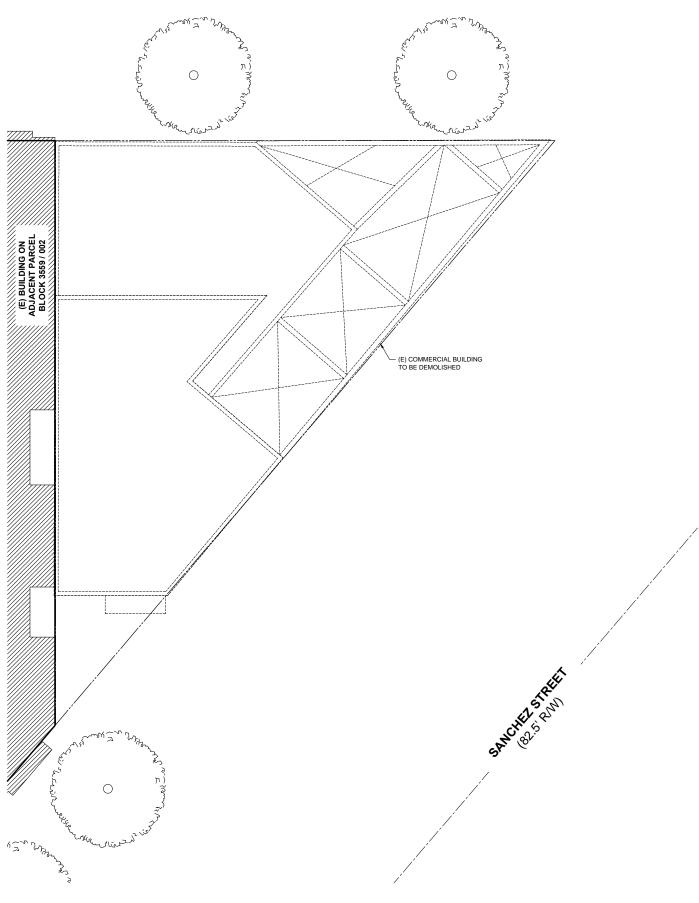




MARKET STREET (120.0' R/W)



MARKET STREET (120.0' R/W)



EDMONDS + LEE ARCHITECTS, INC.

2601 Mission St., 400A San Francisco, CA 94110 T 415 . 285 . 1300 www.edmondslee.com

PROJECT:

MARKET ST. 2201 MARKET STREET SAN FRANCISCO, CA 94114

DRAWING:

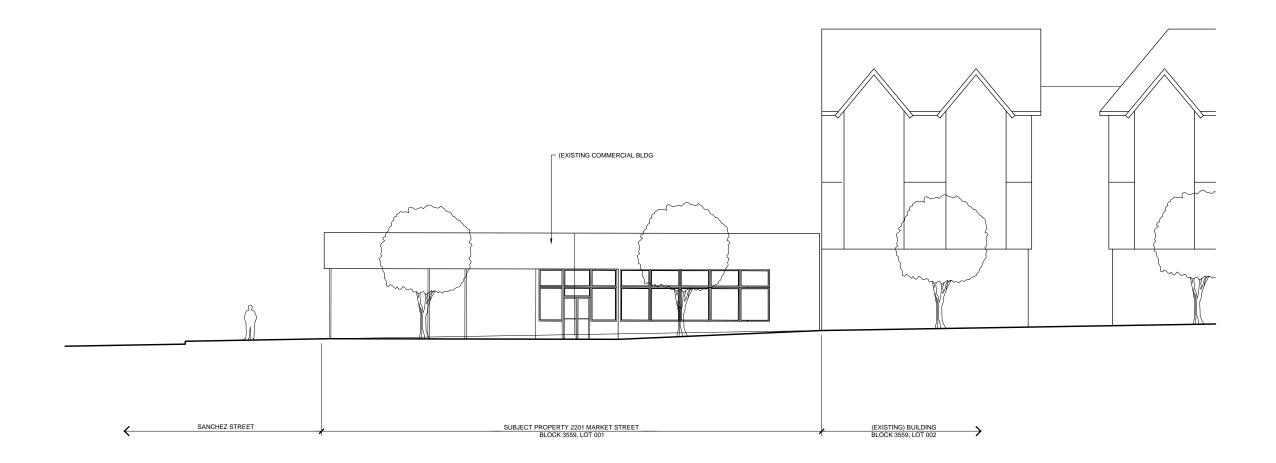
EXTERIOR ELEVATION (EXISTING)

SCALE:	1/8" = 1'-0"
DATE:	SEPTEMBER 08, 2014
JOB NO.	2013.10
DRAWN:	
CAD FILE:	

A2.00

EDMONDS + LEE ARCHITECTS, INC.

2601 Mission St., 400A San Francisco, CA 94110 T 415 . 285 . 1300 www.edmondslee.com



PROJECT:

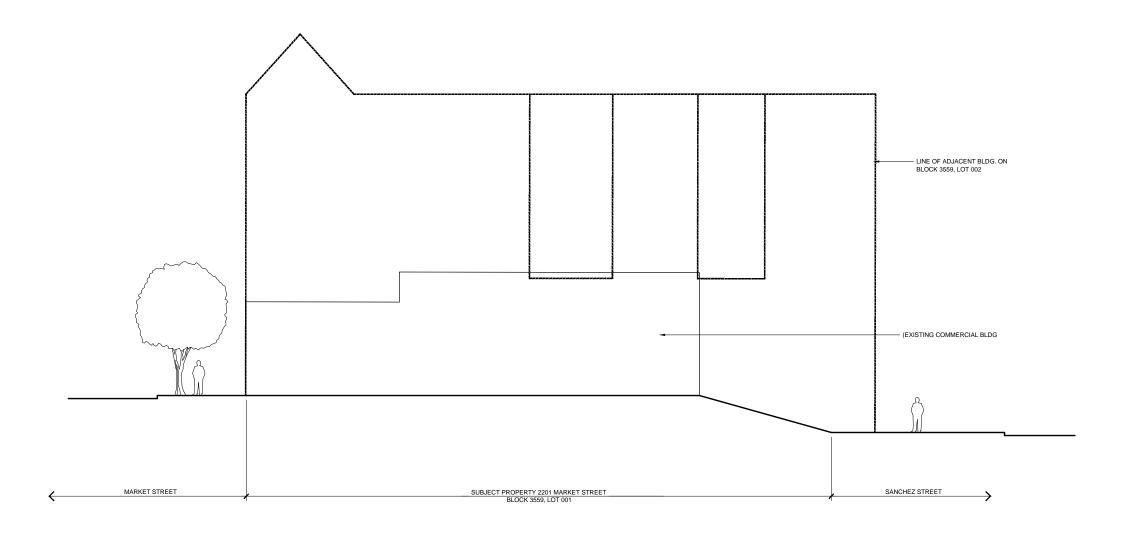
MARKET ST. 2201 MARKET STREET SAN FRANCISCO, CA 94114

DRAWING:

EXTERIOR ELEVATION (EXISTING)

SCALE:	1/8" = 1'-0"
DATE:	SEPTEMBER 08, 2014
JOB NO.	2013.10
DRAWN:	
CAD FILE:	

A2.01



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2601 Mission St., 400A San Francisco, CA 94110 T 415 . 285 . 1300 www.edmondslee.com

PROJECT:

MARKET ST. 2201 MARKET STREET SAN FRANCISCO, CA 94114

DRAWING:

EXTERIOR ELEVATION (EXISTING)

SCALE:	1/8" = 1'-0"
DATE:	SEPTEMBER 08, 2014
JOB NO.	2013.10
00D NO.	2010.10
DRAWN:	
CAD FILE:	

A2.02



584 Castro Street #333 San Francisco CA 94114-2512

formerly "Merchants of Upper Market & Castro – MUMC" **415/431-2359**

Info@CastroMerchants.com www.CastroMerchants.com

August 22, 2016

By Email and USPS hardcopy

Todd Kennedy, Staff Planner San Francisco Planning Department 1650 Mission Street, Suite 400 San Francisco CA 94103-2479

Re: Planning Case No. 2015-000904CUA
2201 Market Street, San Francisco
Polaris Pacific/Catarra Real Estate – Retail to Business/Professional Services

Dear Mr. Kennedy,

This confirms that the Members of **CASTRO MERCHANTS** (formerly "Merchants of Upper Market & Castro – MUMC") have voted unanimously to SUPPORT the proposed Conditional Use Authorization referenced above and related requests to your Department. We understand that this matter currently is scheduled for Planning Commission Hearing on September 8, 2016 (or any continuance thereof).

CM's support is based on information provided by Chris Foley of Polaris Pacific during his presentation at our Members Meeting on June 2, 2016. We have asked the Project Sponsor to notify us if there are any subsequent, substantive changes to the proposal prior to Planning's approval, so we can evaluate whether such changes would affect the previous vote. We have received no such notification, to date.

CASTRO MERCHANTS is the merchants' organization serving San Francisco's Castro-Upper Market area, generally along Upper Market Street from Castro Street to Octavia Blvd.; Castro from Market to 19th Street; and cross streets throughout that area. **CASTRO MERCHANTS** has over 300 paid Members for 2016-2017. The property covered by this matter is within our organization's primary service area.

In addition to today's email to you and to the individuals cc'd below, hardcopies of this letter are being mailed on August 23 to you and to Foley.

.... continued



CASTRO MERCHANTS

San Francisco Planning Department

August 22, 2016

Re: Planning Case No. 2015-000904CUA
2201 Market Street, San Francisco

Polaris Pacific/Catarra Real Estate – Retail to Business/Professional Services

Please let us know if you have any questions regarding **CASTRO MERCHANTS**'s SUPPORT for this Application and related items. Please include this letter in the matter's permanent file, and assure that it is provided to all Planning Staff and Commissioners and to any other hearing panels at the time that this matter is considered by them. Thank you for considering our comments.

Respectfully,

Daniel Bergerac, President

Email and hardcopy cc: Chris Foley, Polaris Pacific; Alexis Pelosi, Pelosi Law Group

Email cc: Supervisor Scott Wiener, Staff Andres Power Capt. Daniel Perea, SFPD Mission Station

.... LtrPlanningPolarisPacific2201MarketCURetailToOffice082216



July 6, 2016

584 Castro Street #336 FX 415.522.0395 www.castrocbd.org www.facebook/ @visitthecastro

Rodney Fong, President San Francisco, CA 94114 S.F. Planning Commission PH 415.500.1181 1650 Mission Street San Francisco, CA 94103

castrocbd Dear President Fong,

This letter is written to express the support of the Castro/Upper Market Community Benefit District board of directors for the conditional use authorization requested by Polaris Pacific for 2201 Market Street.

The Castro/Upper Market Community Benefit District does realize that the current uses in the space do not conform to the current regulations and therefore requires a CU for approval. Our support is given largely because this is temporary and the building will be torn within the year. If the current occupants are forced to leave, this will result in another vacancy at an important corner lot, adding to the perception of blight in the neighborhood.

However, the support is granted with the following condition: If the project falls through, does not end up being built or takes more than a year, the Castro/Upper Market Community Benefit District withdraws it's support.

We urge you to support this request for a CU with the condition that the approval is temporary.

Thank you.

Sincerely.

Andrea Aiello **Executive Director**

cc: Todd Kennedy, Planner, SF Planning Department

Jonas Ionin, Director of Commission Affairs SF Planning Dpt.

Scott Wiener, Supervisor District 8

Chris Foley, Polaris Pacific Alexis Pelosi, Pelosi Law Group

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