Executive Summary General Plan Amendment Initiation

HEARING DATE: SEPTEMBER 14, 2017

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

Reception: 415.558.6378

ax:

Planning Information: 415.558.6377

415.558.6409

Date: September 7, 2017
Case No.: 2015-005848GPA

Project Address: 1629 Market Street Mixed-Use Project

Existing Zoning: NCT-3 (Neighborhood Commercial, Moderate Scale) Zoning District

P (Public) District

OS, 40-X and 85-X Height and Bulk Districts

Block/Lot: 3505/001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A, 034, 035

Project Sponsor: Strada Brady, LLC

Staff Contact: Richard Sucre – (415) 575-9108; <u>richard.sucre@sfgov.org</u>

Recommendation: Initiate General Plan Amendments

PROJECT DESCRIPTION

The Project Sponsor, Strada Brady, LLC, proposes to demolish the existing UA Local 38 building, demolish the majority of the Lesser Brothers Building, and rehabilitate the Civic Center Hotel, as well as demolish the 242-space surface parking lots on the project site. The proposed project (Project) would construct a total of five new buildings on the project site, including a new UA Local 38 building, and a 10-story addition to the Lesser Brothers Building with ground-floor retail/restaurant space at the corner of Brady and Market Streets ("Building A"). A new 10-story residential building with ground-floor retail/restaurant space ("Building B") would be constructed on Market Street between the new UA Local 38 building and Building A. A nine-story residential building would be constructed at the end of Colton Street and south of Stevenson Street ("Building D"). The five-story Civic Center Hotel (also referred to as "Building C"), would be rehabilitated to contain residential units and ground-floor retail/restaurant, and a new six-story Colton Street Affordable Housing building would be constructed south of Colton Street as part of the proposed project. Overall, the proposed project would include construction of 498,100 square feet of residential use that would contain up to 477 residential units and up to 107 affordable units in the Colton Street Affordable Housing building, for a total of up to 584 units.6 In addition, the proposed project would include 27,300 square feet of union facility use, 13,000 square feet of ground-floor retail/restaurant use, and 32,800 square feet of publicly-accessible and residential open space. As part of the project, the Project Sponsor would develop a new privately-owned publicly-accessible open space at the northeast corner of Brady and Colton Streets.

SITE DESCRIPTION AND PRESENT USE

The project site occupies approximately 97,617 square feet, or 2.2 acres, on the block bounded by Market, 12th, Otis, and Brady Streets located within the boundaries of Market & Octavia Area Plan. Most of the site is located within the NCT-3 (Moderate-Scale Neighborhood Commercial Transit) Zoning District, while the southwestern portion of the site, occupying approximately 20,119 square feet is in a P (Public) Zoning District. The portions of the project site north of Stevenson Street and east of Colusa Place are

located within an 85-X height and bulk district, while the portion of the project site south of Colton Street is in a 40-X height and bulk district.¹

The project site is currently occupied by four surface parking lots containing 242 parking spaces, an approximately 15-foot-tall Bay Area Rapid Transit (BART) ventilation structure for the below-grade BART tunnel, as well as three buildings: the Civic Center Hotel, the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry (UA) Local 38 building, and the Lesser Brothers Building, which is currently occupied by a variety of retail tenants.

ZONING AND ENTITLEMENT STRUCTURE

Staff from the Planning Department, the Office of Economic and Workforce Development, and other agencies have worked extensively with the Project Sponsor to formulate a comprehensive planning approach and entitlement structure for the site.

As proposed, the Project largely complies with many of the zoning controls which currently apply to the project site; however, certain zoning and Planning Code adjustments are required to accommodate the Project's inclusionary affordable housing. The Project will enter into a Development Agreement (DA) with City and County of San Francisco to address the inclusionary affordable housing commitments and the privately-owned publicly-accessible open space. The Project is requesting to realign the parcels and rezone portions of the site from P (Public) to NCT-3, and from 40-X to 68-X. In addition, the Project Sponsor is proposing the 1629 Market Street Special Use District ("SUD") for the project site that will adjust the requirements for useable open space and narrow streets and alleys. Finally, the Project is required to obtain a Planned Unit Development-Conditional Use Authorization from the Planning Commission, per Planning Code Sections 303 and 304.

REQUESTED ACTION

In addition to the zoning changes described above, two maps in the Market & Octavia Area Plan and Policy 7.2.5 would need to be amended in association with the 1629 Market Street Mixed-Use Project. These amendments will indicate the realigned zoning and height districts proposed for the project site, and would revise the policy statements to better align with the proposed project. The specific exhibits to be amended are as follows:

- Map 1 ("Land Use Districts"): Revise the land use designations on Block 3505 to reflect the configuration of the privately-owned publicly accessible open space.
- Map 3 ("Height Districts"): Revise the height limits on Block 3505 to reflect the 1629 Market Street Special Use District, including configuration of the privately-owned, publicly accessible open space, and the increase in the Colton Street Supportive Housing site height from 40-X to 68-X.
- Policy 7.2.5: To revise the Policy 7.2.5 of the Market & Octavia Area Plan as follows:

POLICY 7.2.5

Make pedestrian improvements within the block bounded by Market, Twelfth, Otis, and Gough Streets and redesign Twelfth Street between Market and Mission Streets, creating a new park and street spaces for public use, and new housing opportunities.

The block bounded by Market, Gough, Otis and 12th Streets, known as the "Brady Block" is a unique place; its interior is divided and made publicly-accessible by four alleys bisecting it in different directions. At its core, the block shows the signs of many years of neglect; surface parking lots and a large ventilation shaft for the BART system create a large swath of indefensible space.

The block has tremendous potential despite its present conditions. It is an intimate space of small buildings fronting on narrow alleys. It isn't hard to envision a small neighborhood here-on the scale of South Park: small residential infill and existing buildings framing a new public park at the core of the block's network of alleys. The addition of new housing and the development of a small-scaled living area with a narrow but connected street pattern can make this an enviable mini-neighborhood. Existing uses can stay, but new uses can, by public and private cooperation, create a residential mixed-use enclave.

A small new open space can be developed in the center of the Brady Block, taking advantage of a small (approximately 80-foot-square BART-owned parcel that provides access to its tunnel below), and through purchase of an adjacent 100 foot by 80 foot parcel, currently surface parking. By creating a small open space here and connecting the existing alley network, the city *or a private developer* would have created a magnificent centerpiece for this intimate minineighborhood. The park will be surrounded by several housing opportunity sites and would by accessed via a network of mid-block alleys designed as "living street" spaces. The BART vent shaft rather than a hindrance could be the site of a central wind-driven kinetic sculpture.

In addition to the land use, height and bulk controls outlined in Element 1, the following actions are necessary to realize this change for the Brady Block, in order of importance:

- •An agreement will be necessary with BART to allow the reuse of the land where its ventilation shafts comes to the surface as a public park.
- •Parcels 3505031 and 3505031A, which are currently used as surface parking lots, will have to be purchased and dedicated to the Recreation and Parks Department as public open space.
- •Parcel 3505029, which is currently vacant, will have to be purchased and dedicated to DPW as a public right of way connecting Stevenson Alley with Colton and Colusa Alleys.
- •Approximately 4,000 sf. of parcel 3505035, which is currently a surface parking lot, will have to be purchased and dedicated to DPW as a public right of way connecting the two disconnected halves of Stevenson Alley.

ENVIRONMENTAL REVIEW

The requested General Plan Amendment Initiation would not, in and of itself, result in a physical change to the environment. Therefore, this action is statutorily exempt under the California Environmental Quality Act (Section 15060(c)(2)).

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On May 10, 2017, the Department published the 1629 Market Street Mixed-Use District Project Draft Environmental Impact Report (DEIR) for public review (Case No. 2015-005848ENV). The DEIR was available for public comment until June 26, 2017. On June 15, 2017, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. The Department is currently preparing a Comments and Responses document, and will respond to comments made on the DEIR. Certification of the Final EIR will be considered by the Planning Commission at a public hearing (currently scheduled for October 19, 2017).

HEARING NOTIFICATION

The requested General Plan Amendment Initiation does not require public notification, aside from listing in the published hearing agenda for the Planning Commission.

Should the Commission initiate the General Plan Amendment, the Commission would make a formal recommendation to the Board of Supervisors at a future hearing, which will be publicly noticed in accordance with the requirements of the Planning Code.

PUBLIC COMMENT

To date, Department staff has received no communications from the public regarding the requested General Plan Amendment Initiation.

REQUIRED COMMISSION ACTION

In order for the General Plan Amendments to proceed, the Commission must first approve a Resolution of Intent to initiate the General Plan Amendments.

Should the Commission initiate the General Plan Amendments, the Commission would make a formal recommendation to the Board of Supervisors at a future public hearing (currently scheduled for October 19, 2017). The 1629 Market Street Mixed-Use Project will require other additional approvals by the Planning Commission and Board of Supervisors, which will be considered at future public hearings.

Initiation of the General Plan Amendments does not constitute a recommendation that the Board of Supervisors approve the Amendment, nor does it constitute an approval of the projects associated with the Amendment.

BASIS FOR RECOMMENDATION

- The initiation will enable the General Plan Amendments and other project approvals associated with the 1629 Market Street Mixed-Use Project to proceed.
- The Project will provide new market-rate housing and supportive affordable housing, thus contributing to the City's housing goals—a top priority for the City of San Francisco.
- The Project will add an expanded institutional space, as well as residential and retail uses that will contribute to the employment base of the City and bolster the viability of the Market & Octavia Area.
- The Project will adaptively reuse a notable historic resource, Civic Center Hotel, and will add new housing opportunities within the Market & Octavia Area Plan.

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- The site is currently underutilized, and the addition of new ground-floor retail spaces and publicly-accessibly open spaces will enliven the streetscape.
- The project is, on balance, consistent with the Goals, Policies, and Objectives of the General Plan.

RECOMMENDATION: Initiate General Plan Amendments

Attachments:

Draft Resolution Exhibits General Plan Amendment Ordinance Market & Octavia Area Plan, Map 1 – Land Use Districts Market & Octavia Area Plan, Map 3 – Height Districts

Planning Commission Draft Resolution

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Project Sponsor: Strada Brady, LLC

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RESOLUTION OF INTENTION TO INITIATE AMENDMENTS TO THE GENERAL PLAN, PURSUANT TO PLANNING CODE 340, INCLUDING AMENDMENTS TO THE MAP 1 (LAND USE DISTRICTS), MAP 3 (HEIGHT DISTRICTS) AND POLICY 7.2.5 OF THE MARKET & OCTAVIA AREA PLAN.

- 1. **WHEREAS**, Section 4.105 of the Charter of the City and County of San Francisco mandates that the Planning Commission shall periodically recommend to the Board of Supervisors for approval or rejection proposed amendments to the General Plan.
- WHEREAS, The General Plan consists of goals, policies and programs for the future physical development of the City and County of San Francisco that take into consideration social, economic and environmental factors.
- 3. **WHEREAS**, The General Plan shall be periodically amended in response to changing physical, social, economic, environmental or legislative conditions.
- 4. WHEREAS, Section 340 of the Planning Code of the City and County of San Francisco provides that an amendment to the General Plan may be initiated by the Planning Commission upon an application by one or more property owners, residents or commercial lessees, or their authorized agents.
- 5. **WHEREAS**, Strada Brady, LLC ("Project Sponsor") has filed an application requesting amendments to the General Plan, Planning Code, and Zoning Maps to facilitate the construction of a mixed-use commercial, residential, and institutional project known as the 1629 Market Street Mixed-Use Project ("Project"); and
- 6. **WHEREAS**, the Project is located on approximately 2.2 acres of land (Assessor's Block 3505 Lots 001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A, 034 and 035), which includes a historic resource, the Civic Center Hotel; and

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- 7. **WHEREAS**, the Project responds to its location within the Market & Octavia Area Plan by proposing increased housing and employment on the Project site. The Project would include up to 584 residential units (which includes up to 107 affordable housing units), 27,300 gross square feet (gsf) of union facility use, and 13,000 gsf of retail-restaurant use, as well as construction of streetscape improvements and a privately-owned publicly-accessible open space; and
- 8. **WHEREAS**, the Project proposes various public benefits, including supportive affordable housing and new neighborhood-serving amenities, such as new retail use and a privately-owned publicly-accessible open space; and
- 9. WHEREAS the current zoning does not accommodate the certain aspects of the Project, specifically achieving the height and density required for the new supportive affordable housing, which is in close proximity to major transit. The Project Sponsor proposes to address this through adoption of specified development controls for the project site set out in the 1629 Market Street Special Use District (1629 Market St SUD); and
- 10. WHEREAS, the proposed Ordinance is intended to resolve the aforementioned issues by amending the Map 1, Map 3 and Policy 7.2.5 of the Market & Octavia Area Plan to reference to the Project; and
- 11. **WHEREAS**, a Proposed Ordinance has been drafted in order to make the necessary amendments to the General Plan to implement the Project. The Office of the City Attorney has approved the Proposed Ordinance as to form.
- 12. **WHEREAS**, this General Plan Amendment Initiation would not, in and of itself, result in a physical change to the environment. Therefore, this action is statutorily exempt under the California Environmental Quality Act (Section 15060(c)(2)).
- 13. WHEREAS, 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 Planning Department staff and other interested parties; and
- 14. WHEREAS, all pertinent documents may be found in the files of the Planning Department Commission Secretary as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and
- **NOW, THEREFORE BE IT RESOLVED**, that pursuant to Planning Code Section 340, the Planning Commission adopts a Resolution of Intention to initiate an amendment to the General Plan of the City and County of San Francisco, in order to implement the proposed Projects.
- **AND BE IT FURTHER RESOLVED**, that pursuant to Planning Code Section 306.3, the Commission authorizes the Planning Department to provide appropriate notice for a public hearing to consider the above referenced General Plan amendments contained in the draft Ordinance, approved as to form by the City Attorney, attached hereto as Exhibit A.

Draft Motion Hearing Date: September 14, 2017

CASE NO. 2015-005848GPA 1629 Market Street Mixed-Use Project General Plan Amendment Initiation

| I hereby certify | that the foregoing | Resolution w | as ADOPTED | by the I | Planning | Commission |
|------------------------|--------------------|--------------|-------------------|----------|----------|------------|
| on September 14, 2017. | | | | | | |

Jonas P. Ionin Commission Secretary

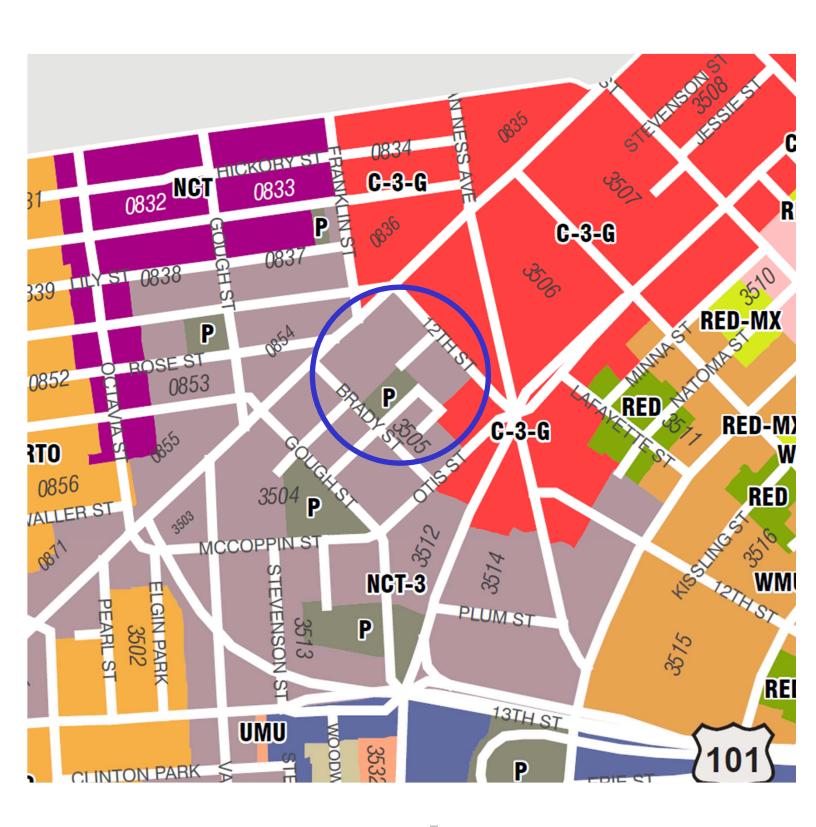
AYES:

NOES:

ABSENT:

ADOPTED: September 14, 2017

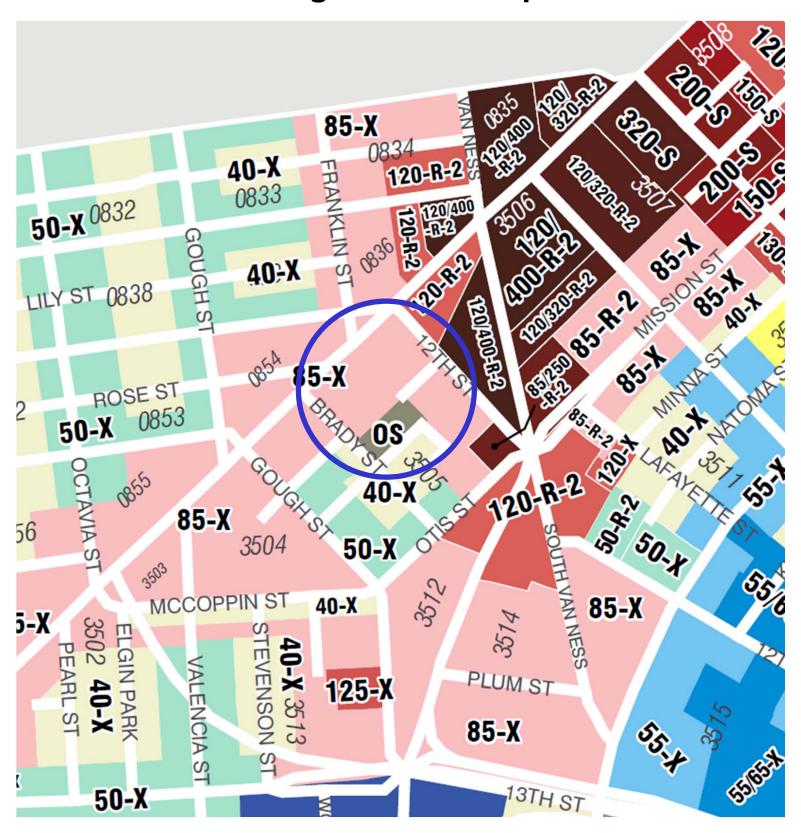
Zoning Map





General Plan Amendment Case No. 2015-005848GPA 1601-1629 Market St

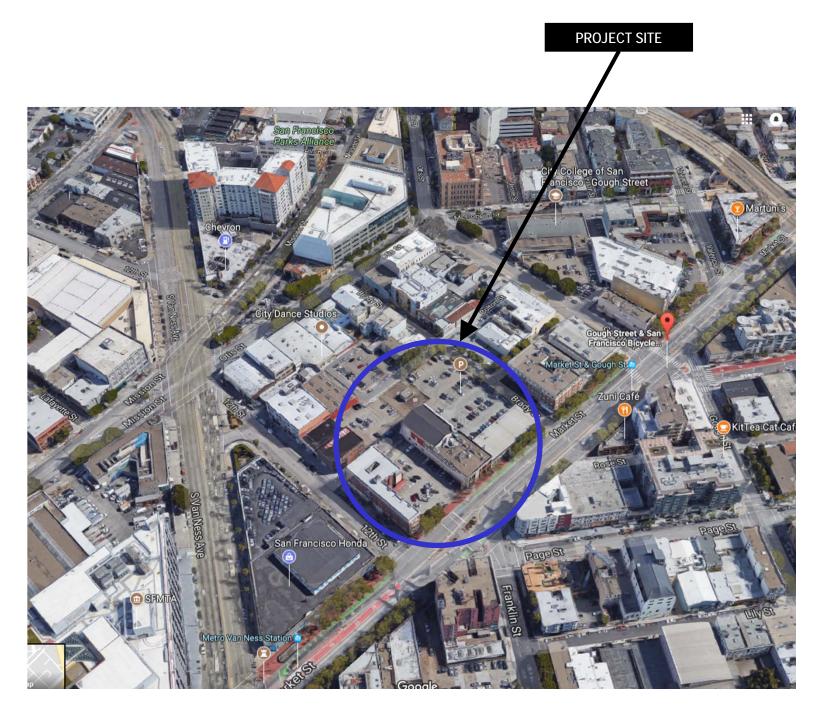
Height & Bulk Map





General Plan Amendment Case No. 2015-005848GPA 1601-1629 Market St

Aerial Photo





NOTE:

Ordinance amending the San Francisco General Plan to revise Maps 1 and 3 and Policy 7.2.5 of the Market and Octavia Area Plan to reflect the 1629 Market Street Special Use District; adopting findings under the California Environmental Quality Act and Planning Code Section 340; and making findings of consistency with the General Plan and Planning Code Section 101.1.

Unchanged Code text and uncodified text are in plain Arial font.

Additions to Codes are in single-underline italics Times New Roman font.

Deletions to Codes are in strikethrough italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough Arial font.

Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Be it ordained by the People of the City and County of San Francisco: Section 1. Environmental and Planning Code Findings.

(a) California Environmental Quality Act.

[General Plan Amendment - 1629 Market Street]

(1) At its hearing on October 19, 2017, and prior to recommending the proposed General Plan amendments for approval, by Motion No. ______, the Planning Commission certified a Final Environmental Impact Report (FEIR) for the 1629 Market Street Project (Project) pursuant to the California Environmental Quality Act (CEQA) (California Public Resources Code Section 21000 et seq.), the CEQA Guidelines (14 Cal. Code Reg. Section 15000 et seq.), and Chapter 31 of the Administrative Code. A copy of said Motion is in Board of Supervisors File No. ______, and is incorporated herein by reference. In accordance with the actions contemplated herein, this Board has reviewed the FEIR, concurs

Code Section 101.1. The Board adopts these findings as its own. A copy of said Resolutions are in Board of Supervisors File No. ______, and are incorporated herein by reference.

Section 2. The General Plan is hereby amended by revising Map 1 (Land Use Districts) of the Market and Octavia Area Plan to revise the land use designations on Block 3505 to reflect the configuration of the privately-owned, publicly accessible open space (referred to as Brady Park) to reflect the 1629 Market Street Special Use District, as more precisely shown in Exhibit A, in Board of Supervisors File No. ______.

Section 3. The General Plan is hereby amended by revising Map 3 (Height Districts) of the Market and Octavia Area Plan to revise the height limits on Block 3505 to reflect the 1629 Market Street Special Use District, including configuration of the privately-owned, publicly accessible open space, and the increase in the Colton Street Supportive Housing site height from 40-X to 68-X, as more precisely shown in Exhibit B, in Board of Supervisors File No.

Section 4: The General Plan is hereby amended by revising Policy 7.2.5 of the Market and Octavia Area Plan, to read as follows:

POLICY 7.2.5

Make pedestrian improvements within the block bounded by Market, Twelfth, Otis, and Gough Streets and redesign Twelfth Street between Market and Mission Streets, creating a new park and street spaces for public use, and new housing opportunities.

The block bounded by Market, Gough, Otis and 12th Streets, known as the "Brady Block" is a unique place; its interior is divided and made publicly-accessible by four alleys

bisecting it in different directions. At its core, the block shows the signs of many years of neglect; surface parking lots and a large ventilation shaft for the BART system create a large swath of indefensible space.

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*Approximately 4,000 sf. of parcel 3505035, which is currently a surface parking lot, will have to be purchased and dedicated to DPW as a public right-of-way connecting the two disconnected halves of Stevenson Alley.

Section 5. Effective and Operative Dates.

- (a) This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.
- (b) This ordinance shall become operative on, and no rights or duties are affected until), the later of (1) its effective date, or (2) the date that the ordinance approving the Development Agreement for the Project, and the ordinance, approving amendments to the General Plan for the Project, have both become effective. Copies of said Ordinances are on file with the Clerk of the Board of Supervisors in File No.

Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the General Plan that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By:

ANDREA RUIZ-ESQUIDE Deputy City Attorney

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