



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Downtown Project Authorization / Conditional Use Authorization and Office Allocation

HEARING DATE: 04/26/2018

Record No.: **2016-016161PTA/CUA/DNX/OFA**
Project Address: **120 STOCKTON ST (aka 50 O'FARRELL ST)**
Zoning: C-3-R (Downtown- Retail) Zoning District
80-130-F Height and Bulk District
Block/Lot: 0313/017
Applicant: Tuija Catalano
Reuben, Junius, and Rose, LLP
One Bush Street, Suite 600, San Francisco, Ca 94104
Staff Contact: Eiliesh Tuffy – (415) 575-9191
eiliesh.tuffy@sfgov.org
Recommendation: **Approval with Conditions**

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

PROJECT DESCRIPTION

The Project proposes alteration of the existing, 7-story over basement 250,021sf building, which is currently used as a single-tenant retail department store (Macy's Men's Store) into an 8-story, 130-foot tall building containing 184,196 gross square feet of Retail from the basement through the 5th floors, 49,999 gross square feet of Office on the 6th and 7th floors, and 12,606 gross square feet of Retail/Restaurant use on the new 8th floor and portions of the outdoor terrace. Specifically, the scope of work includes interior alterations, removal of existing exterior stone cladding, storefronts and upper-level balconies to install a new façade and construct a one-story, 16'-6½" vertical addition with new rooftop mechanical and penthouse structures. The new rooftop construction has a maximum height of 130 feet. The building is designed to provide flexible retail spaces that can be tailored to individual tenant needs, with an example of possible building programming illustrated on Page 7 of the sponsor's plan set submittal.

The existing building, while located in the Kearny-Market-Mason-Sutter Conservation District, was constructed in 1974 and is rated as a Category V non-contributing building to the district. The project requires a Major Permit to Alter for proposed alterations to publicly visible exteriors and for new construction of the vertical addition within the district. A public hearing before the Historic Preservation Commission is scheduled to occur on April 18, 2018.

REQUIRED COMMISSION ACTION

In order for the Project to proceed, the Planning Commission must grant a Downtown Project Authorization with exceptions to the following Planning Code Sections: 1) height (Sections 263.8, 270, 272); 2) floor plate dimensions/bulk above 80-feet (Section 270); and, 3) ground-level wind currents (Section 148).

The Commission must also grant a Conditional Use Authorization as described in Sections 210.2 and 303 to establish a Non-Retail Sales and Service Use (office) that is larger than 5,000 square feet within the C-3-R (Downtown Retail) District and an 80-130-F Height and Bulk District.

The Commission must also approve an Office Allocation as described in Sections 210.2 and 321 to establish 49,999 square feet of office use within the C-3-R (Downtown Retail) District and an 80-130-F Height and Bulk District.

ISSUES AND OTHER CONSIDERATIONS

- **Public Comment & Outreach.** The Department has received four letters of support for the Project, including a letter from the Union Square Business Improvement District. The District 6 Community Planners remained neutral on the proposal.
- **Design Review Comments:** The project has changed in the following ways since the original submittal to the Department:
 - The design of the new façade has undergone discreet revisions in its detailing to respond to comments from the Architectural Review Committee of the Historic Preservation Commission.
 - The proposed uses have been revised to add approximately 38,351 additional square feet of Retail and 1,610 additional square feet to the proposed rooftop Retail-Restaurant use.
- **Transferable Development Rights.** Acquisition of Transferable Development Rights would be required to increase the building's floor area ratio from 7.73F.A.R. to 7.86F.A.R.

BASIS FOR RECOMMENDATION

The Department supports the project, and finds:

- The Project meets the *Secretary of the Interior's Standards for Rehabilitation* and is compatible with the historic features of the Kearny-Market-Mason-Sutter Conservation District.
- The Project establishes required Conditional Use Findings, including the appropriateness of the Project's size and shape for the large corner lot and provision of outdoor open spaces.
- The Project proposal to convert the building from single-tenant Retail to flexible multi-tenant Retail space can adapt to changing tenant needs.
- The Project design's location of Office use on the top floors of the building is allowable as a Conditional Use and is located where accessory office space has been in operation for many years in connection with the department store's tenancy.
- The Project's request for a height exemption, per Sec. 309(a)(12), and for a bulk exception, per Sec. 309(a)(13) to construct vertical additions to the existing building as proposed will not adversely

affect the scale of the affected area, will not block sunlight access to public sidewalks and parks, and will not increase wind speeds at ground level.

- The Project was found to meet the Objectives and Policies of the General Plan.
- The Project is necessary, desirable, and compatible with the surrounding neighborhood, and not to be detrimental to persons or adjacent properties in the vicinity.

ATTACHMENTS:

Draft Motions
Block Book Map
Sanborn Map
Aerial Photograph
Zoning Map
Site Photos
CEQA Class 32 Categorical Exemption
Project Sponsor Package Submittal
Plan Submittal



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- | | |
|---|---|
| <input type="checkbox"/> Affordable Housing (Sec. 415) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code) |
| <input checked="" type="checkbox"/> Jobs Housing Linkage Program (Sec. 413) | <input checked="" type="checkbox"/> Child Care Requirement (Sec. 414) |
| <input checked="" type="checkbox"/> Downtown Park Fee (Sec. 412) | <input checked="" type="checkbox"/> Transportation Sustainability Fee (Sec. 411A) |

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 Motion No. XXXXX Downtown Project Authorization

HEARING DATE: APRIL 26, 2018

<i>Date:</i>	April 16, 2018
<i>Case No.:</i>	2016-016161PTA/CUA/ <u>DNX</u> /OFA
<i>Project Title:</i>	120 Stockton Street (aka 50 O'Farrell)
<i>Zoning:</i>	Downtown Retail (C-3-R) Zoning District 80-130-F Height and Bulk District
<i>Block/Lot:</i>	0313/017
<i>Conservation District:</i>	Kearny-Mason-Market-Sutter Conservation District
<i>Project Sponsor</i>	Tuija Catalano, Reuben, Junius & Rose, LLP 1 Bush Street, Suite 600 San Francisco, CA 94104
<i>Staff Contact:</i>	Eiliesh Tuffy – (415) 575-9191 eiliesh.tuffy@sfgov.org
<i>Recommendation</i>	Approval with Conditions

ADOPTING FINDINGS RELATING TO A SECTION 309 DETERMINATION OF COMPLIANCE AND REQUEST FOR EXCEPTIONS FOR HEIGHT (SECTIONS 263.8, 270, 272), FLOORPLATE DIMENSIONS (SECTION 270), AND GROUND-LEVEL WIND CURRENTS (SECTION 148) TO ALLOW THE RENOVATION OF THE BUILDING AT 120 STOCKTON STREET (AKA 50 O'FARRELL STREET) WITHIN THE C-3-R (DOWNTOWN RETAIL) ZONING DISTRICT AND A 80-130-F HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On October 5, 2017, Tuija Catalano, on behalf of PPF Retail, LLC (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Downtown Project Authorization under Planning Code Section(s) 210.2 and 303 to for alterations to the property at 120 Stockton Street, located within the C-3-R (Downtown Retail) District and a 80-130-F Height and Bulk District.

On April 26, 2018, the San Francisco Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting on Downtown Project Authorization Application No. Case No. 2016-016161PTA/CUA/DNX/OFA.

The Project is exempt from the California Environmental Quality Act (“CEQA”) as a Class 32 categorical exemption.

The Planning Department, Jonas Ionin, is the custodian of records, located in the File for Case No. 2016-016161DNX at 1650 Mission Street, Fourth Floor, San Francisco, California.

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 approves the Downtown Project Authorization requested in Application No. 2016-016161DNX, subject to the conditions contained in “EXHIBIT A” of this motion and incorporated by reference, 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.
1. **Site Description and Present Use.** The property is on the northeast corner of Stockton and O’Farrell Streets with facades that front Stockton Street (137.5 feet), O’Farrell Street (220 feet), and Security Pacific Place (42.5 feet), in Lot 017 of Assessor’s Block 0313. The property is approximately 31,405sf, and is located within the C-3-R (Downtown Retail) Zoning District and the 80-130-F Height and Bulk District. The project site is located within the Downtown Area Plan and the Article 11-designated Kearny-Market-Mason-Sutter Conservation District.

The site is occupied by a seven-story-over-basement building constructed in 1974 that covers the entire lot area. The existing building on the lot is a Category V, non-contributor within the historic district. It has approximately 242,728 gross square feet of building area and is currently occupied by a single-tenant department store (d.b.a. “Macy’s Men’s Store”), featuring 163,092sf of retail space with 53,889sf of (accessory) office space at the sixth and seventh floors.
2. **Surrounding Properties and Neighborhood.** The project site is located downtown, one block southeast of Union Square in the heart of the city’s historic retail shopping district. The neighborhood is characterized by mid-rise, mixed-use commercial buildings and the busy pedestrian, public transit, and auto traffic on Stockton Street. The property is one lot to the south of 150 Stockton (d.b.a. “Neiman Marcus”), which is a large department store building. There are several other large department store buildings in the District, including the three buildings at the corner of Stockton and O’Farrell Streets (101 Stockton (d.b.a. “Macy’s”), 65 Stockton (d.b.a. “Crate & Barrel”), and 77 O’Farrell (d.b.a. “Barney’s New York”). The building to the east of the

Property on O'Farrell Street, 20-26 O'Farrell Street, is a 10-story building rated as a Category I – Significant Historic Resource (Kohler and Chase Building; 1909).

1. **Project Description.** The Project involves the conversion of the 242,728-gross square foot building from a single-tenant retail space with accessory offices on the upper two floors, to a multi-tenant building with a gross floor area of 246,801sf, resulting in a net increase in gross floor area of 4,073sf. The project proposes 184,196 square feet of general retail use, 12,606 square feet of restaurant use, 49,999 square feet of office space plus mechanical space. Qualifying units of Transferrable Development Rights would be required to construct the project.

The Project also involves a redesigned building façade. Specifically, it proposes the removal of the existing travertine stone cladding, ground floor storefront and entrance systems, and the upper floor balconies and metal awnings. The new design proposes a fenestrated building envelope with terra cotta cladding. The two-story base consists of a series of ground floor storefront bays with second floor display windows of comparable dimensions. At the third, and partially at the fourth, floors the façade is proposed to be recessed 6 feet to create a demarcation between the base and the upper shaft while allowing for an outdoor terrace. The third floor terrace would be accessed through the retail space. The upper portion of the façade features a regularized pattern of window openings with terra cotta surrounds of varying depths and sizes. The project proposes a partial, one-story vertical addition at the roof, which is designed to be set back 20'-7" from O'Farrell Street, 27'-6" from Stockton Street, and will not be visible from the public right of way. A pergola is proposed for the south and west elevations of the vertical addition, as part of the rooftop terrace design.

3. **Public Comment.** To date, the Department has received four letters of support for the project and one neutral response.
4. **Planning Code Compliance:** The Commission finds and determines that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

- A. **Permitted and Conditionally Permitted Uses.** Planning Code Section 210.2 establishes the permitted and conditionally permitted uses at the Project site. Retail, including restaurant, uses are principally permitted at the site. Office uses are subject to a Conditional Use Authorization if the use exceeds 5,000 sf or is located above the ground floor. The purpose of the Conditional Use requirement for certain office uses is to ensure that use will not detract from the C-3-R District's primary function as an area for comparison shopper retailing and direct consumer services.

The Project is seeking Conditional Use Authorization for office use that is larger than 5,000 square feet in size on the 6th and 7th floors with office lobby space at the ground floor and roof level of an existing building, under Case No. 2016-016161CUA.

- B. **Floor Area Ratio.** The basic Floor Area Ratio ("FAR") in the C-3-R District is 6.0 to 1. Under Sections 123 and 128, the FAR can be increased to 9.0 to 1 with the purchase of transferable development rights ("TDR"). Because the Project proposes an FAR which

exceeds 6.0 to 1, the purchase of TDR will be required

The Project lot area is 31,405 sf in size. The existing 1974-constructed building contains 242,728 gsf out of a maximum allowable 282,645 gross floor area ("GSF") for this lot. The Project proposes to increase the gross floor area by 4,073 gsf, so that the building after the Project will contain 246,801 gsf out of a maximum 282,645 gross floor area ("GSF") for this lot. The Project requires acquisition of 4,073 units of TDR, which would comply with the FAR controls.

- C. **Transferable Development Rights.** In the C-3-R District, all new development projects proposing to exceed the basic 6.0 to 1 FAR up to a 9.0-to-1 FAR must acquire TDR from an eligible transfer lot.

Although the existing building already exceeds the base FAR, the Project will result in an additional exceedance of 4,073 gsf. The Project will comply with the FAR requirements via acquisition of units of TDR not to exceed 9.0-to-1 FAR.

- D. **Building Façade Setbacks.** Planning Code Section 132.1(a) gives the Planning Commission authority pursuant to Section 309 to require a setback of the upper parts of a building abutting a public sidewalk in any C-3 District.

The proposed exterior changes consist primarily of alterations to the exterior façade, without any significant publicly-visible change to the building massing. The rooftop addition is proposed to be set back from the exterior property lines by 27'-6" along the Stockton Street façade, and by 20'-7" along the O'Farrell Street façade. Since the Project is not demolition, setbacks along Stockton and O'Farrell have been applied only to the new vertical addition. The Project's partial one-story vertical addition complies with the intent of this requirement by proposing setbacks of 20 feet and greater for new construction above the 80-foot height dimension.

- E. **Privately-Owned Public Open Space.** Section 138 requires all new, non-residential buildings or additions of at least 20% to an existing building's gross floor area in the C-3-R District to provide one square foot of privately-owned, public open space for each 100 gsf of non-residential uses.

The existing building contains 242,728 gsf of non-residential uses, and the Project will increase the existing gross area by 4,073 gsf, adding approximately 2% of new floor area. Since the addition is less than 20%, Section 138 open space requirements do not apply to the project.

- F. **Streetscape and Pedestrian Improvements.** Section 138.1 establishes a number of requirements for the improvement of public rights-of-way associated with development projects, including conformance to the Better Streets Plan and the Downtown Streets Plan to the maximum extent feasible. The requirements apply if: (1) the project is on a lot that (a) is greater than one-half acre in total area, (b) contains 250 feet of total lot frontage on one or more publicly-accessible rights-of-way, or (c) the frontage encompasses the entire block face between the nearest two intersections with any other publicly-accessible rights-of-way, and (2) the project includes (a) new construction or (b) addition of 20% or more of gross floor area to

an existing building.

Although the Project is located on a lot that exceeds ½ acre in size and the Property's street frontage exceeds 250 feet, the Project is not demolition and new construction, and does not increase the existing building area by more than 20% (the proposed addition is only approx. 2% with a 4,073 sf addition). Thus, Section 138.1 requirements do not apply.

- G. **Screening of Rooftop Features.** Section 141 requires rooftop mechanical equipment and appurtenances to be used in a building's maintenance or operation to be arranged so they are not visible from any point at or below the roof level of the subject building. These features shall be either enclosed by outer building walls, or grouped and screened in a suitable manner.

The Project will comply with this requirement, and all applicable rooftop features will be screened as required by Section 141.

- H. **Street Frontages in Commercial Districts.** Section 145.1 requires that, in order to enhance and promote attractive and pedestrian-oriented street frontages, a number of design and use controls apply to the ground floor. "Active" uses—i.e. uses which by their nature do not require non-transparent walls facing a public street—must be located within the first 25 feet of building depth on the ground floor and 15 feet on floors above facing a street at least 30 feet in width. Lobbies are active, so long as they are no longer than 40 feet or 25% of the building's frontage, whichever is larger. Other requirements also apply, including Section 145.1(c)(5), requiring street-facing non-residential active uses on the ground floor to be as close as possible to the adjacent sidewalk and to open directly onto the sidewalk instead of lobbies or interior spaces; Section 145.1(c)(6) requires that at least 60% of each façade to be fenestrated with transparent windows and doorways; Section 145(c)(7) requires any decorative railings or grillwork in front of or behind ground floor windows to be at least 75% open to perpendicular view; and Section 145.1(c)(2) requires that no more than one-third of the width or 20 feet, whichever is less, of any frontage can be devoted to parking and loading ingress and egress under.

The Project complies with all of these requirements by providing ground floor retail uses that open directly onto Stockton and O'Farrell Streets, by increasing the window and doorway transparency, with most of the ground floor façade being converted to transparent glass material, and by not including any such railings or grillwork that would decrease window transparency at the ground level. The Property is not considered a "Development Lot" within the meaning of Section 145.1(b)(1), and thus the requirement to provide above-grade parking setbacks under Section 145.1(c)(1), and to provide a ground-floor non-residential minimum floor-to-floor height of 14 feet under Section 145.1(c)(4) do not apply. Nevertheless, the Project complies with the Section 145.1(c)(4) requirement by providing a minimum of 19-foot floor-to-floor height, with some variation due to the lateral slopes along both façades. The Section 145.1(c)(1) requirement is also otherwise inapplicable since the Project does not include any off-street parking. The Project proposes to convert an existing single-tenant retail building with heavy, solid facades into a more transparent, multi-tenant retail building. The ground floor will provide retail space for 1-6 different tenants, with active uses in compliance with this Section

145.1(c)(3) requirement, resulting in a significant enhancement when compared to the existing building conditions.

The current, 37-foot loading bay entrance facing Security Place is an existing non-conforming condition. The Project proposes to reduce the width of the entrance to reduce the non-conformity. No other parking is proposed as part of the Project.

In sum, the Project complies with these requirements.

- I. **Ground-Floor Commercial Uses.** Section 145.4 establishes mandatory active commercial use controls on the ground floor of new buildings fronting certain streets in San Francisco, including any block frontage anywhere within the C-3-R District.

The Property is located in the C-3-R District, and complies with this requirement by providing commercial retail uses along the majority of the Stockton and O'Farrell street facades. Lobby areas for the office use and for upper-floor retailers are located along the O'Farrell Street elevation, which measures 220 feet in total length.

- J. **Sunlight Access to Public Sidewalks.** Section 146 requires new structures and additions to existing structures on parcels abutting the side of certain streets in the C-3 Districts are required to avoid penetrating a sun access plane. This requirement applies to the South side of O'Farrell Street and to both East and West sides of Stockton Street.

With respect to O'Farrell Street, the requirement does not apply since the Property is located on the North side of the street. On the East side of Stockton Street, wherein the Property is located, the requirement calls for sun access angle of 70 degrees at a height of 148 feet. The existing building has a height of 103', and portions of the new vertical addition have a maximum height of 130', which is below the 148' height applicable to this requirement. Thus, the Project complies with this requirement.

- K. **Shadows on Publicly-Accessible Open Spaces.** Section 147 requires that new buildings and additions to existing buildings in the C-3 Districts wherein height exceeds 50 feet must be shaped, consistent with the dictates of good design and without unduly restricting the development potential of the site, to reduce substantial shadow impacts on public plazas and other publicly-accessible spaces other than those under the jurisdiction of the Recreation and Parks Department. The following factors shall be taken into account: (1) the amount of area shadowed; (2) the duration of the shadow; (3) the importance of sunlight to the type of open space being shadowed.

The proposed roof top addition is set back significantly from the exterior property lines by 27'-6" along the Stockton Street façade, and by 20'-7" along the O'Farrell Street façade. A shadow analysis was completed for the Project that confirms the Project would not cast shadows on publicly-accessible open spaces, and complies with this requirement.

- L. **Better Roofs, Living Roof Alternative.** Section 149 requires 15% of the total roof area as defined in Section 149 on new small and mid-sized buildings to be "solar ready," which

means the roof is unshaded by the proposed building itself, and free of obstructions. The requirement can also be met by providing 30% of the roof space as a Living Roof as defined in 149(b), or installing a combination of both solar and Living Roof. The Living Roof option allows the replacement of required solar with Living Roof at a ratio of 2 square feet of living roof for every 1 square foot of solar.

The Project has a gross floor area of over 2,000 square feet and 10 or fewer floors so must meet these requirements. The Project will comply with the requirements by setting aside the required area to be "solar ready" and/or to be provided with Living Roof area.

- M. **Off-Street Parking.** Pursuant to Planning Code Section 210.2, no parking is required for non-residential uses in the C-3-R District, and the maximum amount of non-residential parking is restricted by Section 151.1.

The Project does not contain or propose any off-street vehicle parking and complies with this requirement.

- N. **Off-Street Freight Loading.** Planning Code Section 152.1 and 161 states that office uses in the C-3 Districts are subject to off-street loading space requirement at a ratio of 0.1 spaces for every 10,000 gsf of office use, rounded to the nearest whole number. Retail and restaurant uses in excess of 50,000 sf are required to provide 1 off-street space per 25,000 gsf, also rounded to the nearest whole number. In the case of mixed use buildings the requirements are the sum of all, computed separately, including fractional values.

The existing building contains a loading dock with 3 bays, and the structure is nonconforming with respect to off-street loading requirements. The Project will result in a reduction in the need for off-street loading due to the conversion of some retail area to office use which has a lower off-street loading requirement. The Project would include 49,999 gsf of office use and 196,802 gsf of retail (of which 12,606 sf is restaurant) use; therefore eight off-street loading spaces would be required.

The Project would retain and reconfigure the existing loading dock, to provide two off-street loading spaces and one (1) 20' x 8' service bay. The Project will bring the existing building closer to conformance and decreases the discrepancy between current Code requirements consistent with Section 188(a) provisions applicable to expansions and alterations to non-conforming structures. Since the Project retains significant amount of existing retail use, subject to grandfathering from the current Code requirement, and since the new office component alone does not trigger a need for additional spaces, the Project complies with this requirement.

- O. **Off-Street Parking and Loading Location and Arrangement.** Section 155 establishes location and arrangement standards for required off-street parking and loading spaces. In relevant part, off-street loading access is preferred from alleys instead of streets. In the C-3 Districts, off-street loading and service vehicle spaces must be completely enclosed and accessible from a separate service driveway, unless site constraints make it impractical. Freight elevators immediately accessible from the loading dock are also required. Per Section 155(d), if the adjacent street or alley is determined to be primarily used for building service, up to four (4)

off-street service loading spaces can be individually accessible directly from a street or alley pursuant to Section 309.

The Project complies with this requirement. The Project would provide two off-street loading spaces and one service bay accessed from Security Place Alley.

- P. **Bicycle Parking.** Section 155.2 establishes bicycle parking requirements. For office use, one Class 1 space is required for every 5,000 occupied sf, and two Class 2 spaces are required for the first 5,000 gsf, plus one Class 2 space for each additional 50,000 occupied sf. For retail use, one Class 1 space is required for every 7,500 sf of occupied floor area, and one Class 2 space is required for every 2,500 occupied sf, with a minimum of two Class 2 spaces. For restaurants, one Class 1 space is required for every 7,500 sf of occupied floor area, and one Class 2 space is required for every 750 sf of occupied floor area, with a minimum of two Class 2 spaces. A Class 1 space is located in a secure, weather-protected facility and intended for long-term use by residents and employees. A Class 2 space is located in a publicly-accessible and visible location, and intended for use by visitors, guests, and patrons.

Bicycle parking requirements apply to certain projects, including those proposing to increase the existing gross floor area by more than 20% and those with a change in occupancy or increase in intensity of use which would increase the required number of bicycle spaces by more than 15%. The Project would increase the gross floor area by less than 20% and the change of use to convert a portion of the existing retail space for office use is a reduction in the intensity of use. Therefore, bicycle parking would not be required of the Project.

Although the project is not required to provide bicycle parking spaces, the project includes 30 Class 1 bicycle spaces, 28 Class 2 bicycle spaces, and shower facilities.

- Q. **Transportation Demand Management** Pursuant to Planning Code Section 169, Projects must comply with the TDM Program if they result in (1) ten or more Dwelling Units; (2) ten or more bedrooms of Group Housing; (3) any new construction resulting in 10,000 occupied square feet or more of any use other than Residential; or (4) any Change of Use resulting in 25,000 occupied square feet or more of any use other than Residential, if (A) the Change of Use involves a change from a Residential use to any use other than Residential; or (B) the Change of Use involves a change from any use other than Residential, to another use other than Residential. The Project shall finalize a TDM Plan prior Planning Department approval of the first Building Permit or Site Permit.

The Project triggers the TDM Program by proposing a change of use from retail to office use in excess of 25,000 square feet. Pursuant to Planning Code Section 169, the Project shall finalize a TDM Plan prior to the issuance of the first Building Permit or Site Permit to construct the project and/or commence the approved uses. The Property Owner, and all successors, shall ensure ongoing compliance with the TDM Program for the life of the Project, which may include providing a TDM Coordinator, providing access to City staff for site inspections, submitting appropriate documentation, paying application fees associated with required monitoring and reporting, and other actions.

Prior to the issuance of the first Building Permit or Site Permit, 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 to document compliance with the TDM Program. This Notice shall provide the finalized TDM Plan for the Project, including the relevant details associated with each TDM measure included in the Plan, as well as associated monitoring, reporting, and compliance requirements. Because the first Development Application – as defined in Planning Code Section 401 – was submitted by December 31, 2017, the project will only be required to meet 75% of its target score.

- R. **Shadow.** Developments proposing new buildings or additions over 40 feet in height are subject to Section 295. Section 295 establishes that new structures over 40 feet in height that would cast additional shadows on any property under the jurisdiction of, or designated to be acquired by, the Recreation and Park Commission, can be approved if the Planning Commission determines that the potential net new shadow is insignificant or not adverse to use of the park.

The Project complies with Section 295. A shadow analysis was completed for the Project and confirms that the Project would not cast any additional shadow on any property under Recreation and Park jurisdiction.

- S. **Public Art.** The public art requirements under Planning Code Section 429 apply to projects involving construction of a new building or addition of floor area in excess of 25,000 square feet. The requirement shall be satisfied by providing art works on-site valued at 1% of the construction cost of the project, up to a value of \$500,000. If the required valuation exceeds \$500,000, the sponsor may elect to provide the balance of the requirement through the provision of artwork on-site, payment of a fee into the Public Artwork Trust Fund, or through some combination of these options.

The Project results in an addition of 4,073 square feet of new gross floor area, and thus this requirement does not apply.

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

- A. **Height Limit (Sections 263.8, 309(a)(12)).** Under Section 263.8 properties that are within the 80-130-F Height District, exceptions to the 80 foot height limit up to 130 feet may be approved in appropriate cases in accordance with the provisions of Section 309. The purpose of allowing additional height above 80 feet only as an exception is to ensure that height above 80 feet will not adversely affect the scale of the affected area or block sunlight access to public sidewalks and parks.

A height exception is permissible under Section 263.8 and 309 provided that:

- 1) The height of the building or structure does not exceed 130 feet; and

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

Although the Project substantially retains the existing building and envelope, the Project does propose a one-story vertical addition at the rooftop level, with maximum heights for mechanical overruns of up to 130', triggering review under Section 263.8. The existing building has a height of 108' 4". The addition will not cast any shadow on public sidewalks or parks. The proposed roof top addition is set back significantly from the exterior property lines by 27'-6" along Stockton Street and by approximately 20'-7" along O'Farrell Street, thus, its visibility from the public right of way is limited. Taking into consideration the setbacks, as well as the location of the addition relative to the Property and other nearby buildings, the Project complies with the criteria of this Section. The Project is designed to present the same 7-story massing that is currently visible on the project site. Thus, the addition is not intended to change the existing building height as it is read from the street and will have a minimal effect on adjacent higher or lower buildings. Lastly, as noted above, the vertical addition provides significant setbacks from the street frontages, and is not intended or expected to alter the way in which the building's street wall is perceived.

- B. Bulk Limits (Sections 270, 272, and 309(a)(13)).** The Property is within the 80-130-F Height and Bulk District. Pursuant to Section 270, the bulk limits apply above 80-foot height, and provide for maximum length dimension of 110 feet, and maximum diagonal dimension of 140 feet.

The existing building, which is 108 feet in height and built out to the property lines, is nonconforming with the "F" bulk requirements. The existing length dimension at an 80-foot height on the building is 258' 9", with a diagonal dimension of 292' 9". The Project does not change the existing nonconformity; however, the proposed vertical addition to create an 8th floor will also exceed the maximum bulk dimensions. The vertical addition would have a maximum dimension of approximately 190' and a maximum diagonal dimension of 221' 10".

Exceptions to the bulk limits may be approved under Section 309(a)(13) and 272, provided that at least one of the following criteria is met:

- 1) Achievement of a distinctly better design, in both a public and a private sense, than would be possible with strict adherence to the bulk limits, avoiding an unnecessary prescription of building form while carrying out the intent of the bulk limits and the principles and policies of the Master Plan;

The Property is a relatively large lot with 31,405 sf of lot area. Granting of an exception from the bulk requirement with respect to the one-story vertical addition allows the Project to utilize the existing rooftop and provide a space for Restaurant use and outdoor

open space. Due to the size, location and setbacks of the addition, it is expected to have minimal impact on how the building is perceived from the public right-of-way.

- 2) Development of a building or structure with widespread public service benefits and significance to the community at large, where compelling functional requirements of the specific building or structure make necessary such a deviation; and provided further that all of the following criteria are met:

- a. The added bulk does not contribute significantly to shading of publicly accessible open space;

At the Preliminary Project Assessment stage of review, Department staff prepared a shadow fan that indicated the project might cast new shadow on Union Square as well as the publicly accessible open spaces on the roofs of 200 Stockton Street, 720 Market Street and Jessie Square (i.e. the plaza on the north side of Mission Street at the Contemporary Jewish Museum). However, the shadow analysis conducted by FastCast City determined the Project would not contribute new shadow to any public park or privately owned public open spaces at any time through the year due to both distance from the proposed project and the existing building subsuming any new shadow.

- b. The added bulk does not increase ground level wind currents in violation of the provisions of Section 148 of this Code;

The proposed roof top addition is set back 27'-6" from the Stockton Street frontage and 20'-7" from O'Farrell Street frontage. The wind tunnel testing illustrated that based on quantitative wind analysis, the Project is not expected to change existing ground-level wind currents. This is further discussed in the next Section (Section C), which addresses the request for a Sec. 148 wind exception.

- 3) The added bulk does not significantly affect light and air to adjacent buildings;

The Property is adjacent to two buildings, the Neiman Marcus building at 150 Stockton Street, located to the north of the site, and 26 O'Farrell Street, located directly to the east of the site. The Neiman Marcus building is approximately the same height and thus does not have any property line windows and will not be affected by the addition in any way. 26 O'Farrell Street is two stories taller than the Property. The majority of the proposed vertical addition is located in the center of the roof plan, with massing shifted towards the interior property line shared with the Neiman Marcus building. Elevator cores and rooftop mechanicals that are at the east side of the roof have been designed to provide setbacks from the fenestrated openings on the 26 O'Farrell building. Thus, the Project is not expected to affect access to light and air from adjacent buildings.

- 4) If appropriate to the massing of the building, the appearance of bulk in the building, structure or development is reduced to the extent feasible by means of at least one and preferably a combination of the following factors, so as to

produce the impression of an aggregate of parts rather than a single building mass:

- a. Major variations in the planes of wall surfaces, in either depth or direction, that significantly alter the mass,
- b. Significant differences in the heights of various portions of the building, structure or development that divide the mass into distinct elements,
- c. Differences in materials, colors or scales of the facades that produce separate major elements,
- d. Compensation for those portions of the building, structure or development that may exceed the bulk limits by corresponding reduction of other portions below the maximum bulk permitted, and
- e. In cases where two or more buildings, structures or towers are contained within a single development, a wide separation between such buildings, structures or towers;

The rooftop addition provides significant setbacks from the street frontages, and thus the addition is expected to be minimally visible from the street or from other perspectives. The addition also provides variation in its shape, without providing any excessive appearance of bulk.

- 5) The building, structure or development is made compatible with the character and development of the surrounding area by means of all of the following factors:
 - a. A silhouette harmonious with natural land-forms and building patterns, including the patterns produced by height limits;
 - b. Either maintenance of an overall height similar to that of surrounding development or a sensitive transition, where appropriate, to development of a dissimilar character;
 - c. Use of materials, colors and scales either similar to or harmonizing with those of nearby development; and
 - d. Preservation or enhancement of the pedestrian environment by maintenance of pleasant scale and visual interest.

The Project proposes alterations to the building façade that will remedy the large expanses of solid window-less exterior cladding. The proposed façade design will increase transparency not only at the ground level, but at every level of the building, making it compatible with the surrounding urban context. The façade redesign, in combination with the rooftop construction, will result in the building being converted from a single-tenant department store to a multi-tenant building. The vertical addition is not intended to be visible from street level.

- 6) Exceptions to bulk limits shall not result in a building of greater total gross floor area than would be permitted if the bulk limits were met.

Although the exception would result in greater floor area than if the bulk restrictions were met, the Project satisfies the applicable FAR limits allowable under the Transferable Development Rights program and would offset potential expansion of historic resources in the Conservation District as a result of the transfer.

- C. **Ground-Level Wind Currents (Section 148).** In the C-3 zoning districts, new buildings are required to be shaped, or other wind-baffling measures adopted, so that the building will not cause ground-level wind currents to exceed the comfort level of 11 m.p.h. equivalent wind speed in areas of substantial pedestrian use or 7 m.p.h. equivalent wind speed in public seating areas, for more than 10% of the time year-round, between 7 am and 6 pm. If pre-existing wind speeds exceed the comfort level, or if the building would cause speeds to exceed the comfort level, the building should be designed to reduce wind speeds to the comfort level.

Exceptions can be granted pursuant to Section 309 allowing the building to add to the amount of time the comfort level is exceeded if (1) the building cannot be shaped and other wind-baffling features cannot be adopted without creating an unattractive and ungainly building form, and without unduly restricting the development potential of the site; and (2) the addition is insubstantial, either due to the limited amount of exceedances, the limited location where the exceedances take place, or the short time when the exceedances occur.

The Project site is located in an area that is subject to the San Francisco Planning Code Section 148, Reduction of Ground-level Wind Currents in C-3 Districts. The Project proposes a vertical addition above the existing roof height and, therefore, has the potential to change wind conditions in the area.

The results of the wind tunnel testing by RWDI Consultants, dated March 15, 2018, indicate that under existing conditions, 23 of the 54 sensor locations exceed the Planning Code's 11 mph pedestrian comfort criterion. Based on existing, plus project, conditions, 23 of the 54 locations continue to exceed the comfort criterion.

The Project requires an exception for a comfort criteria exceedance under Planning Code Sections 148 and 309, and cannot be shaped or incorporate wind-baffling measures that would reduce the (existing) wind speeds to comply with Section 148. Note that the project would not result in a hazard criteria exceedance per CEQA.

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

DOWNTOWN AREA PLAN

Objectives and Policies

OBJECTIVE 1: MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1: Encourage development which produces substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences which cannot be mitigated.

Objective 2: MAINTAIN AND IMPROVE SAN FRANCISCO'S POSITION AS A PRIME LOCATION FOR FINANCIAL, ADMINISTRATIVE, CORPORATE, AND PROFESSIONAL ACTIVITY

Policy 2.1: Encourage prime downtown office activities to grow as long as undesirable consequences of such growth can be controlled.

Policy 2.2: Guide location of office development to maintain a compact downtown core and minimize displacement of other uses.

The Project supports these policies. The Project will increase office supply by converting the 6th and 7th floors to office use. This will result in furthering San Francisco's desire to be a thriving professional City by not only welcoming, but also encouraging savvy businesses to engage in their respective financial and corporate endeavors Downtown.

The Project will improve the existing streetscape at the Property's Stockton and O'Farrell Street entrances. This upgrade will help enhance of the overall economic growth for the City by increasing the number of commercial storefronts from serving a single tenant to serving up to six tenants. Such a change will increase the variety of patrons attracted to the block, which furthers the City goal of being a prime location for professional activity.

OBJECTIVE 15: CREATE A BUILDING FORM THAT IS VISUALLY INTERESTING AND HARMONIZES WITH SURROUNDING BUILDINGS.

Policy 15.1: Ensure that new facades relate harmoniously with nearby facade patterns.

Policy 15.2: Assure that new buildings contribute to the visual unity of the city.

The activation of the existing streetscape will be improved by the increase in fenestration and overall transparency of the new facade. The architectural changes will improve the building's visual engagement with the public realm and attract more patrons to 120 Stockton Street. The Project will be compatible with the character and development of the surrounding area by means of the following factors: (a) additions harmonious with natural land-forms and building patterns; (b) use of materials, colors or scales either similar to or harmonizing with those of nearby development; and (c) enhancement of the pedestrian environment by maintenance of pleasant scale and visual interest. The proposed Project will complement the surrounding context.

COMMERCE AND INDUSTRY

Objectives and Policies

OBJECTIVE 1: MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1: Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

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.

This Project supports these policies. The Project provides significant benefits in the form of job creation as a result of the building's conversion for multiple retail tenants plus new office use in a transit-accessible neighborhood. The Project will increase storefront and pedestrian activity at the ground level, and will also provide more building and neighborhood amenities through the addition of a rooftop restaurant space. The Project will result in more employment opportunities, an increase in tax revenue for the City and an increase in overall commercial activity.

The Project would also provide a compatible, yet contemporary, façade design on a non-contributing building in the historic downtown commercial district. The fenestrated façade design will create better engagement between the building and its surroundings while increasing the number of retail options in the immediate area.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 3: MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

Policy 3.1 Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3.3 Promote efforts to achieve high quality design for buildings to be constructed at prominent locations.

Policy 3.6: Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

The Project furthers these policies. It proposes exterior alterations and expansion of a non-contributing building within a Conservation District. Alterations to the property require approval of a Major Permit to Alter by the Historic Preservation Commission based on compatibility of the design with the character-defining features of the surrounding historic district. Factors in that review include the Project's compatibility of massing, scale, materials, details and ornamentation. Additions to non-contributing buildings within the Conservation District are reviewed based upon their relationship to the prevailing streetwall height and the provision of setbacks for new massing above that height. The Project appears to be consistent with the typical building massing and scale in the district, and will blend appropriately with surrounding developments.

TRANSPORTATION ELEMENT

Objectives and Policies

Objective 2: USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

Policy 2.1: Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development, and coordinate new facilities with public and private development.

The Property is located in one of the most transit-rich areas of the City, and thus is an ideal location for the proposed uses. The Project would make good use of transit services and would assist in maintaining the desirable urban characteristics and services of the area.

7. **Planning Code Section 101.1(b) Findings.** Section 101.1(b)(1-8) establishes eight priority planning policies and requires review of permits for consistency with said policies. On balance, the Project does comply with said policies in that:

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

The existing building is currently used by one retail tenant. The Project would provide added neighborhood-serving businesses by converting the building for multi-tenant use. The Project would result in an increased number of tenants providing a variety and scope of products and services. The multi-tenant retail program, new rooftop restaurant and proposed office use at the building's 6th and 7th floors would result in a variety of employment opportunities for residents. The renovation of the existing building would strengthen existing neighborhood retail operations through increased foot traffic while encouraging new retail opportunities in the both Project and the vicinity.

- 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 have no effect on existing housing because no housing would be removed by the Project. The Project will substantially maintain the existing building envelope, with the exception of a recessed one-story addition, and thus will be compatible with the existing scale and character of the neighborhood.

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

As the Project will not remove affordable housing, the City's supply of affordable housing will be preserved.

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

The Property, located downtown, is well served by public transit. The Property is within a few blocks of the Powell Street MUNI and BART station, as well as numerous MUNI bus lines running along Market Street. The Project does not propose to add parking to the building or site. Employees of the various building tenants will be able to walk, ride a bicycle, or take public transportation to the Property and other parts of Downtown, avoiding the need for a single-rider, vehicular commute.

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

The Project site does not contain any industrial uses and the current retail tenant is vacating the building. With the change from a single-tenant retail building to a multi-tenant building that includes retail, restaurant and office uses, future employment opportunities will be increased.

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

The Project will meet this requirement, as it will be designed and constructed to conform to the structural and seismic safety requirements of the City Building Code.

- G. That landmarks and historic buildings be preserved.

The existing building is located within the Article 11-designated Kearny-Market-Mason-Sutter Conservation District; therefore alterations and additions must preserve the character-defining features of the district, as outlined in Appendix E to Article 11, and not affect the overall integrity of the district. The Project was reviewed by the Architectural Review Committee of the Historic Preservation Commission on March 7, 2018, and the project team has provided responses to the design comments provided at that review. The alteration of the existing, non-contributing

building's façade and the setback of the vertical addition would preserve the integrity of historic buildings in the district.

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

The Project will not cast net new shadows, impede views, or affect parks and open spaces in the area. The new 6th and 7th floor office space will be created entirely within the envelope of the existing building.

8. 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.
9. The Commission hereby finds that approval of the Downtown Project Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Downtown Project Authorization Application No. 2016-016161DNX** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated April 26, 2018, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Downtown Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed (After the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals in person at 1650 Mission Street, Room 304, San Francisco, CA 94103, or call (415) 575-6880.

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

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, 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 April 26, 2018.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: April 26, 2018

EXHIBIT A

AUTHORIZATION

This authorization is for a **Downtown Project Authorization** at 120 Stockton Street, (Block 0313, and Lot 017) pursuant to Planning Code Section(s) 210.2 and 303 within the C-3-R (Downtown Retail) District, the Downtown Area Plan and a 80-130-F Height and Bulk District; in general conformance with plans, dated April 26, 2018, and stamped "EXHIBIT B" included in the docket for Case No. 2016-016161DNX, and subject to conditions of approval reviewed and approved by the Commission on **April 26, 2018** under Motion No. XXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on **April 26, 2018**, under Motion No. XXXXXX.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the "Exhibit A" of this Planning Commission Motion No. XXXXXX shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Downtown Project Authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

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

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

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

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

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

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

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

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

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

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

6. **Additional Project Authorizations.** The Project Sponsor must obtain a Major Permit to Alter pursuant to Article 11, Conditional Use Authorization for a non-retail use larger than 5,000 square feet and above the ground floor pursuant to Planning Code Sections 210.2 and 303, and an

Office Allocation Authorization for 49,999 square feet of office use pursuant to Section 321 et al. The Project Sponsor must satisfy all the conditions thereof for each additional project authorization. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

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

7. **Transferable Development Rights.** Pursuant to Sections 123, 124, and 128, the Project Sponsor shall purchase the required units of Transferable Development Rights (TDR) and secure a Notice of Use of TDR prior to the issuance of an architectural addendum for all development which exceeds the base FAR of 6.0 to 1, up to a maximum FAR of 9.0 to 1, pursuant to the Project's Conditional Use Motion No. XXXXX. The net addition of gross floor area subject to the requirement shall be determined based on drawings submitted with the Building Permit Application.

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

DESIGN – COMPLIANCE AT PLAN STAGE

1. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

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

2. **Garbage, composting and recycling storage.** Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

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

PARKING AND TRAFFIC

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

For information about compliance, contact Code Enforcement, Planning Department at 415-

575-6863, www.sf-planning.org

PROVISIONS

1. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.
For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org
2. **Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
3. **Jobs Housing Linkage.** The Project is subject to the Jobs Housing Linkage Fee, as applicable, pursuant to Planning Code Section 413.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
4. **Childcare Requirements - Office and Hotel Development.** The Project is subject to the Childcare Fee for Office and Hotel Development Projects, as applicable, pursuant to Planning Code Section 414.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
5. **Downtown Park Fee.** The Project is subject to the Downtown Park Fee, as applicable, pursuant to Planning Code Section 412.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

MONITORING

1. **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
2. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code

and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

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

OPERATION

1. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

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



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- | | |
|---|---|
| <input type="checkbox"/> Affordable Housing (Sec. 415) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code) |
| <input checked="" type="checkbox"/> Jobs Housing Linkage Program (Sec. 413) | <input checked="" type="checkbox"/> Child Care Requirement (Sec. 414) |
| <input checked="" type="checkbox"/> Downtown Park Fee (Sec. 412) | <input checked="" type="checkbox"/> Transportation Sustainability Fee (Sec. 411A) |

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 Motion No. XXXXX Conditional Use Authorization

HEARING DATE: APRIL 26, 2018

<i>Date:</i>	April 16, 2018
<i>Case No.:</i>	2016-016161PTA/ <u>CUA</u> /DNX/OFA
<i>Project Title:</i>	120 Stockton Street (aka 50 O'Farrell)
<i>Zoning:</i>	Downtown Retail (C-3-R) Zoning District 80-130-F Height and Bulk District
<i>Block/Lot:</i>	0313/017
<i>Conservation District:</i>	Kearny-Mason-Market-Sutter Conservation District
<i>Project Sponsor</i>	Tuija Catalano, Reuben, Junius & Rose, LLP 1 Bush Street, Suite 600 San Francisco, CA 94104
<i>Staff Contact:</i>	Eiliesh Tuffy – (415) 575-9191 eiliesh.tuffy@sfgov.org
<i>Recommendation</i>	Approval with Conditions

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 210.2 AND 303 OF THE PLANNING CODE TO ESTABLISH A NON-RETAIL SALES AND SERVICE USE (OFFICE) THAT IS LARGER THAN 5,000 SQUARE FEET IN SIZE WITHIN THE C-3-R (DOWNTOWN RETAIL) DISTRICT AND A 80-130-F HEIGHT AND BULK DISTRICT AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On October 5, 2017, Tuija Catalano, on behalf of PPF Retail, LLC (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Section(s) 210.2 and 303 to establish a Non-Retail Sales and Service Use (office) that is larger than 5,000 square feet within the C-3-R (Downtown Retail) District and a 80-130-F Height and Bulk District.

On April 26, 2018, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application Case No. 2016-016161PTA/CUA/DNX/OFA

The Planning Department, Jonas Ionin, is the custodian of records, located in the File for Case No. 2016-016161CUA at 1650 Mission Street, Fourth Floor, San Francisco, California.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 32 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 approves the Conditional Use Authorization requested in Application No. 2016-016161CUA, subject to the conditions contained in "EXHIBIT A" of this motion and incorporated by reference, 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 property is on the northeast corner of Stockton and O'Farrell Streets with facades that front Stockton Street (137.5 feet), O'Farrell Street (220 feet), and Security Pacific Place (42.5 feet), in Lot 017 of Assessor's Block 0313. The property is approximately 31,405sf, and is located within the C-3-R (Downtown Retail) Zoning District and the 80-130-F Height and Bulk District. The project site is located within the Downtown Area Plan and the Article 11-designated Kearny-Market-Mason-Sutter Conservation District.

The site is occupied by a seven-story-over-basement building constructed in 1974 that covers the entire lot area. The existing building on the lot is a Category V, non-contributor within the historic district. It has approximately 242,728 gross square feet of building area and is currently occupied by a single-tenant department store (d.b.a. "Macy's Men's Store"), featuring 163,092sf of retail space with 53,889sf of (accessory) office space at the sixth and seventh floors.

3. **Surrounding Properties and Neighborhood.** The project site is located downtown, one block southeast of Union Square in the heart of the city's historic retail shopping district. The neighborhood is characterized by mid-rise, mixed-use commercial buildings and the busy pedestrian, public transit, and auto traffic on Stockton Street. The property is one lot to the south of 150 Stockton (d.b.a. "Neiman Marcus"), which is a large department store building. There are several other large department store buildings in the District, including the three buildings at the corner of Stockton and O'Farrell Streets (101 Stockton (d.b.a. "Macy's"), 65 Stockton (d.b.a. "Crate & Barrel"), and 77 O'Farrell (d.b.a. "Barney's New York")). The building to the east of the Property on O'Farrell Street, 20-26 O'Farrell Street, is a 10-story building rated as a Category I – Significant Historic Resource (Kohler and Chase Building; 1909).

4. **Project Description.** The Project involves the conversion of the 242,728-gross square foot building from a single-tenant retail space with accessory offices on the upper two floors, to a multi-tenant building with a gross floor area of 246,801sf, resulting in a net increase in gross floor area of 4,073sf. The project proposes 184,196 square feet of general retail use, 12,606 square feet of restaurant use, 49,999 square feet of office space plus mechanical space. Qualifying units of Transferrable Development Rights would be required to construct the project.

The Project also involves a redesigned building façade. Specifically, it proposes the removal of the existing travertine stone cladding, ground floor storefront and entrance systems, and the upper floor balconies and metal awnings. The new design proposes a fenestrated building envelope with terra cotta cladding. The two-story base consists of a series of ground floor storefront bays with second floor display windows of comparable dimensions. At the third, and partially at the fourth, floors the façade is proposed to be recessed 6 feet to create a demarcation between the base and the upper shaft while allowing for an outdoor terrace. The third floor terrace would be accessed through the retail space. The upper portion of the façade features a regularized pattern of window openings with terra cotta surrounds of varying depths and sizes. The project proposes a partial, one-story vertical addition at the roof, which is designed to be set back 20'-7" from O'Farrell Street, 27'-6" from Stockton Street, and will not be visible from the public right of way. A pergola is proposed for the south and west elevations of the vertical addition, as part of the rooftop terrace design.

5. **Public Comment.** To date, the Department has received four letters of support for the project and one neutral response.
6. **Planning Code Compliance:** The Planning Code Compliance findings as set forth in Motion No. XXXXX, Case No. 2016-016161PTA/CUA/DNX/OFA (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion, and are incorporated as though fully set forth herein.
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 building will remain primarily a retail building, with 184,196 square feet of retail use on floors 1 through 5, and 12,606 square feet of restaurant use on the 8th floor addition. The Project provides an appropriate mix of uses and transitions the building from a single-tenant department store structure into a multi-tenant building with several retail establishments, restaurant and office uses. The Property is currently occupied by Macy's as the sole user for the approx. 242,700-square foot building. The Project does not result in the displacement of any existing uses at the site, and instead

responds to Macy's decision to close this location by proposing conversion into a multi-tenant retail building, allowing the Property to provide space for several retail tenants with smaller retail spaces.

The proposed office uses will complement the C-3-R District and will not detract from the district's or the building's primary retail focus. The Project proposes conversion of up to 49,999 square feet to office use at the top two floors only (6th and 7th floors). The addition of up to 49,999 square feet of office use on the 6th and 7th floors will enhance and supplement the district by providing a complementary use for the two upper floors, resulting in employment opportunities and increased potential customers for both existing and proposed retail establishments in the neighborhood.

The proposed amount of office use is compatible with the existing mix of uses in the neighborhood. Since the existing building envelope will remain substantially the same, with the exception of a partial rooftop addition, the size and intensity of uses will remain similar to current conditions. The upper floors of the building are currently underutilized, serving as accessory office space for Macy's. Therefore the actual change to office use is minimal.

- 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:

1. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The Project involves an existing 7-story over basement single-tenant retail building, which currently provides accessory office uses on the 6th and 7th floors. The conversion of up to 49,999 square feet of retail use for office use on the two upper floors results in a relatively minimal physical change, in light of the fact that the current occupant (Macy's) has used the upper floors primarily for support functions and accessory office uses. The proposed 49,999 square feet of office use provides for a compatible and feasible use on the upper floors, ensuring their continued utilization after the current building occupant (Macy's) ceases its operation. Since the Project is primarily renovation of the existing building, and not demolition and new construction, the building envelope will remain substantially the same, ensuring continued compatibility with the neighborhood.

2. 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 addition of new office space will be located in close proximity to public transit. The Property is well-served by public transportation along Market Street, a major transit corridor served by various MUNI underground and above-ground lines. The Montgomery and Powell Street Bart and MUNI stations are accessible within few blocks' distance. The site is also in close proximity to the Central Subway project currently under construction.

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

The project will comply with all applicable regulations relating to construction noise and dust. The project does not include any permanent uses that generate substantial levels of noxious or offensive emissions, such as noise, dust, glare or odor.

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

The Project includes improvements to the building's exterior facade, including increased transparency to the ground floor store fronts, and pedestrian-scale activation of the street frontages. No off-street parking is provided, and off-street loading will continue to be provided off of Security Place Alley. Lighting and signage would be subject to review for conformance with Sec. 145.1 (Active Ground Floors), Article 6 (Signs) and Article 11 Conservation District design guidelines.

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

The Project complies will all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed in Part 8 of the Motion No. XXXXX, Case No. 2016-016161DNX (Downtown Project Authorization, pursuant to Planning Code Section 309).

- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The Project is not located within a Neighborhood Commercial District.

8. **Planning Code Section 210.2** provides that in addition to the criteria set forth in Section 303 approval shall be given upon a determination that the use will not detract from the District's primary function as an area for comparison shopping retailing and direction consumer services. On balance, the Project complies with said criteria in that:

The building will remain primarily a retail building, with 184,196 square feet of retail use on floors 1 through 5, and 12,606 square feet of restaurant use on the 8th floor. The Project provides an appropriate mix of uses and transitions the building from a single-tenant department store structure into a multi-tenant building with several retail establishments, restaurant and office uses, as further noted in Part 7.A above.

9. **General Plan Compliance.** The General Plan Consistency Findings set forth in Part 8 of the Motion No. XXXXX, Case No. 2016-016161DNX (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion, and are incorporated as though fully set forth herein.

10. **Planning Code Section 101.1(b).** The General Plan Priority Policy Findings set forth in Part 9 of the Motion No. XXXXX, Case No. 2016-016161DNX (Downtown Project Authorization, pursuant

to Planning Code Section 309) apply to this Motion, and are incorporated as though fully set forth herein.

11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) as outlined in Motion No. XXXXX and also in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
12. The Commission hereby finds that approval of the Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Authorization Application No. 2016-016161CUA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated April 26, 2018, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion. 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 April 26, 2018.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: April 26, 2018

EXHIBIT A

AUTHORIZATION

This authorization is for a **Conditional Use Authorization** at 120 Stockton Street, (Block 0313, and Lot 017) pursuant to Planning Code Section(s) 210.2 and 303 within the C-3-R (Downtown Retail) District, the Downtown Area Plan and a 80-130-F Height and Bulk District; in general conformance with plans, dated XXXX, and stamped "EXHIBIT B" included in the docket for Case No. 2016-016161PTA/CUA/DNX/OFA, and subject to conditions of approval reviewed and approved by the Commission on April 26, 2018 under Motion No. XXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project sponsor, business, or operator.

COMPLIANCE WITH OTHER REQUIREMENTS

The Planning Code Compliance Findings set forth in Motion No. XXXXXXX, Case No. 2016-016161DNX apply to this Motion, and are incorporated herein as though fully set forth.

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 April 26, 2018, under Motion No. XXXXX.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the "Exhibit A" of this Planning Commission Motion No. XXXXX shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Downtown Project Authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three (3) year period.
For information about compliance, contact Code Enforcement, Planning Department at 415-558-6378, www.sfplanning.org
2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the Project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the Project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sfplanning.org
3. **Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sfplanning.org
4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sfplanning.org
5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sfplanning.org
6. **Additional Project Authorizations.** The Project Sponsor must obtain a Major Permit to Alter pursuant to Article 11, Downtown Project Authorization pursuant to Section 309, and an Office Allocation Authorization for 49,999 square feet of office use pursuant to Section 321 et al. The

Project Sponsor must satisfy all the conditions thereof for each additional project authorization. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

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

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

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

DESIGN – COMPLIANCE AT PLAN STAGE

1. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

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

2. **Garbage, composting and recycling storage.** Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

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

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

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

PARKING AND TRAFFIC

1. **Off-street Loading.** Pursuant to Planning Code Section 152, the Project is required to provide off-street loading spaces.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
2. **Bicycle Parking.** Planning Code Section 155.2(a) requires a project to provide bicycle parking if: an addition to a building or lot that increases the building's Gross Floor Area by more than 20 percent; or if a change of occupancy or increase in intensity of use which would increase the number of total required bicycle parking spaces (inclusive of Class 1 and 2 spaces in aggregate) by 15 percent occurs. The overall project totals are not clear at this time. The Class 1 and Class 2 parking spaces shall be calculated as outlined in Section 155.1-5.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863.
3. **Showers and Clothes Lockers.** Pursuant to Planning Code Section 155.4, the Retail Sales and Services Uses and Office Uses require shower facilities and lockers, in the same manner as bicycle parking would be required for addition of gross floor area or change in use intensity.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863.
4. **Managing Traffic During Construction.** The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

PROVISIONS

1. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.
For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org
2. **Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
3. **Transportation Demand Management.** Transportation Demand Management (TDM) Program. Pursuant to Planning Code Section 169, the Project shall finalize a TDM Plan prior to the issuance of the first Building Permit or Site Permit to construct the project and/or commence the approved uses. The Property Owner, and all successors, shall ensure ongoing compliance with the TDM

Program for the life of the Project, which may include providing a TDM Coordinator, providing access to City staff for site inspections, submitting appropriate documentation, paying application fees associated with required monitoring and reporting, and other actions.

Prior to the issuance of the first Building Permit or Site Permit, 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 to document compliance with the TDM Program. This Notice shall provide the finalized TDM Plan for the Project, including the relevant details associated with each TDM measure included in the Plan, as well as associated monitoring, reporting, and compliance requirements. Because the first Development Application – as defined in Planning Code Section 401 – was submitted by December 31, 2017, the project will only be required to meet 75% of its target score.

4. **Downtown Park Fee - C-3 District.** The Project is subject to the Downtown Park Fee, as applicable, pursuant to Planning Code Section 412.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
5. **Jobs Housing Linkage.** The Project is subject to the Jobs Housing Linkage Fee, as applicable, pursuant to Planning Code Section 413.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
2. **Childcare Requirements - Office and Hotel Development.** The Project is subject to the Childcare Fee for Office and Hotel Development Projects, as applicable, pursuant to Planning Code Section 414.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

MONITORING

1. **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
2. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this

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

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

OPERATION

1. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

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



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- | | |
|---|---|
| <input type="checkbox"/> Affordable Housing (Sec. 415) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code) |
| <input checked="" type="checkbox"/> Jobs Housing Linkage Program (Sec. 413) | <input checked="" type="checkbox"/> Child Care Requirement (Sec. 414) |
| <input checked="" type="checkbox"/> Downtown Park Fee (Sec. 412) | <input checked="" type="checkbox"/> Transportation Sustainability Fee (Sec. 411A) |

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 Motion No. XXXXX Office Allocation Authorization

HEARING DATE: APRIL 26, 2018

<i>Date:</i>	April 16, 2018
<i>Case No.:</i>	2016-016161PTA/CUA/DNX/ <u>OFA</u>
<i>Project Title:</i>	120 Stockton Street (aka 50 O'Farrell)
<i>Zoning:</i>	Downtown Retail (C-3-R) Zoning District 80-130-F Height and Bulk District
<i>Block/Lot:</i>	0313/017
<i>Conservation District:</i>	Kearny-Mason-Market-Sutter Conservation District
<i>Project Sponsor</i>	Tuija Catalano, Reuben, Junius & Rose, LLP 1 Bush Street, Suite 600 San Francisco, CA 94104
<i>Staff Contact:</i>	Eiliesh Tuffy – (415) 575-9191 eiliesh.tuffy@sfgov.org
<i>Recommendation</i>	Approval with Conditions

ADOPTING FINDINGS RELATING TO THE APPROVAL OF AN ALLOCATION OF OFFICE SQUARE FOOTAGE UNDER THE 2017-2018 ANNUAL OFFICE DEVELOPMENT LIMITATION PROGRAM PURSUANT TO SECTIONS 320 THROUGH 325 OF THE PLANNING CODE TO ALLOW UP TO 49,999 GROSS SQUARE FEET OF OFFICE USE AT 120 STOCKTON STREET (AKA 50 O'FARRELL), LOT 017 IN ASSESSOR'S BLOCK 0313, WITHIN THE C-3-R (DOWNTOWN RETAIL) DISTRICT AND A 80-130-F HEIGHT AND BULK DISTRICT.

PREAMBLE

On October 5, 2017, Tuija Catalano, on behalf of PPF Retail, LLC (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for an Office Allocation Authorization under Planning Code Section(s) 210.2 and 321 to establish 49,999 square feet of office use within the C-3-R (Downtown Retail) District and a 80-130-F Height and Bulk District.

On April 26, 2018, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2016-016161PTA/CUA/DNX/OFA.

The Planning Department, Jonas Ionin, is the custodian of records, located in the File for Case No. 2016-016161CUA at 1650 Mission Street, Fourth Floor, San Francisco, California.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 32 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 Office Allocation requested in Application No. 2016-016161OFA, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The property is on the northeast corner of Stockton and O'Farrell Streets with facades that front Stockton Street (137.5 feet), O'Farrell Street (220 feet), and Security Pacific Place (42.5 feet), in Lot 017 of Assessor's Block 0313. The property is approximately 31,405sf, and is located within the C-3-R (Downtown Retail) Zoning District and the 80-130-F Height and Bulk District. The project site is located within the Downtown Area Plan and the Article 11-designated Kearny-Market-Mason-Sutter Conservation District.

The site is occupied by a seven-story-over-basement building constructed in 1974 that covers the entire lot area. The existing building on the lot is a Category V, non-contributor within the historic district. It has approximately 242,728 gross square feet of building area and is currently occupied by a single-tenant department store (d.b.a. "Macy's Men's Store"), featuring 163,092sf of retail space with 53,889sf of (accessory) office space at the sixth and seventh floors.

3. **Surrounding Properties and Neighborhood.** The project site is located downtown, one block southeast of Union Square in the heart of the city's historic retail shopping district. The neighborhood is characterized by mid-rise, mixed-use commercial buildings and the busy pedestrian, public transit, and auto traffic on Stockton Street. The property is one lot to the south of 150 Stockton (d.b.a. "Neiman Marcus"), which is a large department store building. There are several other large department store buildings in the District, including the three buildings at the corner of Stockton and O'Farrell Streets (101 Stockton (d.b.a. "Macy's"), 65 Stockton (d.b.a. "Crate & Barrel"), and 77 O'Farrell (d.b.a. "Barney's New York")). The building to the east of the Property on O'Farrell Street, 20-26 O'Farrell Street, is a 10-story building rated as a Category I – Significant Historic Resource (Kohler and Chase Building; 1909).
4. **Project Description.** The Project involves the conversion of the 242,728-gross square foot building from a single-tenant retail space with accessory offices on the upper two floors, to a multi-tenant

building with a gross floor area of 246,801sf, resulting in a net increase in gross floor area of 4,073sf. The project proposes 184,196 square feet of general retail use, 12,606 square feet of restaurant use, 49,999 square feet of office space plus mechanical space. Qualifying units of Transferrable Development Rights would be required to construct the project.

The Project also involves a redesigned building façade. Specifically, it proposes the removal of the existing travertine stone cladding, ground floor storefront and entrance systems, and the upper floor balconies and metal awnings. The new design proposes a fenestrated building envelope with terra cotta cladding. The two-story base consists of a series of ground floor storefront bays with second floor display windows of comparable dimensions. At the third, and partially at the fourth, floors the façade is proposed to be recessed 6 feet to create a demarcation between the base and the upper shaft while allowing for an outdoor terrace. The third floor terrace would be accessed through the retail space. The upper portion of the façade features a regularized pattern of window openings with terra cotta surrounds of varying depths and sizes. The project proposes a partial, one-story vertical addition at the roof, which is designed to be set back 20'-7" from O'Farrell Street, 27'-6" from Stockton Street, and will not be visible from the public right of way. A pergola is proposed for the south and west elevations of the vertical addition, as part of the rooftop terrace design.

5. **Public Comment.** To date, the Department has received four letters of support for the project and one neutral response.
6. **Office Development Authorization.** Planning Code Section 321 establishes standards for San Francisco's Office Development Annual Limit. In determining if the proposed Project would promote the public welfare, convenience and necessity, the Commission considered the seven criteria established by Code Section 321(b)(3), and finds as follows:
 - I. APPORTIONMENT OF OFFICE SPACE OVER THE COURSE OF THE APPROVAL PERIOD IN ORDER TO MAINTAIN A BALANCE BETWEEN ECONOMIC GROWTH ON THE ONE HAND, AND HOUSING, TRANSPORTATION AND PUBLIC SERVICES, ON THE OTHER.

As of January 12, 2018, 1,015,880 gross square feet of "Small Cap" office space in San Francisco was available. The Project will add approximately 49,999 gross square feet of office space at the Property. If the Project is approved, approximately 965,881 square feet of space will remain in the Small Cap pool. In October 2018, an additional 75,000 square feet of office space will be added to the Small Cap pool.

The proposed Project and the uses therein are appropriate for the location. The Project involves a 7-story single-tenant retail building, which currently provides accessory office uses on the 6th and 7th floors. The conversion of up to 49,999 gsf of retail use (i.e. primarily currently used as accessory office use) into office use on the two upper floors results in a relatively minimal physical change. Overall, the Project provides for better utilization of the upper floors. Retail use on the upper floors may be feasible for a single-tenant building, i.e. a large department store user, however, such use is not realistic in a multi-tenant building, particularly on the 6th and 7th floors. The proposed 49,999 gsf of

office use provides for a more compatible and feasible use on the upper floors, ensuring their continued utilization after the current building occupant (Macy's) ceases its operation.

Future employees of the Project will be able to walk, ride a bicycle, or take any of the ample forms of public transportation in the area. Located in one of the densest urban areas of the City, this area has exceptional existing public transit service. The Property is within a few blocks of the Powell Street BART and MUNI station, has easy access to all of the local and regional bus lines that run down Market Street, and is within a reasonable distance of the Ferry Building, providing convenient access for commuters.

Overall, the project will maintain a balance between economic growth and housing, transportation and public services.

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

The proposed project is consistent with the General Plan, as outlined below. Overall, the Project would advance the objectives and policies of the Downtown Plan, as well as the Commerce and Industry Element and the Transportation Element of the General Plan.

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

The Project does not involve significant construction or additions to the existing building, merely minor interior alterations. The roughly 49,999 square feet proposed for office use already exists as semi-vacant retail space within the building at the Property.

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

- a. Use. *The Project's proposed upper floor office use within 120 Stockton Street is principally permitted in the C-3-R District, but requires a Conditional Use Authorization since the office use would be larger than 5,000 square feet above the ground floor. This requirement is to ensure that office uses will not detract from C-3-R District's primary function as an area for comparison shopper retailing and direct consumer services. Although Union Square continues to remain an important shopping destination, the retail market is also changing, in San Francisco and nationwide. The retail model is shifting away from the larger department store model (which is the current use of the Property as well), and instead the trend is towards smaller retail spaces, experimental retail, and increased online presence. The Project is responding to current trends, yet it also remains consistent with current and pending policies with respect to upper floor office conversions. The Project proposes conversion to office use at the top two floors, at 6th and 7th levels, which due to their location are not feasible for retail uses in a multi-tenant, non-department store building.*

The subject lot is located in an area primarily characterized by a mix of retail, hotel, and office uses, and buildings with office and commercial uses above ground floor retail are common in

the immediate vicinity. The project is suitable for its location in that it has direct access to existing and planned public transit, and would bring new workers to the area who would be able to support the existing service and retail uses in the neighborhood.

- b. Transit Accessibility. *The Downtown area has one of the greatest concentrations of local and regional transit in San Francisco and the greater Bay Area. The Powell Street transit station is a few blocks to the south of the property. The Project site is served by the MUNI bus and streetcar lines along Market Street, MUNI bus lines along Fifth and Mission Streets, and MUNI Metro and BART through the Powell Street station at Fifth and Market Streets.*
- c. Open Space Accessibility. *The Project involves an existing building, and not a demolition and new construction. Although the Project includes a partial addition to the rooftop, the building's gross floor area will increase only by approx. 2% (with less than 5,000 gsf of new area), and thus the Project is not required to provide privately-owned public open space under Planning Code Section 138. The Project will create some open space for the use of the building tenants, on the 3rd floor and rooftop levels in the form of terraces. The Property is within walking distance of numerous open spaces, including Mint Plaza to the south. Yerba Buena Gardens and Jessie Square are both about a ½ mile away and Hallidie Plaza is less than 500 feet. Each of these open spaces is accessible to the public and available for the Project's future commercial tenant employees.*
- d. Urban Design. *The Project will be completely contained within the existing building at the Property. The current height and form of the Property are similar to those of neighboring structures. The existing façade is proposed for a significant upgrade. The Project site is located in the Kearny-Market-Mason-Sutter ("KMMS") Conservation District; however, the existing (an approximately 43-year old Category V (unrated)) building has not been previously recognized as historically significant. The project received a Major Permit to Alter by the Historic Preservation Commission on April 18, 2018, which found the proposed design to be compatible with the KMMS District. Due to the Property's location in the KMMS Conservation District, the exterior alterations and the new façade, including materials, were required to be designed to be compatible with KMMS District requirements and existing neighborhood context.*
- e. Seismic Safety. *The Project will conform to the structural and seismic requirements of the San Francisco Building Code, meeting this policy.*

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

- a. Anticipated Employment Opportunities. *The Project will create on-site employment opportunities for the future tenants through the conversion of approximately 49,999 square feet of space to office use. The Project will provide office space with large floor plates, a characteristic desired by emerging businesses. The expansion of office use at the Property will*

allow new businesses and employers to move into San Francisco and/or will allow existing businesses to grow and expand their employment bases.

- b. Needs of Existing Businesses. *San Francisco continues to experience high demand for transit-served large floor plate office space. The subject building is currently used by Macy's Department Store, which is the only user of the existing approximately 242,700-gsf building. The 6th and 7th floors of the building that are proposed for office conversion have been used primarily for support functions, including accessory office uses. The Project does not result in the displacement of any existing uses as the Project (and the Project Sponsor's purchase of the Property) was borne after Macy's made its decision to close approximately 100 stores in United States, including the uses in the subject building resulting in the disposition of the Property. The addition of office space within the existing building at the Property will provide much needed large floorplate office space within San Francisco's downtown area, creating job opportunities in a highly accessible transit-oriented location.*
- c. Availability of Space Suitable for Anticipated Uses. *Demand for new office space has increased rapidly in the past few years. Large, open floor plates are among the most important features in today's office market, and the Project will help meet this demand with large floorplate and flexible office space that is suitable for a variety of office uses and sizes.*

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

The Property will be converted into a multi-tenant building, however, it is not yet known whether the two office floors will be used by one or more office tenants. The upper floor floorplans are suitable for use by one or more major tenants, but can also accommodate multiple small tenants.

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

The Project will require, and purchase, a minimal amount of TDR, at approximately 4,073 units.

- 7. **Planning Code Compliance:** The Planning Code Compliance findings as set forth in Motion No. XXXXX, Case No. 2016-016161PTA/CUA/DNX/OFA (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion, and are incorporated as though fully set forth herein.
- 8. **General Plan Compliance.** The General Plan Consistency Findings set forth in Part 8 of the Motion No. XXXXX, Case No. 2016-016161PTA/CUA/DNX/OFA (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion, and are incorporated as though fully set forth herein.
- 9. **Planning Code Section 101.1(b) Findings.** The General Plan Priority Policy Findings set forth in Part 9 of the Motion No. XXXXX, Case No. 2016-016161PTA/CUA/DNX/OFA (Downtown Project Authorization, pursuant to Planning Code Section 309) apply to this Motion, and are incorporated as though fully set forth herein.

10. The Commission hereby finds that approval of the Office Allocation authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Office Development Application No. 2016-016161OFA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated April 4, 2018 and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Office Development Allocation to the Board of Supervisors within fifteen (15) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1650 Mission Street, Room 304, San Francisco, CA.

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 April 26, 2018.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: April 26, 2018

EXHIBIT A

AUTHORIZATION

This authorization is for an **Office Development Allocation** to allow up to 49,999 square feet of non-retail sales and services (office space) on the 6th and 7th floors of the existing building at 120 Stockton Street within the C-3-R (Downtown Retail) District and a 80-130-F Height and Bulk District; in general conformance with plans, dated April 4, 2018, and stamped “EXHIBIT B” included in the docket for Case No. 2016-016161PTA/CUA/DNX/OFA and subject to conditions of approval reviewed and approved by the Commission on April 26, 2018 under Motion No. XXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project sponsor, business, or operator.

COMPLIANCE WITH OTHER REQUIREMENTS

The Planning Code Compliance Findings set forth in Motion No. XXXXX, Case No. 2016-016161DNX apply to this Motion, and are incorporated herein as though fully set forth.

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 April 26, 2018 under Motion No. XXXXX.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. XXXXX shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period. *For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org*
2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
3. **Extension.** All time limits in the preceding two paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
4. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
5. **Additional Project Authorization.** The Project Sponsor must obtain a Major Permit to Alter pursuant to Article 11, Conditional Use Authorization under Sections 303 and 210.2 to allow office use above the ground floor, and a Downtown Project Authorization pursuant to Section 309, and satisfy all the conditions thereof. The conditions set forth therein are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org.
6. **Development Timeline - Office.** Pursuant to Planning Code Section 321(d)(2), construction of the office development project shall commence within 18 months of the effective date of this Motion. Failure to begin work within that period or to carry out the development diligently thereafter to

completion, shall be grounds to revoke approval of the office development under this office development authorization.

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

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

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

DESIGN – COMPLIANCE AT PLAN STAGE

1. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

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

2. **Garbage, composting and recycling storage.** Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

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

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

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

PARKING AND TRAFFIC

1. **Off-street Loading.** Pursuant to Planning Code Section 152, the Project is required to provide off-street loading spaces.

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

2. **Bicycle Parking.** Planning Code Section 155.2(a) requires a project to provide bicycle parking if: an

addition to a building or lot that increases the building's Gross Floor Area by more than 20 percent; or if a change of occupancy or increase in intensity of use which would increase the number of total required bicycle parking spaces (inclusive of Class 1 and 2 spaces in aggregate) by 15 percent occurs. The overall project totals are not clear at this time. The Class 1 and Class 2 parking spaces shall be calculated as outlined in Section 155.1-5.

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

3. **Showers and Clothes Lockers.** Pursuant to Planning Code Section 155.4, the Retail Sales and Services Uses and Office Uses require shower facilities and lockers, in the same manner as bicycle parking would be required for addition of gross floor area or change in use intensity.

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

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

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

PROVISIONS

1. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.
For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org
2. **Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.
For information about compliance, contact the Case Planner, Planning Department at 415-555-6378, www.sf-planning.org
3. **Transportation Demand Management.** Transportation Demand Management (TDM) Program. Pursuant to Planning Code Section 169, the Project shall finalize a TDM Plan prior to the issuance of the first Building Permit or Site Permit to construct the project and/or commence the approved uses. The Property Owner, and all successors, shall ensure ongoing compliance with the TDM Program for the life of the Project, which may include providing a TDM Coordinator, providing access to City staff for site inspections, submitting appropriate documentation, paying application fees associated with required monitoring and reporting, and other actions.

Prior to the issuance of the first Building Permit or Site Permit, 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 to document compliance with the TDM Program.

This Notice shall provide the finalized TDM Plan for the Project, including the relevant details associated with each TDM measure included in the Plan, as well as associated monitoring, reporting, and compliance requirements. Because the first Development Application – as defined in Planning Code Section 401 – was submitted by December 31, 2017, the project will only be required to meet 75% of its target score.

4. **Downtown Park Fee.** The Project is subject to the Downtown Park Fee, as applicable, pursuant to Planning Code Section 412.

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

5. **Jobs Housing Linkage.** The Project is subject to the Jobs Housing Linkage Fee, as applicable, pursuant to Planning Code Section 413.

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

6. **Childcare Requirements - Office and Hotel Development.** The Project is subject to the Childcare Fee for Office and Hotel Development Projects, as applicable, pursuant to Planning Code Section 414.

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

MONITORING

1. **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

2. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization. *For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org*

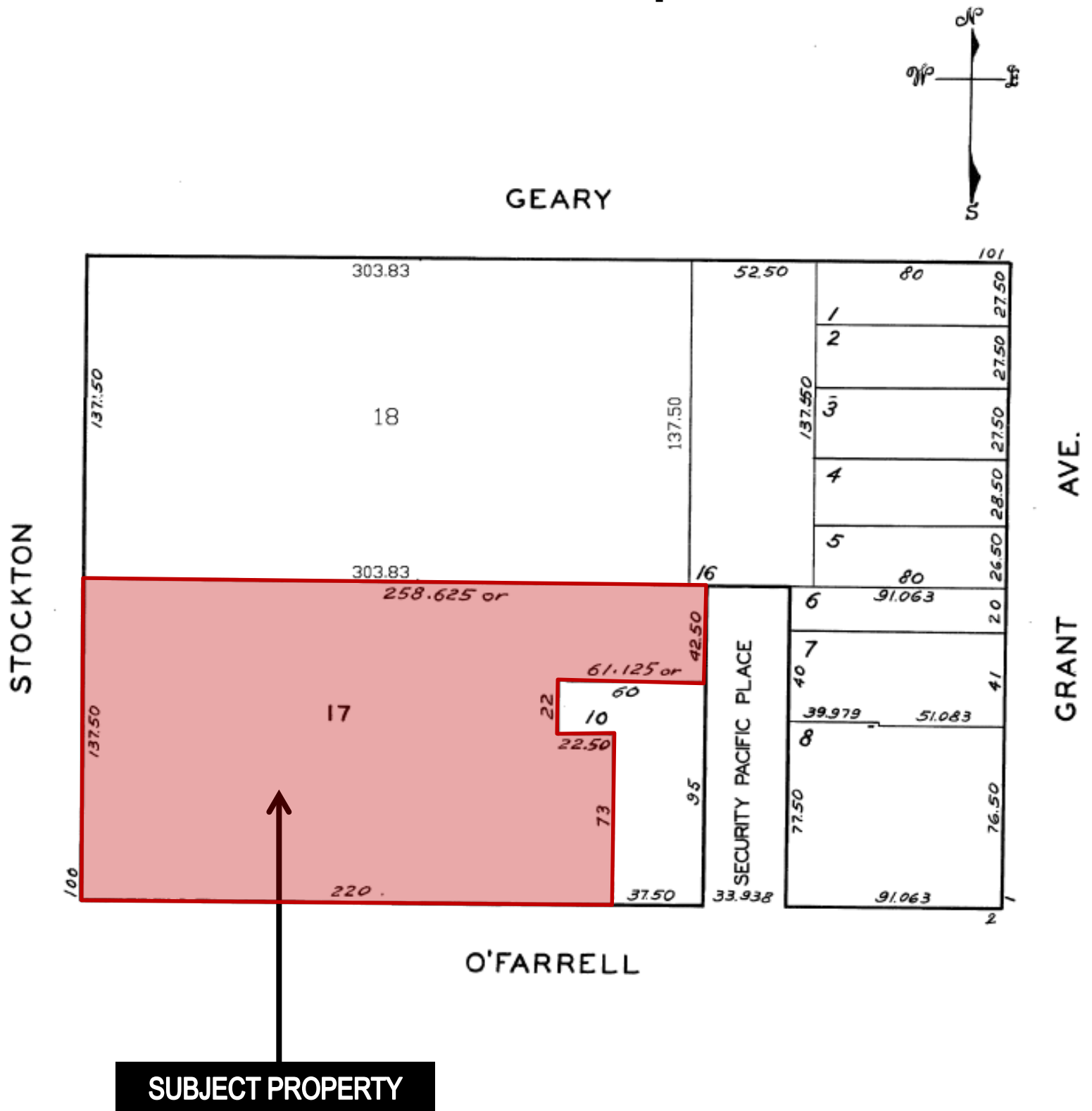
OPERATION

1. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information

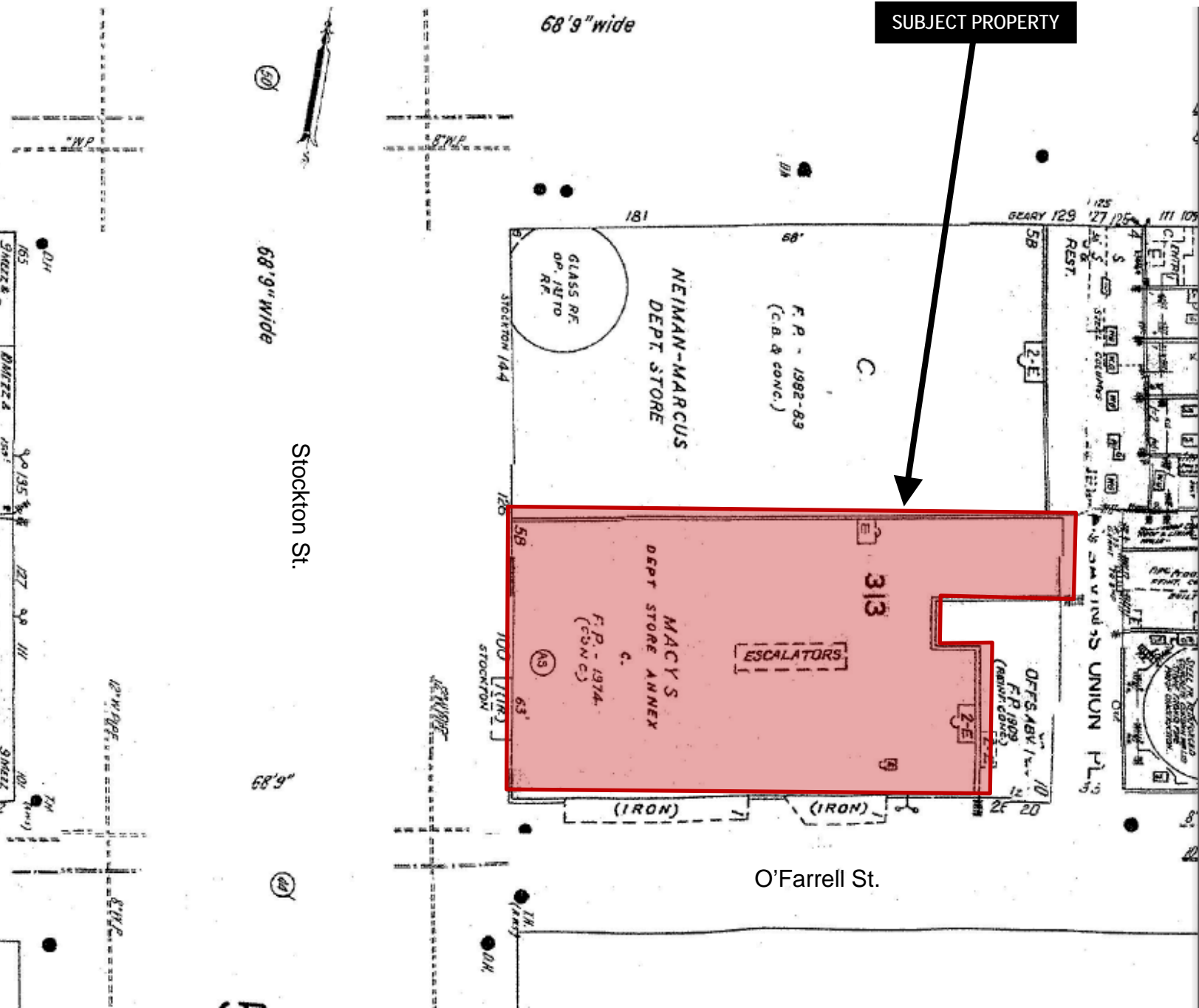
change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

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

Parcel Map



Sanborn Map*



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



Planning Commission Hearing
Case Number 2016-016161PTA/CUA/DNX/OFA
120 Stockton Street
(dba Macy's Men's Store)

Aerial Photo

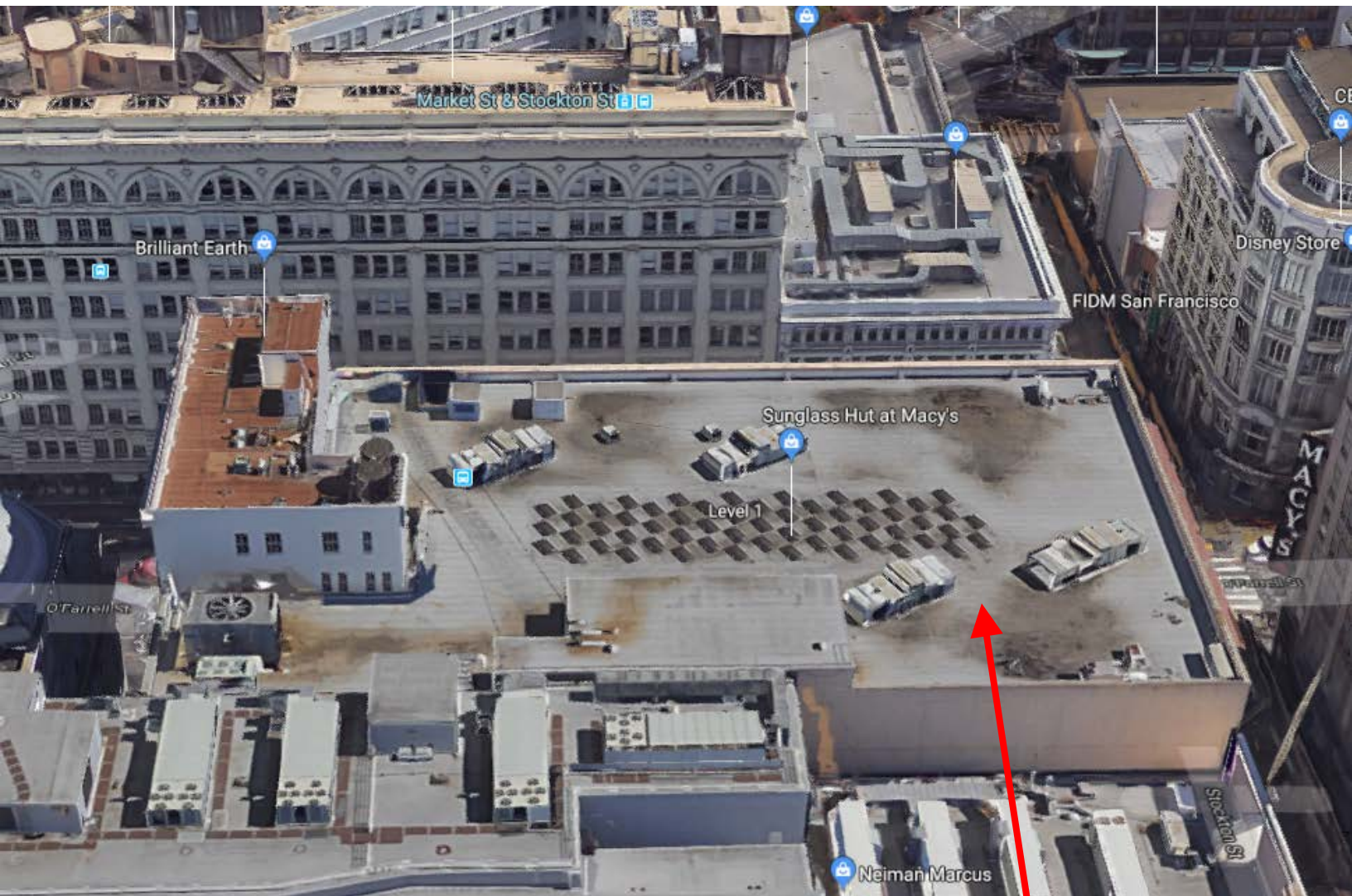


SUBJECT PROPERTY



Planning Commission Hearing
Case Number 2016-016161PTA/CUA/DNX/OFA
120 Stockton Street
(dba Macy's Men's Store)

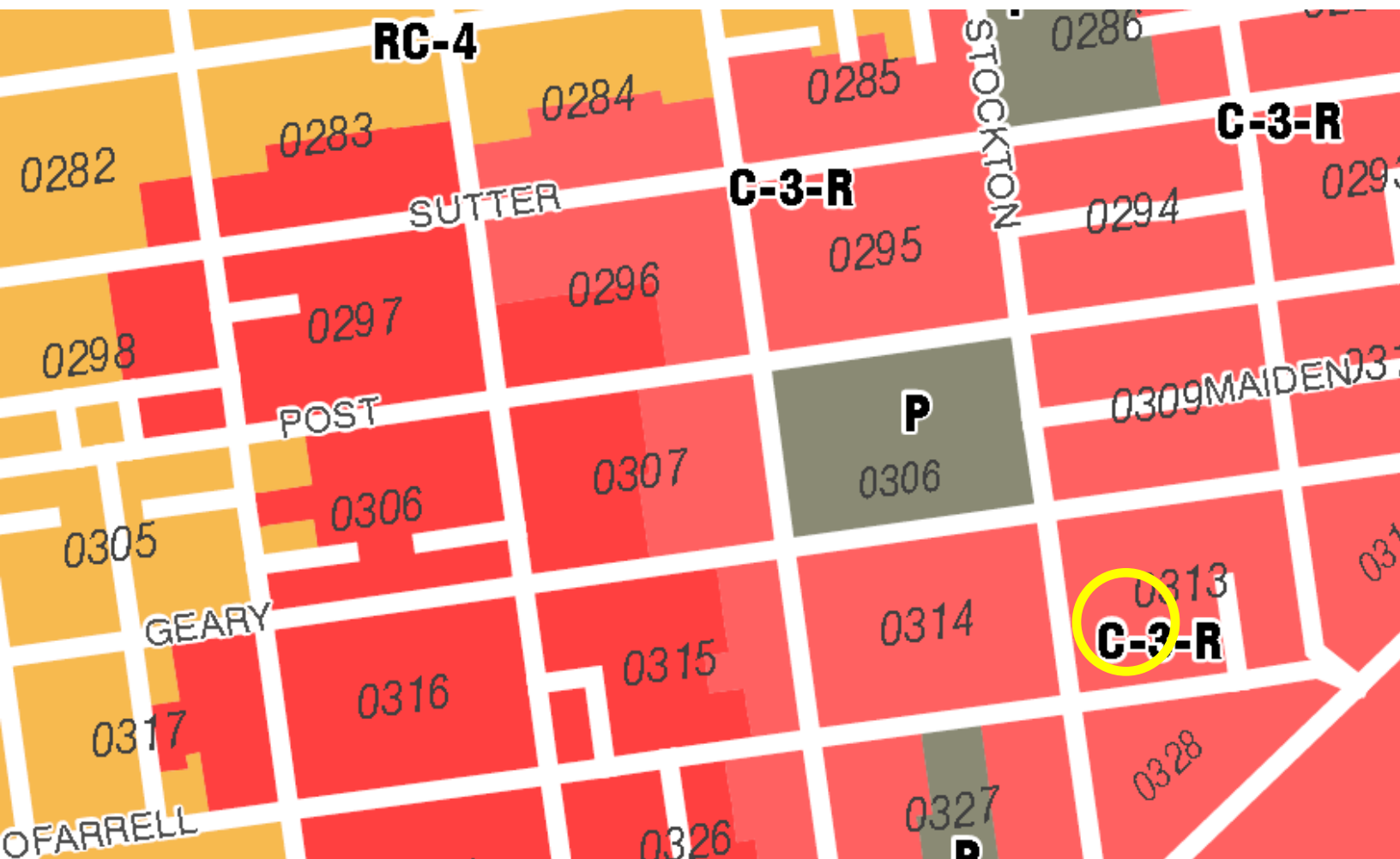
Aerial Photo – Looking South



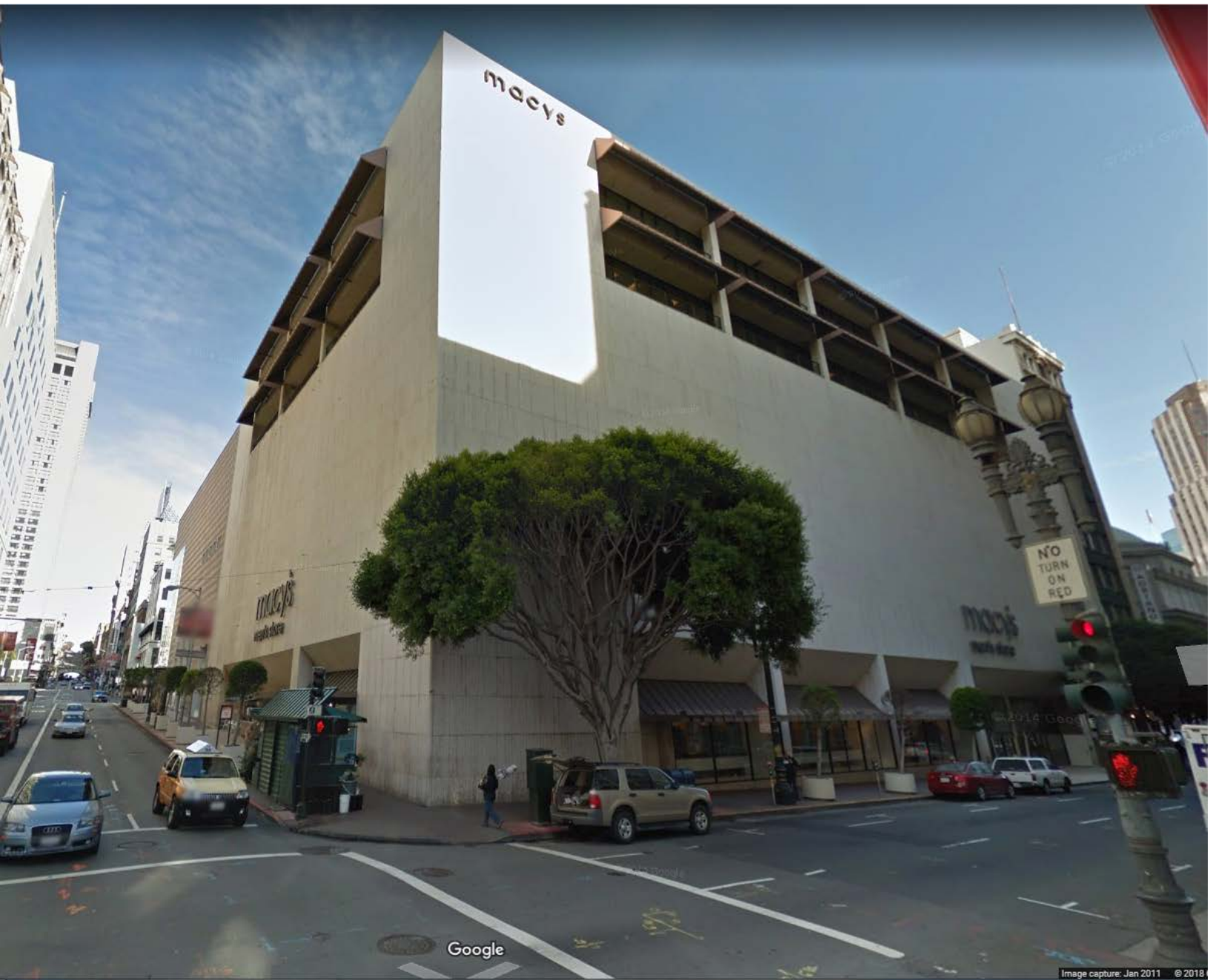
SUBJECT PROPERTY

Planning Commission Hearing
Case Number 2016-016161PTA/CUA/DNX/OFA
120 Stockton Street
(dba Macy's Men's Store)

Zoning Map



Site Photo



Planning Commission Hearing
Case Number 2016-016161PTA/CUA/DNX/OFA
120 Stockton Street
(dba Macy's Men's Store)



SAN FRANCISCO PLANNING DEPARTMENT

CEQA Categorical Exemption Determination

PROPERTY INFORMATION/PROJECT DESCRIPTION

Project Address		Block/Lot(s)
120 Stockton Street (50 O'Farrell St)		0313/017
Case No.		Permit No.
2016-016161ENV		
<input checked="" type="checkbox"/> Addition/ Alteration	<input type="checkbox"/> Demolition (requires HRE for Category B Building)	<input type="checkbox"/> New Construction
<p>Project description for Planning Department approval.</p> <p>The proposed project is located on the northwest corner of Stockton and O'Farrell streets in the Financial District. The site is also located within the Kearny-Market-Mason-Sutter Conservation District. The existing seven-story, 242,730-square-foot (sf) building, constructed in 1974, consists of approximately 163,000 sf of retail use and 54,000 sf of accessory office use. The proposed project would convert the existing single-tenant building into a multi-tenant building consisting of retail, restaurant, and office uses. Floors 1-3 and the basement level would continue as retail use, but would be reconfigured to provide multiple tenant spaces with storefronts and public access along Stockton and O'Farrell Streets. Existing retail use would also be reconfigured on floors 4-6 to provide for multiple tenants. The project would include a change of use of 49,999 sf of retail use into office use on floors 6-7. A new roof top addition of approximately 10,800 sf is proposed for restaurant use. It would increase the building's total height from about 104 feet to 120 feet. The gross square footage for the proposed reconfigured building would be approximately 246,800 sf.</p> <p>Proposed streetscape improvements include three new street lights, one existing relocated streetlight, and about 10 new street trees. All improvements would be coordinated.</p> <p>CONTINUED ON ADDITIONAL PAGE</p>		

STEP 1: EXEMPTION CLASS

Note: If neither class applies, an <i>Environmental Evaluation Application</i> is required.	
<input type="checkbox"/>	Class 1 - Existing Facilities. Interior and exterior alterations; additions under 10,000 sq. ft.
<input type="checkbox"/>	Class 3 - New Construction. Up to three new single-family residences or six dwelling units in one building; commercial/office structures; utility extensions; change of use under 10,000 sq. ft. if principally permitted or with a CU.
<input checked="" type="checkbox"/>	<p>Class 32 - In-Fill Development. New Construction of seven or more units or additions greater than 10,000 sq. ft. and meets the conditions described below:</p> <p>(a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.</p> <p>(b) The proposed development occurs within city limits on a project site of no more than 5 acres substantially surrounded by urban uses.</p> <p>(c) The project site has no value as habitat for endangered rare or threatened species.</p> <p>(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.</p> <p>(e) The site can be adequately served by all required utilities and public services.</p> <p>FOR ENVIRONMENTAL PLANNING USE ONLY</p>
<input type="checkbox"/>	Class ____

STEP 2: CEQA IMPACTS

TO BE COMPLETED BY PROJECT PLANNER

If any box is checked below, an *Environmental Evaluation Application* is required.

<input type="checkbox"/>	Air Quality: Would the project add new sensitive receptors (specifically, schools, day care facilities, hospitals, residential dwellings, and senior-care facilities within an Air Pollution Exposure Zone? Does the project have the potential to emit substantial pollutant concentrations (e.g., backup diesel generators, heavy industry, diesel trucks, etc.)? (refer to EP_ArcMap > CEQA Catex Determination Layers > Air Pollution Exposure Zone)
<input type="checkbox"/>	Hazardous Materials: If the project site is located on the Maher map or is suspected of containing hazardous materials (based on a previous use such as gas station, auto repair, dry cleaners, or heavy manufacturing, or a site with underground storage tanks): Would the project involve 50 cubic yards or more of soil disturbance - or a change of use from industrial to residential? If yes, this box must be checked and the project applicant must submit an Environmental Application with a Phase I Environmental Site Assessment. <i>Exceptions: do not check box if the applicant presents documentation of enrollment in the San Francisco Department of Public Health (DPH) Maher program, a DPH waiver from the Maher program, or other documentation from Environmental Planning staff that hazardous material effects would be less than significant (refer to EP_ArcMap > Maher layer).</i>
<input type="checkbox"/>	Transportation: Does the project create six (6) or more net new parking spaces or residential units? Does the project have the potential to adversely affect transit, pedestrian and/or bicycle safety (hazards) or the adequacy of nearby transit, pedestrian and/or bicycle facilities?
<input type="checkbox"/>	Archeological Resources: Would the project result in soil disturbance/modification greater than two (2) feet below grade in an archeological sensitive area or eight (8) feet in a non -archeological sensitive area? (refer to EP_ArcMap > CEQA Catex Determination Layers > Archeological Sensitive Area)
<input type="checkbox"/>	Subdivision/Lot Line Adjustment: Does the project site involve a subdivision or lot line adjustment on a lot with a slope average of 20% or more? (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography)
<input type="checkbox"/>	Slope = or > 20%: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography) If box is checked, a geotechnical report is required.
<input type="checkbox"/>	Seismic: Landslide Zone: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report is required.
<input type="checkbox"/>	Seismic: Liquefaction Zone: Does the project involve any of the following: (1) square footage expansion greater than 1,000 sq. ft. outside of the existing building footprint, (2) excavation of 50 cubic yards or more of soil, (3) new construction? (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report will likely be required.

If no boxes are checked above, GO TO STEP 3. If one or more boxes are checked above, an *Environmental Evaluation Application* is required, unless reviewed by an Environmental Planner.

Comments and Planner Signature (optional): Sherie George

The project site is not located within an air pollutant exposure zone. Enrollment in Maher program completed on December 20, 2017. No recognized environmental conditions directly associated with the site in Phase 1. Planning staff archaeologists determined the project would have no effect on archaeological resources. Shadow analysis conducted by FastCast City, dated December 19, 2017, determined the proposed project would not contribute new shadow to any public parks or privately owned public open spaces at any time through the year due to both the distance from the proposed project and the existing buildings subsuming any

CONTINUED ON ADDITIONAL PAGE

STEP 3: PROPERTY STATUS - HISTORIC RESOURCE
TO BE COMPLETED BY PROJECT PLANNER

PROPERTY IS ONE OF THE FOLLOWING: (refer to Parcel Information Map)	
<input checked="" type="checkbox"/>	Category A: Known Historical Resource. GO TO STEP 5.
<input type="checkbox"/>	Category B: Potential Historical Resource (over 45 years of age). GO TO STEP 4.
<input type="checkbox"/>	Category C: Not a Historical Resource or Not Age Eligible (under 45 years of age). GO TO STEP 6.

STEP 4: PROPOSED WORK CHECKLIST
TO BE COMPLETED BY PROJECT PLANNER

Check all that apply to the project.	
<input checked="" type="checkbox"/>	1. Change of use and new construction. Tenant improvements not included.
<input type="checkbox"/>	2. Regular maintenance or repair to correct or repair deterioration, decay, or damage to building.
<input type="checkbox"/>	3. Window replacement that meets the Department's <i>Window Replacement Standards</i> . Does not include storefront window alterations.
<input type="checkbox"/>	4. Garage work. A new opening that meets the <i>Guidelines for Adding Garages and Curb Cuts</i> , and/or replacement of a garage door in an existing opening that meets the Residential Design Guidelines.
<input checked="" type="checkbox"/>	5. Deck, terrace construction, or fences not visible from any immediately adjacent public right-of-way.
<input checked="" type="checkbox"/>	6. Mechanical equipment installation that is not visible from any immediately adjacent public right-of-way.
<input type="checkbox"/>	7. Dormer installation that meets the requirements for exemption from public notification under <i>Zoning Administrator Bulletin No. 3: Dormer Windows</i> .
<input checked="" type="checkbox"/>	8. Addition(s) that are not visible from any immediately adjacent public right-of-way for 150 feet in each direction; does not extend vertically beyond the floor level of the top story of the structure or is only a single story in height; does not have a footprint that is more than 50% larger than that of the original building; and does not cause the removal of architectural significant roofing features.
Note: Project Planner must check box below before proceeding.	
<input type="checkbox"/>	Project is not listed. GO TO STEP 5.
<input type="checkbox"/>	Project does not conform to the scopes of work. GO TO STEP 5.
<input checked="" type="checkbox"/>	Project involves four or more work descriptions. GO TO STEP 5.
<input type="checkbox"/>	Project involves less than four work descriptions. GO TO STEP 6.

STEP 5: CEQA IMPACTS - ADVANCED HISTORICAL REVIEW
TO BE COMPLETED BY PROJECT PLANNER

Check all that apply to the project.	
<input type="checkbox"/>	1. Project involves a known historical resource (CEQA Category A) as determined by Step 3 and conforms entirely to proposed work checklist in Step 4.
<input type="checkbox"/>	2. Interior alterations to publicly accessible spaces.
<input type="checkbox"/>	3. Window replacement of original/historic windows that are not "in-kind" but are consistent with existing historic character.
<input checked="" type="checkbox"/>	4. Façade/storefront alterations that do not remove, alter, or obscure character-defining features.
<input type="checkbox"/>	5. Raising the building in a manner that does not remove, alter, or obscure character-defining features.
<input type="checkbox"/>	6. Restoration based upon documented evidence of a building's historic condition, such as historic photographs, plans, physical evidence, or similar buildings.

<input checked="" type="checkbox"/>	7. Addition(s) , including mechanical equipment that are minimally visible from a public right-of-way and meet the <i>Secretary of the Interior's Standards for Rehabilitation</i> .
<input checked="" type="checkbox"/>	8. Other work consistent with the <i>Secretary of the Interior Standards for the Treatment of Historic Properties</i> (specify or add comments): Façade alterations and a 1-story vertical addition to a 1974 non-contributory building in the KMMS Conservation District. New work will be compatible with, and will not affect the integrity of the historic district.
<input type="checkbox"/>	9. Other work that would not materially impair a historic district (specify or add comments): (Requires approval by Senior Preservation Planner/Preservation Coordinator)
<input type="checkbox"/>	10. Reclassification of property status. (Requires approval by Senior Preservation Planner/Preservation <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Reclassify to Category A a. Per HRER dated 04/11/2018 b. Other (specify): </div> <div> <input type="checkbox"/> Reclassify to Category C (attach HRER) </div> </div>
Note: If ANY box in STEP 5 above is checked, a Preservation Planner MUST check one box below.	
<input type="checkbox"/>	Further environmental review required. Based on the information provided, the project requires an <i>Environmental Evaluation Application</i> to be submitted. GO TO STEP 6.
<input checked="" type="checkbox"/>	Project can proceed with categorical exemption review. The project has been reviewed by the Preservation Planner and can proceed with categorical exemption review. GO TO STEP 6.
Comments (optional):	
Preservation Planner Signature: Eiliesh Tuffy	

STEP 6: CATEGORICAL EXEMPTION DETERMINATION

TO BE COMPLETED BY PROJECT PLANNER

<input type="checkbox"/>	Further environmental review required. Proposed project does not meet scopes of work in either (check all that apply): <input type="checkbox"/> Step 2 - CEQA Impacts <input type="checkbox"/> Step 5 - Advanced Historical Review STOP! Must file an <i>Environmental Evaluation Application</i>.	
<input checked="" type="checkbox"/>	No further environmental review is required. The project is categorically exempt under CEQA. There are no unusual circumstances that would result in a reasonable possibility of a significant effect.	
	Project Approval Action: Commission Hearing If Discretionary Review before the Planning Commission is requested, the Discretionary Review hearing is the Approval Action for the project.	Signature: Sherie George 04/13/2018
	Once signed or stamped and dated, this document constitutes a categorical exemption pursuant to CEQA Guidelines and Chapter 31 of the Administrative Code. In accordance with Chapter 31 of the San Francisco Administrative Code, an appeal of an exemption determination can only be filed within 30 days of the project receiving the first approval action. Please note that other approval actions may be required for the project. Please contact the assigned planner for these approvals.	

Full Project Description

The proposed project is located on the northwest corner of Stockton and O'Farrell streets in the Financial District. The site is also located within the Kearny-Market-Mason-Sutter Conservation District. The existing seven-story, 242,730-square-foot (sf) building, constructed in 1974, consists of approximately 163,000 sf of retail use and 54,000 sf of accessory office use. The proposed project would convert the existing single-tenant building into a multi-tenant building consisting of retail, restaurant, and office uses. Floors 1-3 and the basement level would continue as retail use, but would be reconfigured to provide multiple tenant spaces with storefronts and public access along Stockton and O'Farrell Streets. Existing retail use would also be reconfigured on floors 4-6 to provide for multiple tenants. The project would include a change of use of 49,999 sf of retail use into office use on floors 6-7. A new roof top addition of approximately 10,800 sf is proposed for restaurant use. It would increase the building's total height from about 104 feet to 120 feet. The gross square footage for the proposed reconfigured building would be approximately 246,800 sf.

Proposed streetscape improvements include three new street lights, one existing relocated streetlight, and about 10 new street trees. All improvements would be coordinated with the SFMTA's Central Subway project plans. There is no existing or proposed off-street vehicle parking, but the project would request the SFMTA to install 28 class 2 on-street bicycle parking spaces in dual bike racks on Stockton and O'Farrell Streets, and would also install 30 class 1 bicycle spaces in the basement level. The existing uses are served by a loading dock containing three loading bays accessed from the narrow Security Pacific Place. This loading dock would be reconfigured for two loading bays and one service bay.

The project would require excavation of approximately 4,300 cubic yards of soil for structural upgrades to the building that would include perimeter tie beams, shear wall, and a sewage ejector and grease interceptor. The depth of excavation would extend to 12 feet below the existing basement. No particularly noisy equipment or impact equipment/devices would be required for construction of the proposed improvements. Construction activities would include demolition, site preparation, grading, interior and exterior upgrades to be completed in overlapping phases commencing in March 2019 and anticipated to be completed in May 2021.

CEQA Impacts Continued

The project site is not located within an air pollutant exposure zone. Enrollment in Maher program completed on December 20, 2017. No recognized environmental conditions directly associated with the site in Phase 1. Planning staff archaeologists determined the project would have no effect on archaeological resources. Shadow analysis conducted by FastCast City, dated December 19, 2017, determined the proposed project would not contribute new shadow to any public parks or privately owned public open spaces at any time through the year due to both the distance from the proposed project and the existing buildings subsuming any new shadow. A quantitative wind analysis conducted by RWDI, dated March 15, 2018, confirmed that the proposed building renovation is not expected to significantly change the existing wind conditions at grade-level and there are no exceedances of the wind hazard criterion.

REUBEN, JUNIUS & ROSE, LLP

Tuija Catalano

tcatalano@reubenlaw.com

April 9, 2018

Delivered Via Messenger

President Rich Hillis
Planning Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103

**Re: 50 O'Farrell/120 Stockton – CU, Office Allocation and 309 Downtown Apps
Planning Dept. Case No. 2016-016161CUA/DNX/OFA
Brief in Support of the Project
Hearing Date: April 26, 2018
Our File No.: 10436.02**

Dear President Hillis and Commissioners:

Our office represents PPF Retail, LLC, the owner and project sponsor of 120 Stockton Street (aka 50 O'Farrell), Assessor's Block 0313, Lot 017, a property that is currently occupied by Macy's as the Mens' Store building. The Property was sold by Macy's to the current owner approximate one year ago, and is proposed to be converted from an existing single-tenant, large department store building into a vibrant, multi-tenant building with retail, restaurant and upper floor office uses ("Project").

The Project should be approved because it:

- Proposes an appropriate and desirable future use for the large department store building after Macy's vacancy, converting a single-tenant building into multiple tenants, with a compatible mix of retail, restaurant and office uses;
- Eliminates an existing non-historic, "extroverted" façade, and transforms the building into a more transparent and pedestrian-friendly "introvert";
- Activates approx. 360 feet of street frontage along Stockton and O'Farrell, with multiple storefronts on both façades, creating a destination that connects Union Square with Market Street, with a positive contribution to the neighborhood as a whole;
- Introduces a high-quality design by Gensler Architects that is more compatible with the KMMS District and existing context than the existing building;
- Creates hundreds of construction jobs, during the approx. 20-month construction period, and many more permanent jobs in the retail and office sector after completion; and
- Is expected to result in higher sales tax revenue to the City as compared to the existing uses, conservatively estimated to be more \$10 Million per year in City revenue.

A. PROJECT SPONSOR AND PROJECT DESCRIPTION

The Project Sponsor is a collaboration between Blatteis & Schnur, a real estate company dating back to 1922, and Morgan Stanley, a capital partner. The Project Sponsor has extensive experience with San Francisco and California retail (and other) properties, including all aspects of the retail market, from acquisition to development, leasing and beyond. The Property was purchased as a long-term, generational asset, and the Project Sponsor is making a significant, financial investment into the redevelopment and renovation of the Property, beyond the acquisition costs. Project Sponsor has proactively initiated discussions with many of its neighbors, and the Project has so far been received well in the neighborhood. Several neighbors have submitted support letters for the Project, including Union Square Business Improvement District, and the owners of the adjacent Neiman Marcus and Phelan Buildings, all of which are included in your packets.

Macy's is ending its operations and vacating the Property in January 2019. The Project team is engaged in discussions with different tenant candidates. Although no leases have been signed yet, the Project Sponsor plans to lease the ground, second and basement levels of the building to luxury retail tenants, fully in keeping with the character of Union Square. The 3rd floor is anticipated to be occupied with a "food hall" concept by an operator who might also occupy the rooftop restaurant area. The 4th and 5th levels are envisioned for destination retail uses, which could include e.g. a health club or an experiential museum/retail operation. Lastly, the 6th and 7th levels are proposed for office uses, either by one or more tenants.

The Project team is working towards opening the building for the 2020 holiday season.

B. CHANGING RETAIL ECONOMY

The retail economy has recently changed quite dramatically, and continues to evolve, away from the large brick-and-mortar, department store model, towards smaller footprints, with increased e-commerce and experiential retail uses. The shift appears to be irreversible, which has been seen e.g. in the decisions by several larger retailers to close many of their physical locations. The retailers that continue to maintain physical stores no longer need large footprints, since inventories are more often stored at off-site warehouse locations where they can be shipped directly to customers. This Property is one of those locations directly impacted by the changed retail landscape. The existing building is a 7-story, approx. 243,000-sf building that has been owned and operated for decades by Macy's, as a single-tenant building for the Macy's Men's Store. After Macy's decided to sell the Property and close its operations, the Project Sponsor undertook the challenge of converting the building into a multi-tenant and multi-use building.

Much of the policy discussion in San Francisco relative to Union Square retail uses, including at the Planning Commission, has focused on the permitted uses at the third floor. This Project is not subject to those concerns and is entirely consistent with the policy direction that has been expressed by many of the Commissioners since non-retail sales is proposed only at the 6th and 7th floors, wherein retail uses in a multi-tenant building are no longer understandably feasible, e.g. due to the greater disconnect from the pedestrian level.

C. REQUESTED APPROVALS

1. Permit to Alter. Although the existing building has not been determined to be historically significant, it is located in the Kearny-Market-Mason-Sutter Conservation District (“KMMS District”) as a Category V, Unrated Building. Despite its location, the building was not constructed during the KMMS District’s period of significance and does not contain any features that would warrant retention/preservation. The Project was reviewed by the ARC on March 7, 2018, and by the HPC on April 18, 2018. In between and prior to these hearings, the Project Sponsor worked closely with Planning Department staff to create a design that is compatible with the context and responsive to the feedback provided by the ARC. Several revisions and refinements have been evaluated, reviewed and incorporated during an on-going collaboration during the last few months. The materials included in your packages provide some detailed commentary on the types of changes that were made e.g. at the request of the ARC. The outcome is the design proposed in your packets, which we believe achieves not only preservation and KMMS District objectives, but also introduces a design that encourages pedestrian activity and interest in the building, which will enable to building and its tenants to succeed as a retail destination. The Permit to Alter authorization is being granted by the HPC, although the Planning Commission has the authority to modify any such decision with a 2/3^{rds} vote pursuant to Planning Code Sec. 1114.
2. Conditional Use Authorization. Due to the Property’s location in the C-3-R district, non-retail sales and service uses above ground floor that exceed 5,000 sf are required to obtain a conditional use authorization in order to ensure that such uses do not detract from the district’s primary retail functions. In this case, the non-retail sales and service use, i.e. office use, is being proposed only at two upper levels (6th and 7th), and the building will continue to be first and foremost a retail destination. Instead of detracting from retail functions, the new office uses will bring office workers to the site, providing a steady source of potential customers to the retail uses in the building and/or in the immediate vicinity. Lastly, since the 6th and 7th floors have more recently and historically been used by Macy’s as supportive (non-retail) areas, including accessory office areas, the actual physical change to the nature in which these floors will be used as stand-alone office use will in reality be minimal.
3. Office Allocation. A relatively minimal amount of office is being proposed for the upper floors, at 6th and 7th levels, requiring an allocation from the small cap pool for 49,999 sf. Contrary to the large cap pool, the small cap pool has a significant amount of square footage available for allocation, with no shortage in sight. Despite the need for office allocation and for the conditional use authorization triggered by the proposed office uses, the office component is a secondary function for the proposed building, as compared to almost 200,000 sf of retail use.
4. Downtown, Section 309 Review, with Few Exceptions. Since the Project involves renovation of an existing building, it is also restricted in certain ways by existing

conditions. For the most part the Project is Code complying, however, few exceptions under Section 309 are necessary, primarily due to existing conditions, including the size and shape of the lot and the existing shape/massing of the building.

D. CONCLUSION

The Project proposes an appropriate and desirable mix of uses and architectural design that is compatible with the context, satisfying all of the criteria applicable to the requested Planning Commission entitlements. We look forward to presenting the Project to you on April 26th. For all of the reasons stated herein, and respectfully request the Planning Commission to approve the conditional use authorization, office allocation and Downtown authorization with exceptions. Thank you for your consideration.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Tuija I. Catalano

Enclosures:

Support letter from Union Square Business Improvement District, dated 3-5-2018
Support letter from Macy's, dated 2-26-2018
Support letter from The Neiman Marcus Group, dated 3-1-2018
Support letter from Aegis, on behalf of the Phelan Building, dated 3-20-2018

cc: Vice President Myrna Melgar
Commissioner Rodney Fong
Commissioner Milicent Johnson
Commissioner Joel Koppel
Commissioner Kathrin Moore
Commissioner Dennis Richards
Jonas Ionin, Commission Secretary
John Rahaim, Planning Director
Corey Teague, Acting Zoning Administrator
Mark Luellen, NE Team Manager
Eiliesh Tuffy, Project Planner



March 5, 2018

San Francisco Historic Preservation Commission – Architectural Review Committee
Commissioner Aaron Hyland
Commissioner Ellen Johnck
Commissioner Jonathan Pearlman
Commission Andrew Wolfram
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Letter of Support for 120 Stockton Street Project (Case No. 2016-016161PTA)

Dear Commissioners:

The Union Square Business Improvement District (USBID) represents approximately 1,200 property owners and businesses within a 27-block of Union Square and provides cleaning, safety, advocacy, and marketing services and public realm improvements. The USBID supports the project owner and applicant, PPF Retail, LLC, to convert a single-tenant retail building at 120 Stockton Street for multi-tenant retail with office and restaurant uses. The basis for the USBID's support is as follows:

- The project's design maintains the essential architectural character relating to the prevailing height, mass, proportions, rhythm, composition, and coloring of buildings that comprise the rich, ornamented architecture and pedestrian-oriented scale in Union Square.
- The project proposes to encourage visual interest and amenities at the pedestrian level with multiple, storefront access points on Stockton and O'Farrell Streets and, thereby, support the district's primary function as a retail destination for comparison shopping and direct consumer services.
- The proposed design, particularly its storefront level façade treatment, restores the building's relationship between the pedestrian and the street resulting in a more attractive and welcoming streetscape experience.

- The proposed building's massing is compatible with the prevailing three-part vertical composition (base, shaft, capital) prevalent in Union Square and responds to the district's traditional cladding materials of terra cotta and stone.
- Proposed mixed-uses (retail, food hall, office, and entertainment) would encourage pedestrian activity during the day and evening times, and support Union Square's image as one of the City's premier visitor destinations.

It was the consensus of the USBID's Public Affairs Committee that the proposed project design is compatible with Union Square's historic and unique building architecture, creates a new, vibrant mixed-used destination within the district, and reinforces Union Square's image as one of the country's premier visitor destinations. The USBID looks forward to engaging with the Historic Preservation Commission and the Planning Commission on this very important project.

Sincerely,



Karin Flood
Executive Director
Union Square Business Improvement District

Cc: SF Planning Director John Rahaim (*emailed*)
Supervisor Aaron Peskin (*emailed*)

UNION SQUARE BUSINESS IMPROVEMENT DISTRICT

323 GEARY STREET, SUITE 203 SAN FRANCISCO, CA 94102
TEL (415) 781-7880 FAX (415) 781-0258 VISITUNIONSQUARESF.COM

**The
Neiman
Marcus
Group**

March 1, 2018

Mr. Daniel Blatteis
Blatteis & Schnur, Inc.
10250 Constellation Boulevard
Suite 1050
Los Angeles, CA 90067

Dear Sir or Madam:

On behalf of the Neiman Marcus Group LLC, please be advised that we are in support of the Blatteis & Schnur development of 120 Stockton Street in San Francisco. Their proposed redevelopment is a welcome improvement to the existing concrete building and it projects to enhance the entire block and neighborhood, including the Neiman Marcus store. We find the multi-tenant design to be attractive and well designed for the Union Square retail district. In particular, the roof-top dining component will be a great draw for business in the Union Square area. We have appreciated the Project Sponsors transparency in the development, allowing neighboring stakeholders to meet and discuss the plan for the property. Overall, the project will re-energize the area and will benefit all businesses in the long run.

Very truly yours,

THE NEIMAN MARCUS GROUP, LLC

By:



Name: Brent Laffere

Title: Senior Vice President, Properties



February 26, 2018

Mr. Daniel J. Blatteis
Blatteis & Schnur, Inc.
10250 Constellation Boulevard
Suite 1050
Los Angeles, CA 90067

Re: 120 Stockton Street
San Francisco, CA

Dear Dan:

On behalf of Macy's Inc., we wish to express strong support for your redevelopment of the current Macy's Men's Department Store at 120 Stockton Street.

We find the proposed design includes high quality features that are attractive and compatible for the Union Square Retail District. We are happy to see the existing building, that we agree is unattractive today, will be improved, made more efficient, and beautifully transformed. The addition of multiple storefronts on both the Stockton and O'Farrell facades will increase pedestrian interest and help connect Union Square to Market Street. Most importantly, the result only serves to maximize commerce, foot traffic and retail sales in the area. Moreover, we are confident that the Project will re-energize the surrounding area and will benefit all businesses in the Union Square area including our Macy's flagship business.

We appreciate the engagement that Blatteis & Schnur has shown us to meet and discuss its redevelopment freely. Please let us know how we can be of any further assistance in your pursuit to redevelop this important building for Union Square.

Sincerely,

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

Charan Jackson
Group Vice President Real Estate



March 20, 2018

Mr. Daniel J. Blatteis
Blatteis & Schnur, Inc.
10250 Constellation Boulevard – Suite 1050
Los Angeles, CA 90067

RE: 120 Stockton Street
San Francisco, CA

Dear Mr. Blatteis:

On behalf of Phelan Building LLC, I am writing to express our support for the proposed redevelopment of 120 Stockton by Blatteis & Schnur. The proposed renovations to the building facade are a welcome transformation from its tired and outdated appearance.

The conversion of the existing single-tenant to multi-tenant occupancy offers the promise of new retailers and restaurants to a block of O'Farrell Street that has seen a decline in pedestrian foot traffic over the past two years.

It is our hope that both the increased activity and added amenities will draw prospective tenants and revitalize this area of the Union Square district.

Thank you for sharing your development plans and considering us in this process.

Very truly yours,

PHELAN BUILDING, LLC

A handwritten signature in blue ink, appearing to read "Patrick Hotung", written in a cursive style.

Patrick Hotung
President

120 STOCKTON

PLANNING COMMISSION HEARING

APRIL 26, 2018



Gensler

PROJECT NARRATIVE

PROJECT DESCRIPTION

120 Stockton Street, the project, is a major alteration of the former Macy’s Men’s Store, located at the corner of Stockton and O’Farrell Streets, steps from Union Square. The existing building, constructed in the early 1970s, is an inwardly oriented department store clad entirely with travertine over concrete perimeter walls. The building is 7 stories tall, with one level below grade. The original levels consisted of retail space from the basement through the 5th floor, with Macy’s executive offices and administration located on floors 6 and 7. By design, the existing architecture lacks continuity with the pedestrian-oriented Union Square architectural fabric.

PROJECT GOALS

The proposed project seeks to transform the retail experience by activating the façade across all levels, restoring a relationship with the street and the pedestrian. The current opaque exterior wall will be replaced by a glass and terracotta window wall system. The proposed architecture strives to establish relationships to the existing context by its use of materials, its proportions and scale, making it compatible with the KMMS vernacular and future use of the building.

PROPOSED MASSING AND DESIGN

The project maintains a similar use distribution over the floors: retail from basement through 5th floor and office above. The office area allocation on level 6 and 7 will fit within the Prop M small cap definition. The roof is seen as an opportunity and so the project proposes a restaurant amenity space for use by the public and building tenants. The design team’s analysis of different KMMS district facades has led to a design parti rooted in the district. The new façade establishes a two story human scale storefront, a third floor expression, and a façade above with texture and relief. This organization speaks to the traditional emphasis of base, middle, and top. In addition, the level 7 façade module is taller than the below modules creating a “crown” to cap the façade composition. Furthermore, the third floor reveal is lifted on the corner to acknowledge its presence and the historical blade signs at the intersection of Stockton and O’Farrell.

The design seeks to capture the project’s significant location and ability to enhance the public experience around Union Square. The use of traditional terracotta in a unique pattern enlivens the storefronts and creates a continuous rhythm of retail along the entire ground floor. The project includes new MEP, elevators, and a major structural alteration to the building’s lateral bracing that makes the proposed re-imagining of 120 Stockton possible.

The project was presented to the ARC on March 7, 2018. Since then, the design of the project has been revised to address the ARC comments.

ENTITLEMENTS REVIEW ITEMS

1. Office Allocation Authorization (OFA): Section 321 for 49,999 SF of office space.
2. Conditional Use Authorization (CUA): Section 210.2 to establish a non-retail sales and service use (office) that is larger than 5,000 SF or is located above the ground floor.
3. Downtown Project Authorization (DNX): Section 309 determination of compliance and request for exceptions for height (Sections 263.8), floor plate dimensions (Section 270, 272) and existing ground-level wind currents (Section 148).

PROJECT INFORMATION

BUILDING ADDRESS:
120 Stockton Street
San Francisco, CA 94102

ASSESSOR’S PARCEL NUMBER:
0313/017 (block/lot)

ZONING:
C-3-R District (Union Square)
KMMS Conservation District

HEIGHT/BULK DISTRICT:
80-130-F

FAR:
Existing: 242,728 GSF
Proposed: 246,801 GSF
4,073 SF of TDR to be purchased

VEHICLE PARKING:
None will be required in this district per Planning Code Section 151.1

BIKE PARKING:
Existing: None
Proposed: 30 long-term spaces (Class 1) & 28 short-term spaces (Class 2)

LOCKERS & SHOWERS:
Existing: None
Proposed: 36 lockers, 6 showers

LOADING DOCK:
Existing: 3 bays
Proposed: 2 loading + 1 service bay

BUILDING HEIGHT:
Existing: 108’ - 4”
Proposed: 121’ - 0”
Proposed Service Penthouse: 130’ - 0”

OPEN SPACE:
Level 8: 9,180 SF
3rd Floor Terrace: 1,874 SF

EXISTING GROSS FLOOR AREA CALCULATION:

Floor	Gross Area (Exterior Envelope)	Basement Sec. 102.9 (b)(1)	Penthouse Sec. 102.9 (b)(3)	Mechanical/Shfts (minus Stairs + Elevators)Sec. 102.9(b)(4)	Bicycle Parking Sec. 102.9 (b)(8)	Exterior Balconies Sec. 102.9 (10) C	Arcades, walkways, etc. Sec. 102.9 (9)	Gross Floor Area as defined by SF Planning Code
8	3,182		3,182					0
7	31,271			277		1,035		29,959
6	31,272			264		1,040		29,969
5	31,216			239				30,977
4	31,216			531				30,685
3	31,216			230				30,986
2	31,240			180				31,060
1	31,245			92			817	30,336
B	31,345	2,588						28,757
Total	250,021							242,728

PROPOSED GROSS FLOOR AREA CALCULATION:

Floor	Gross Area (Exterior Envelope)	Basement Sec. 102.9 (b)(1)	Penthouse Sec. 102.9 (b)(3)	Mechanical/Shfts (minus Stairs + Elevators) Sec. 102.9(b)(4)	Bicycle Parking Sec. 102.9 (b)(8)	Exterior Balconies Sec. 102.9 (10) C	Arcades, walkways, etc. Sec. 102.9 (9)	Gross Floor Area as defined by SF Planning Code
8	16,283		2,252	315				13,716
7	30,683			495				30,188
6	30,657			482				30,175
5	30,848			517				30,331
4	29,754			540				29,214
3	30,683			540				30,143
2	31,070			453				30,617
1	31,073			452				30,621
B	28,348	5,781			771			21,796
Total	259,399							246,801

PROPOSITION M AREA CALCULATION:

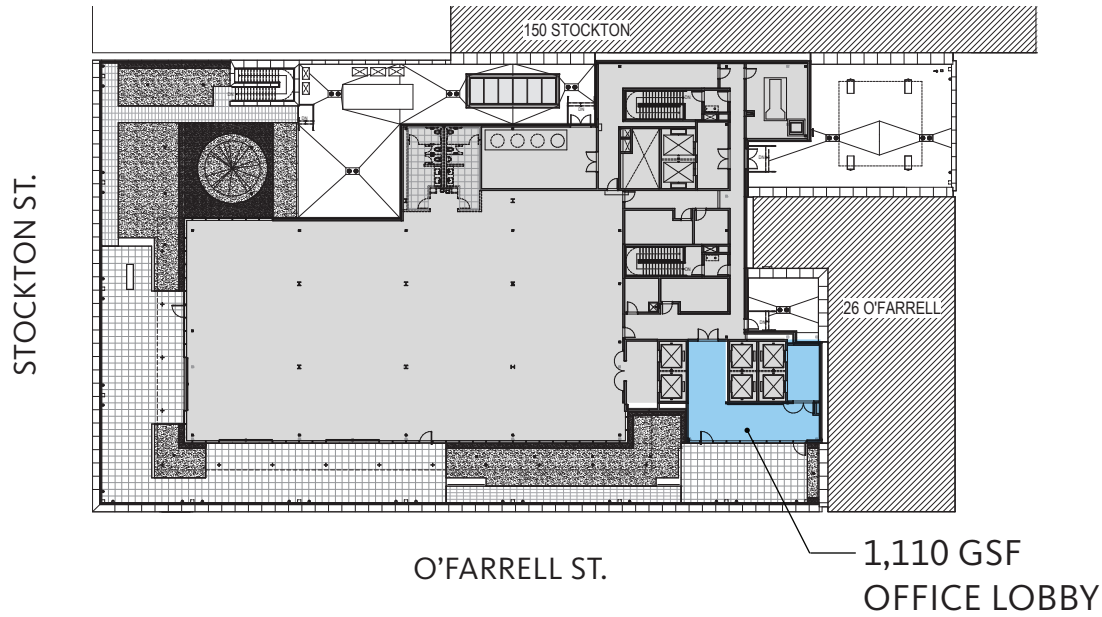
Floor	Gross Floor Area as defined by SF Planning Code	Office - GSF
8	13,716	1,110
7	30,188	29,835
6	30,175	17,886
5	30,331	0
4	29,214	0
3	30,143	0
2	30,617	0
1	30,621	1,168
B	21,796	0
Total		49,999

PROPOSED GROSS FLOOR USE AREA CALCULATION:

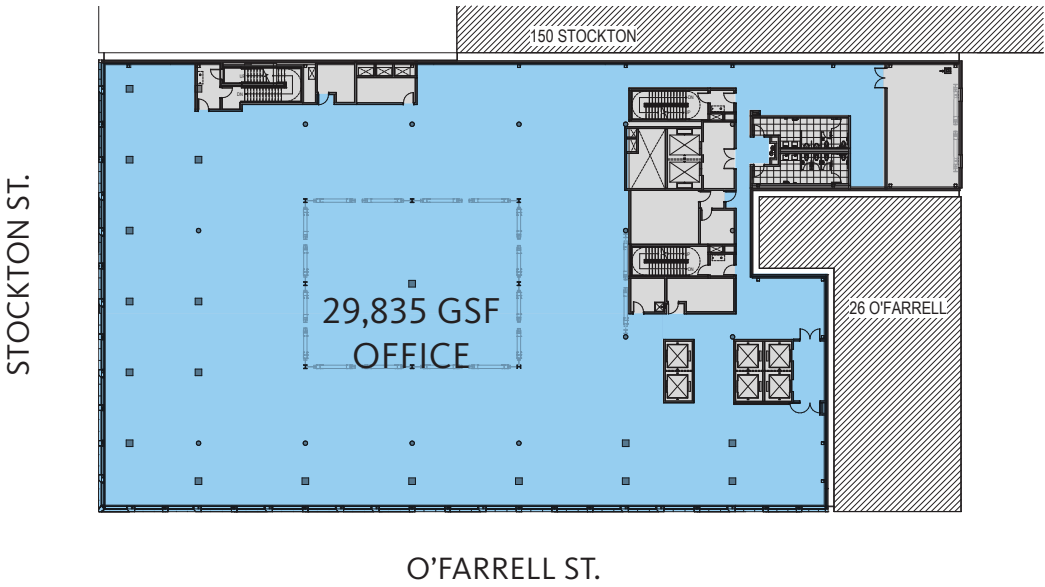
Floor	Office - GSF	Retail - GSF	Gross Floor Area as defined by SF Planning Code
8	1,110	12,606	13,716
7	29,835	353	30,188
6	17,886	12,289	30,175
5	0	30,331	30,331
4	0	29,214	29,214
3	0	30,143	30,143
2	0	30,617	30,617
1	1,168	29,453	30,621
B	0	21,796	21,796
Total	49,999	196,802	246,801

ENTITLEMENTS REVIEW ITEM

1. Office Allocation Authorization (OFA):
Section 321 for 49,999 SF of office space.



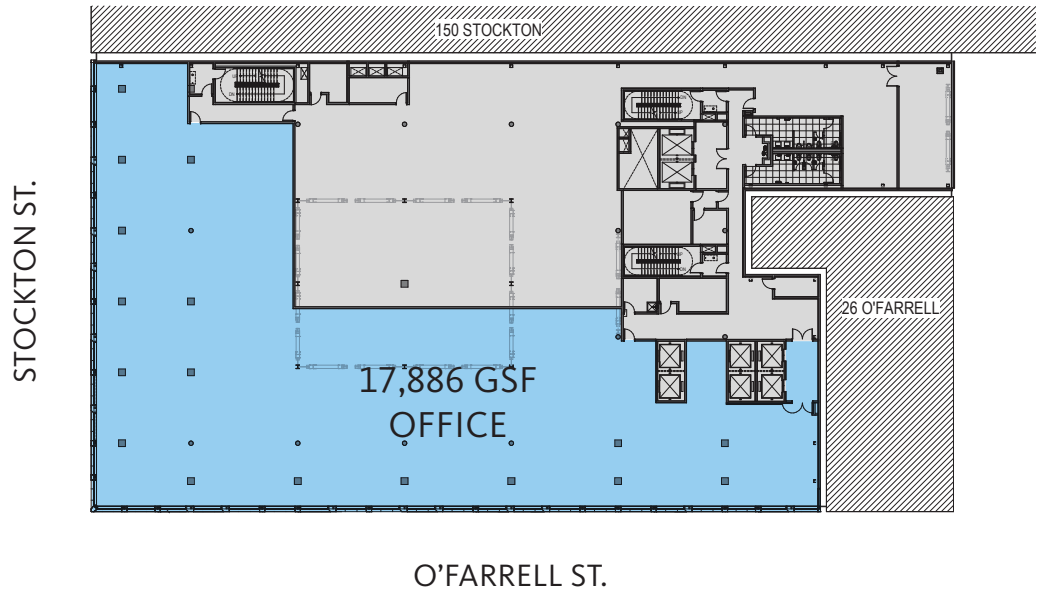
PROPOSED LEVEL 8 PLAN



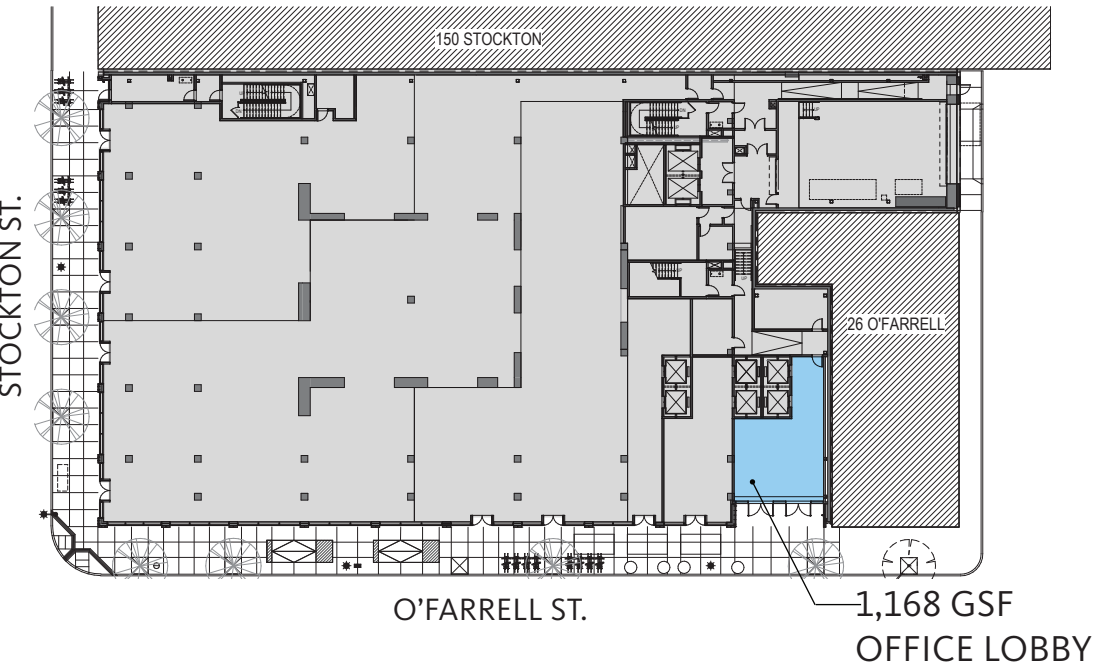
PROPOSED LEVEL 7 PLAN

OFFICE AREA* PER FLOOR:

Level 8:	1,110 GSF
Level 7:	29,835 GSF
Level 6:	17,886 GSF
Level 5:	0 GSF
Level 4:	0 GSF
Level 3:	0 GSF
Level 2:	0 GSF
Level 1:	1,168 GSF
Basement:	0 GSF
TOTAL:	49,999 GSF



PROPOSED LEVEL 6 PLAN

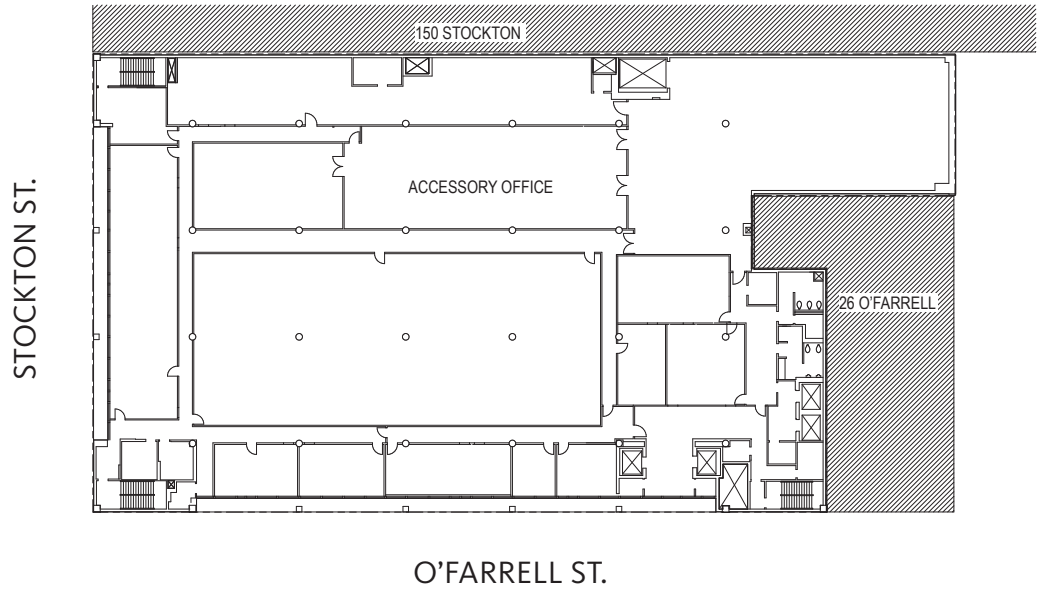


PROPOSED LEVEL 1 PLAN

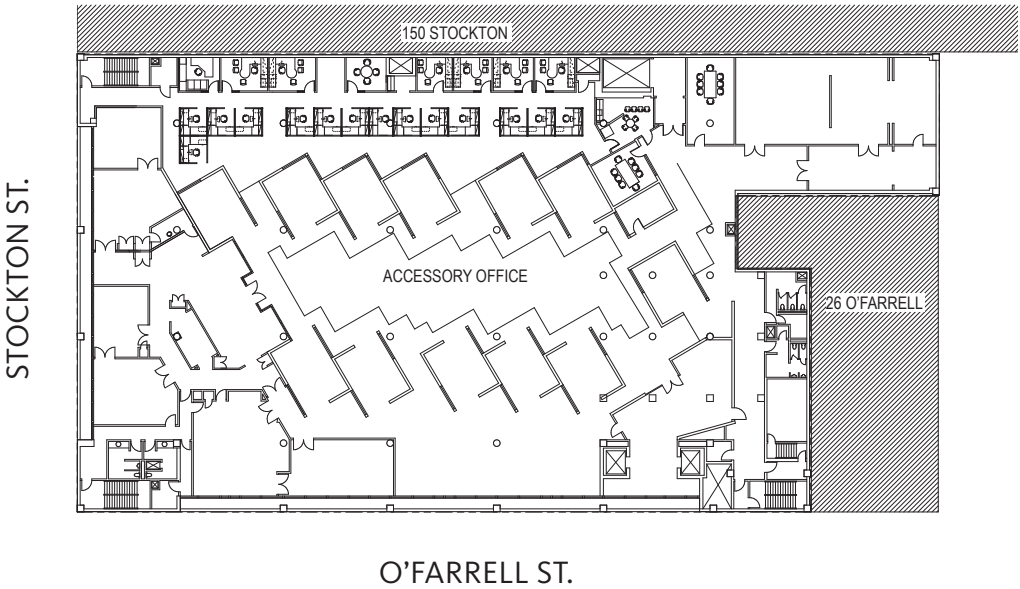
*GSF has been calculated per San Francisco Planning Code requirements.

ENTITLEMENTS REVIEW ITEM

2. Conditional Use Authorization (CUA):
Section 210.2 to establish a non-retail
sales and service use (office) that is
larger than 5,000 SF or is located above
the ground floor.



EXISTING LEVEL 6 PLAN

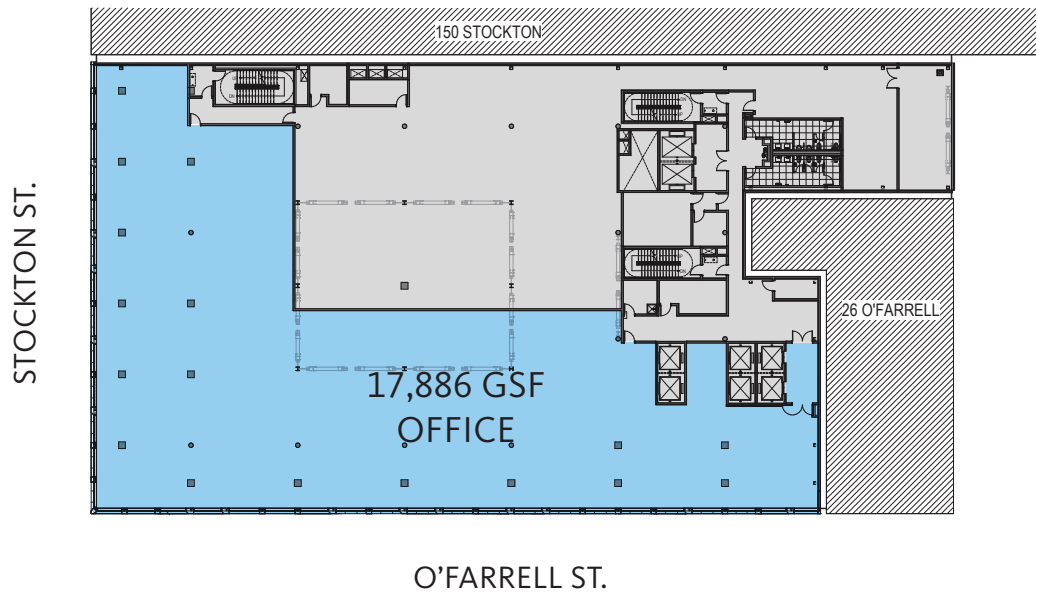


EXISTING LEVEL 7 PLAN

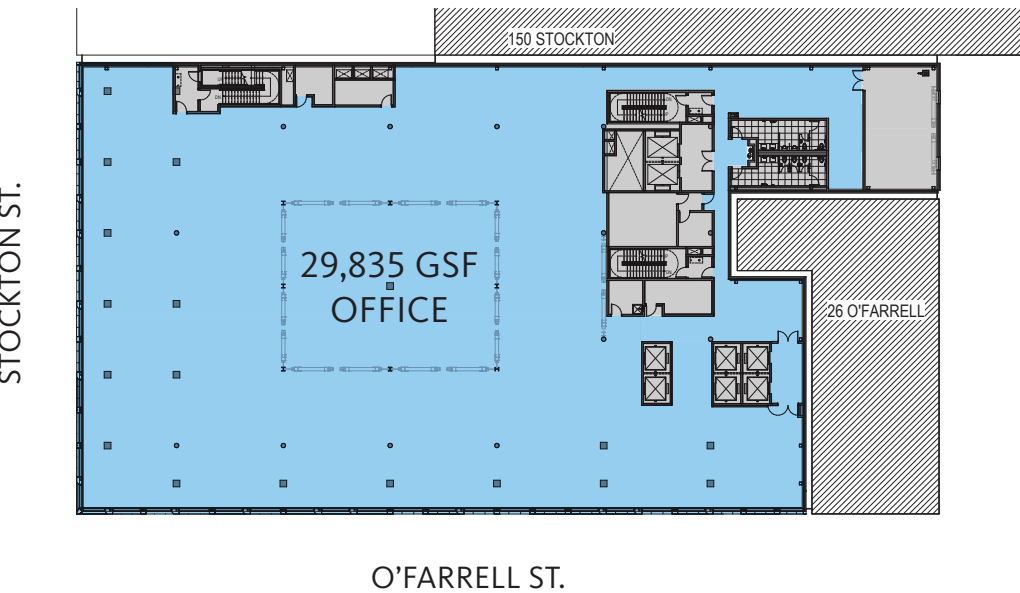
OFFICE AREA PER FLOOR:

Level 8*	1,110 GSF
Level 7:	29,835 GSF
Level 6:	17,886 GSF
<hr/>	
SUBTOTAL ABOVE GROUND FLOOR:	48,831 GSF
Level 1**	1,168 GSF
<hr/>	
GRAND TOTAL:	49,999 GSF

*Level 8 area provides small vestibule to tenant
terrace.
**Level 1 area provides lobby to tenant.



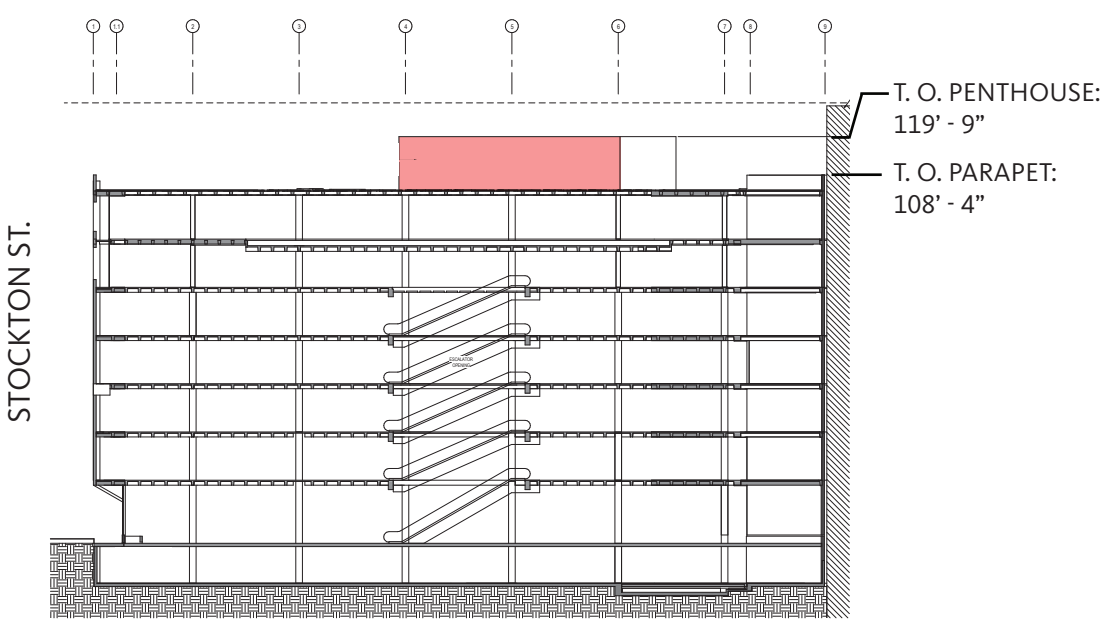
PROPOSED LEVEL 6 PLAN



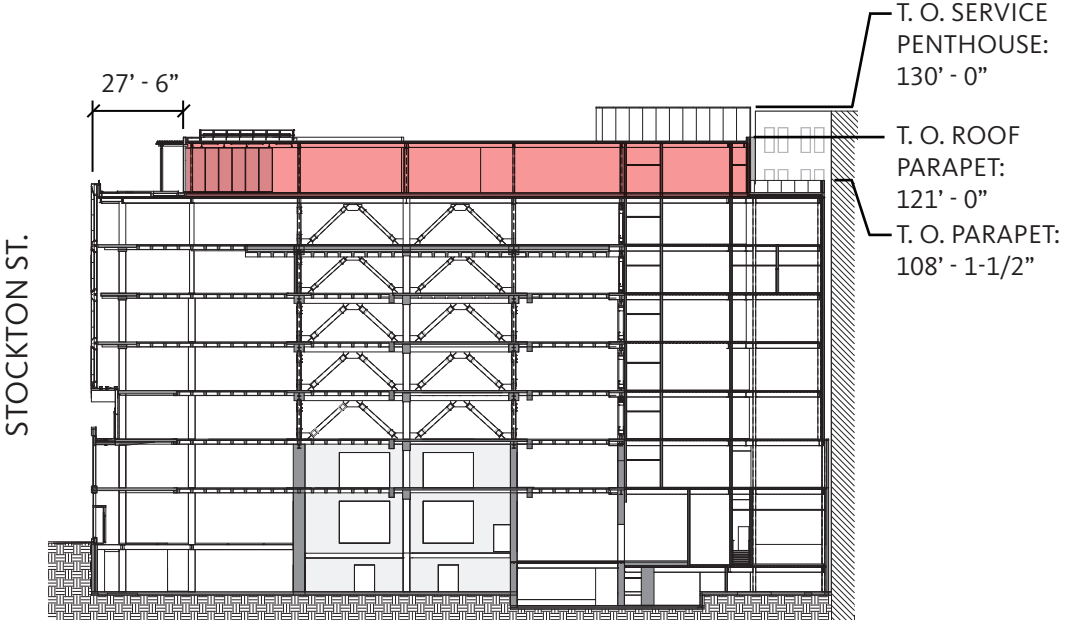
PROPOSED LEVEL 7 PLAN

ENTITLEMENTS REVIEW ITEM

3. Downtown Project Authorization (DNX): Section 309 determination of compliance and request for exceptions for height (Sections 263.8), floor plate dimensions (Section 270, 272) and existing ground-level wind currents (Section 148).

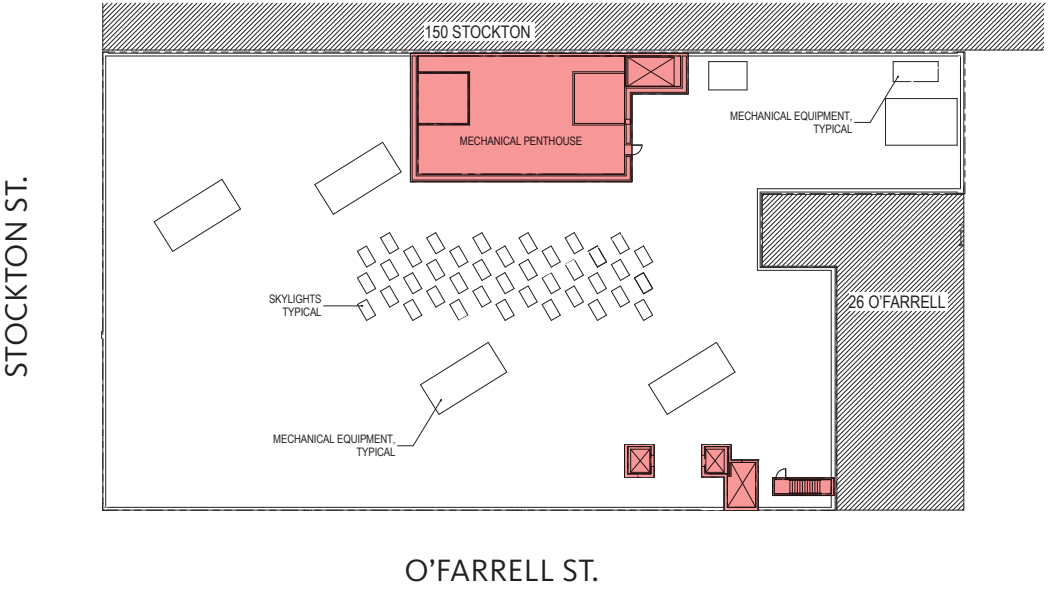


EXISTING BUILDING SECTION

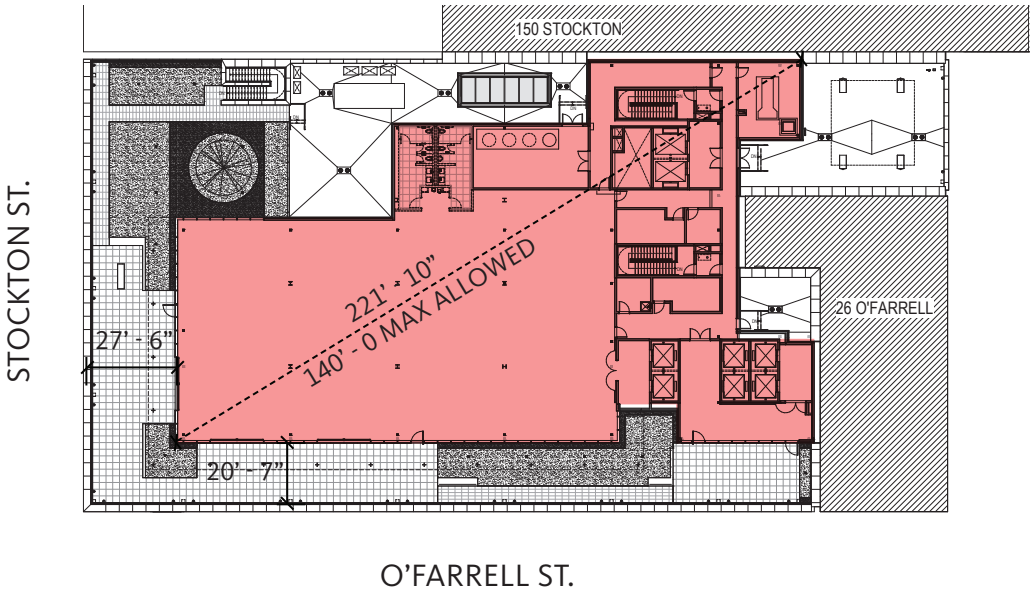


PROPOSED BUILDING SECTION

The project proposes the addition of an enclosure at the rooftop. The height of the new enclosure and its service penthouse falls within the height limit of the district (130'). Although the enclosure exceeds the bulk limit for the district, it is set back from the building face and is not visible from the street. It has been intentionally designed so that it does not cast shadows on any adjacent open space.



EXISTING ROOF PLAN



PROPOSED LEVEL 8 PLAN

ORIGINAL 120 STOCKTON BUILDING

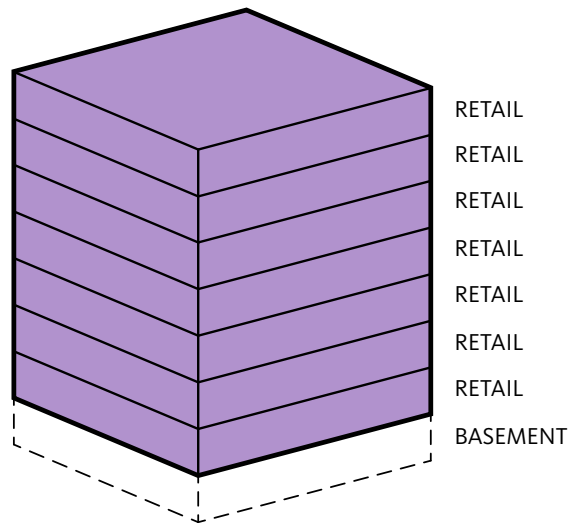


LIBERTY HOUSE. CIRCA 1974

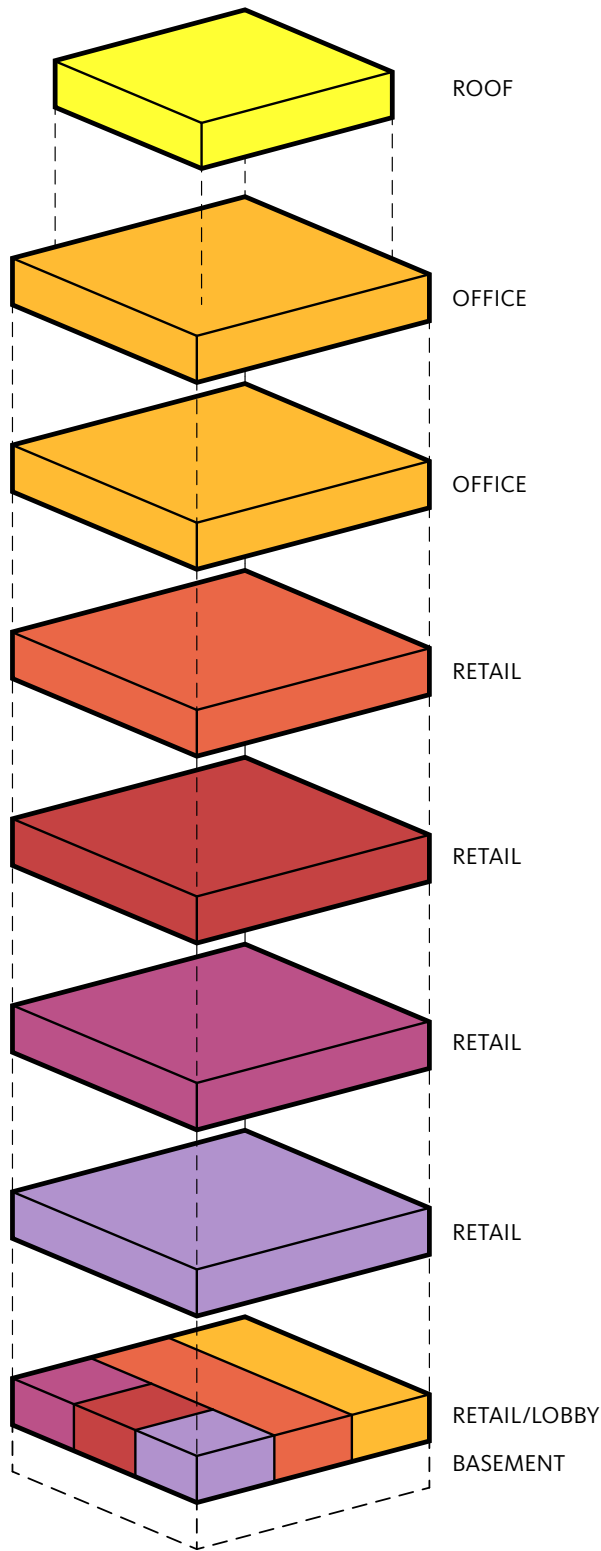


VIEW AT STOCKTON & O'FARRELL

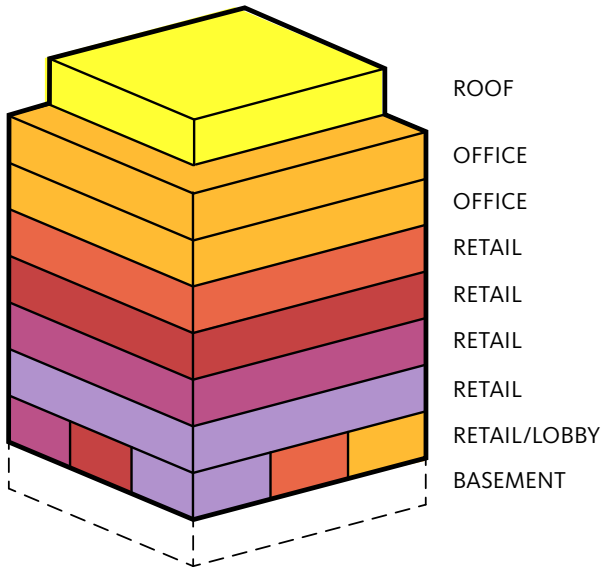
PROPOSED REPOSITIONING DIAGRAM



SINGLE TENANT
MULTI-LEVEL
(CURRENT)



MULTI-TENANT
MULTI-LEVEL
(PROPOSED)

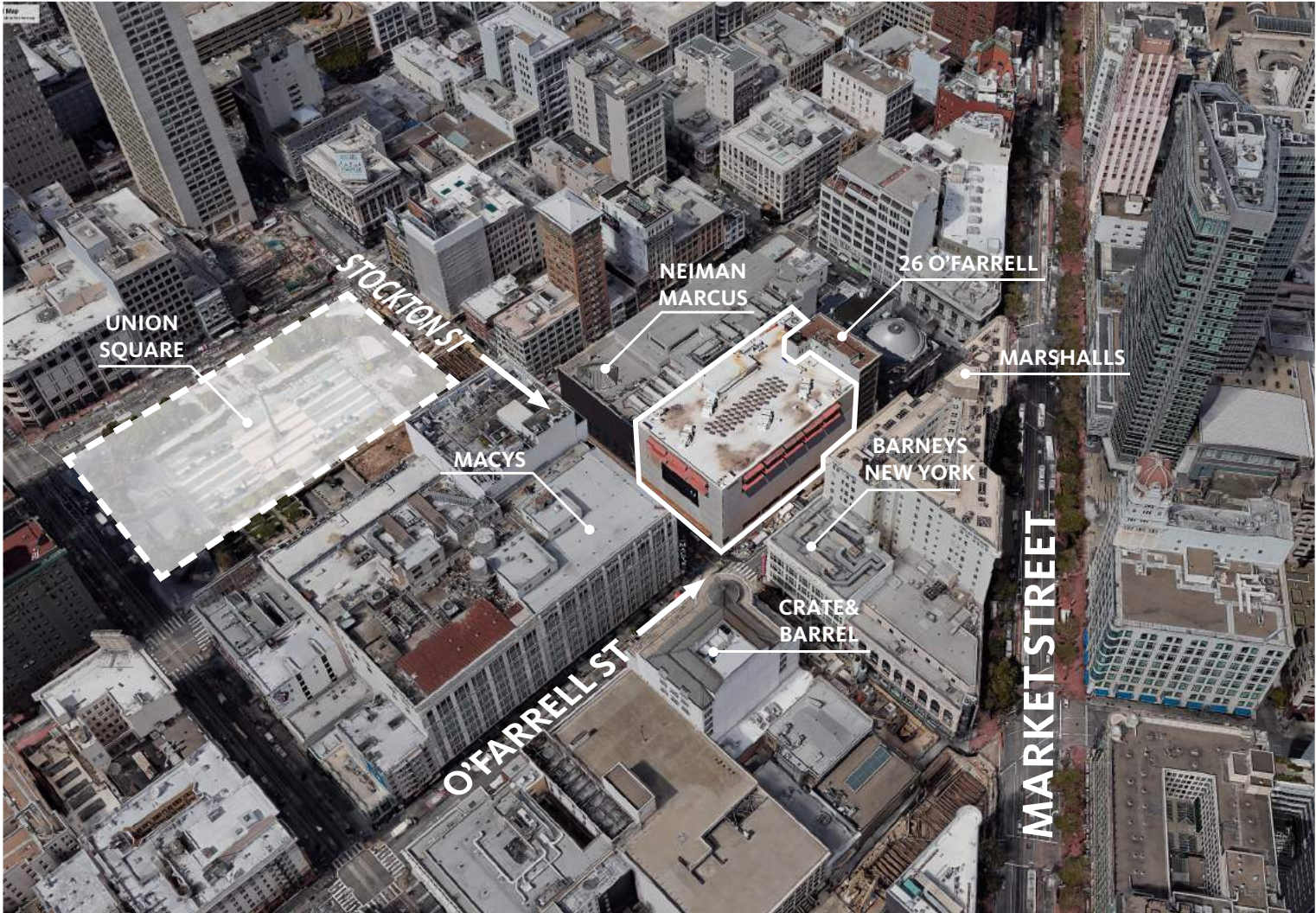


MULTI-TENANT
IDENTITIES
(PROPOSED)

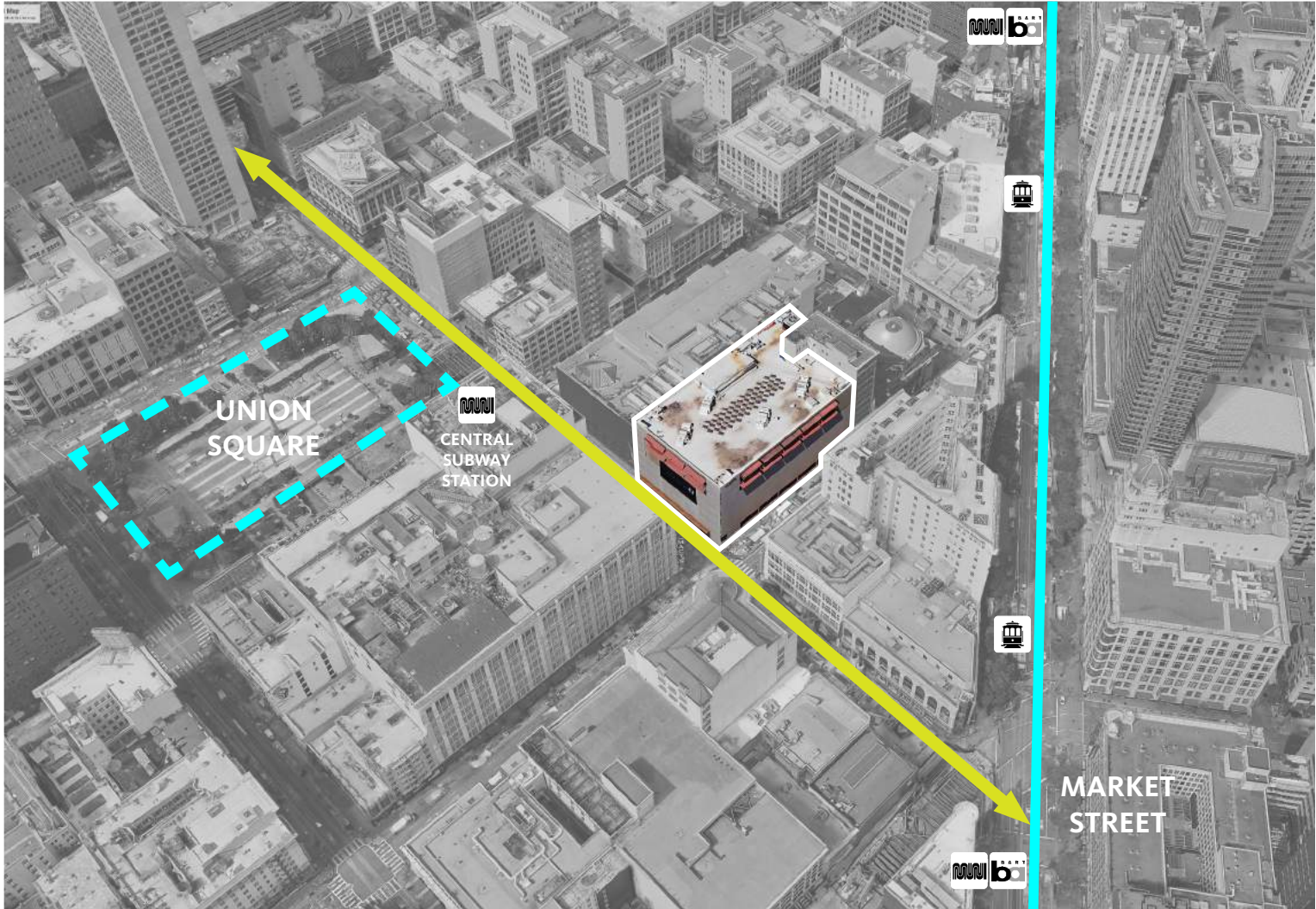
UNION SQUARE

K M M S DISTRICT

SITE TRANSIT AND RETAIL



ADJACENT RETAIL

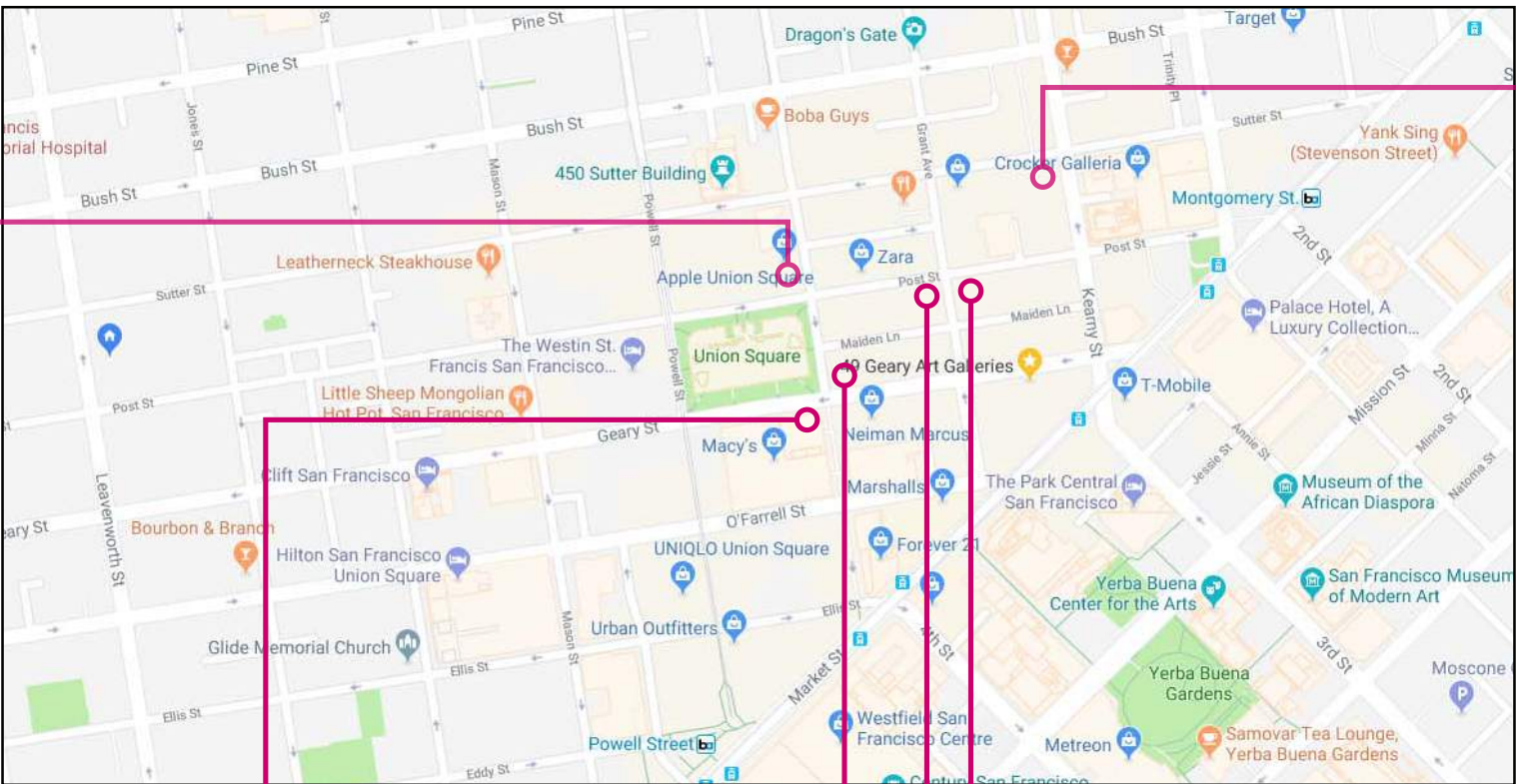


PUBLIC TRANSIT ACCESS

EXISTING AND NEW KMMS BUILDINGS



300 POST STREET



211 SUTTER STREET



233 GEARY STREET



200 STOCKTON STREET



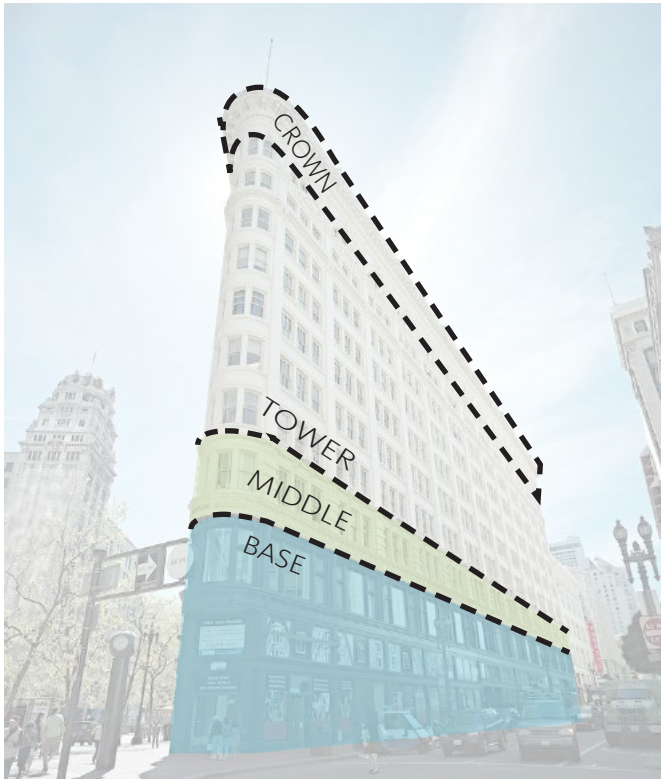
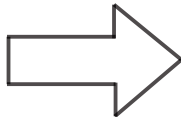
201 POST STREET



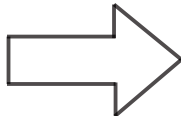
185 POST STREET

KMMS FACADE ARTICULATION

PHELAN BUILDING



201 POST



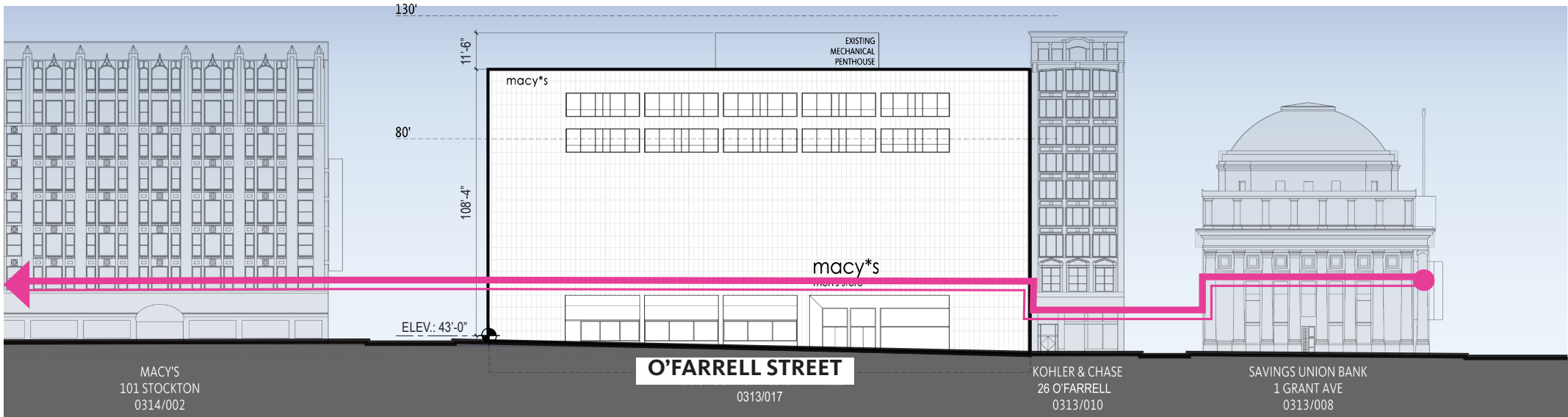
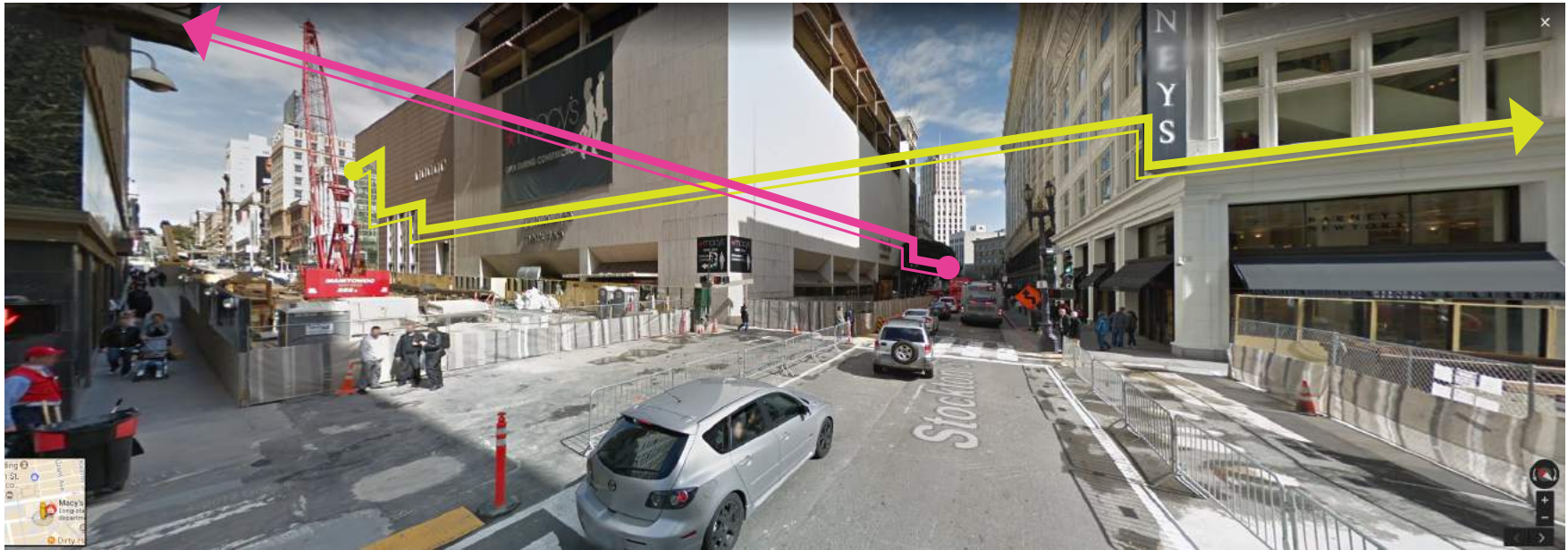
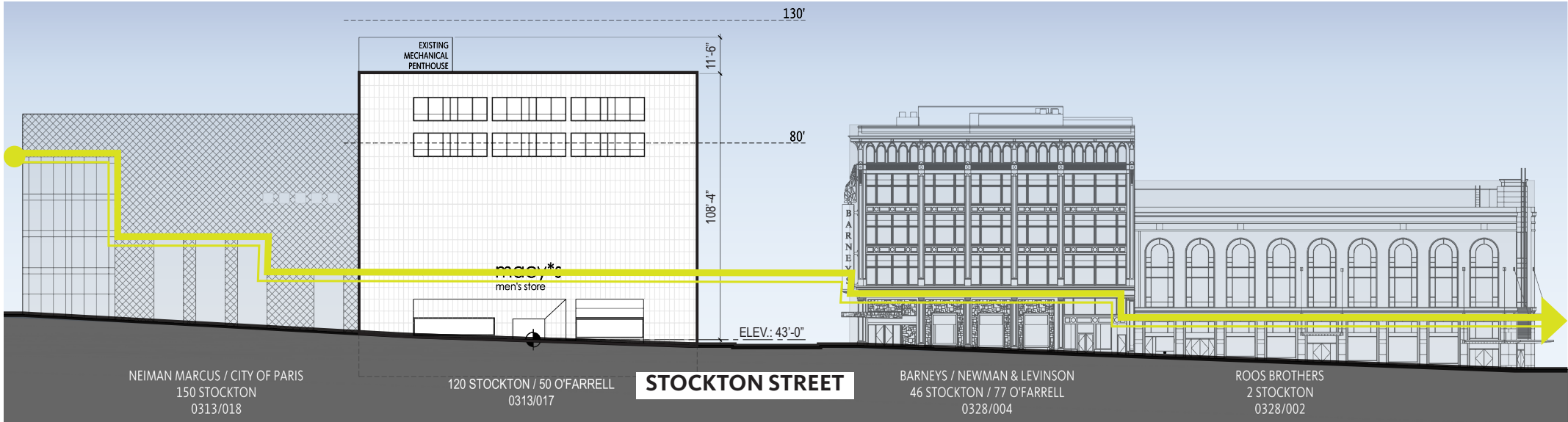
KMMS FACADE: TWO STORY STOREFRONT BASE, THIRD FLOOR MIDDLE EXPRESSION, TOWER, & CROWN ABOVE



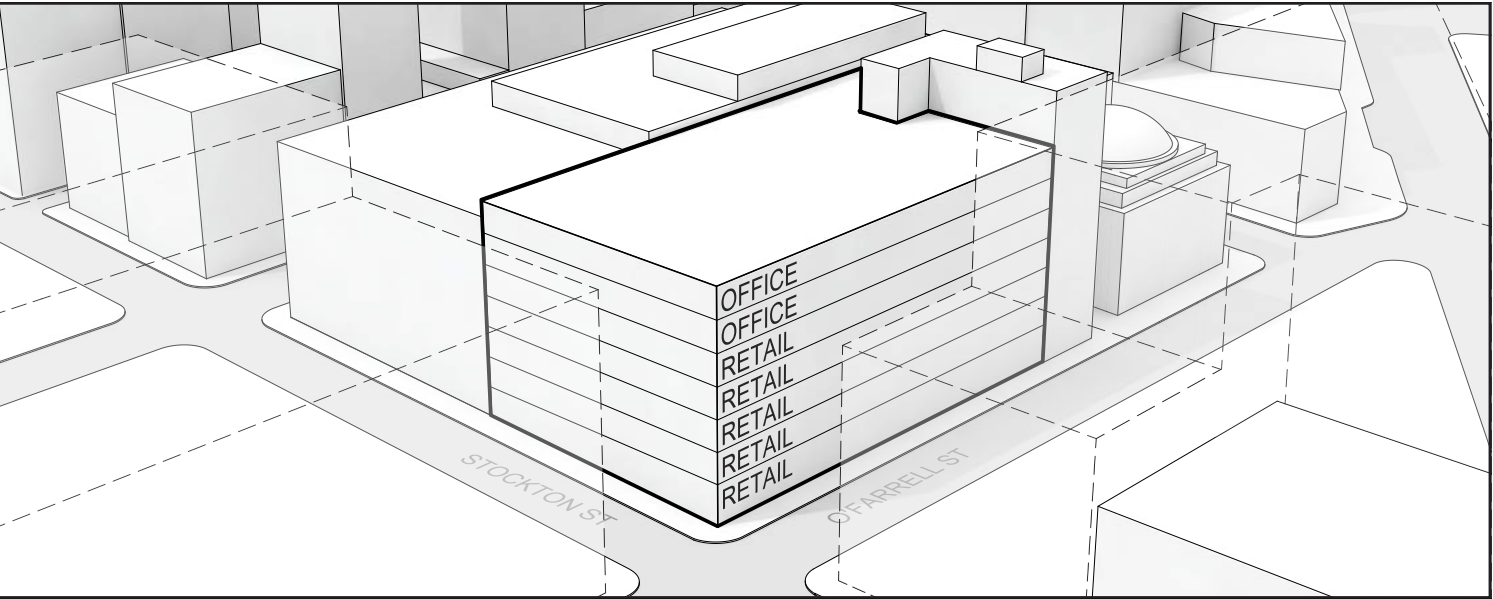
RHYTHM: EXPRESSED STRUCTURE

MATERIAL: LIGHT COLOR TERRACOTTA AND MASONRY

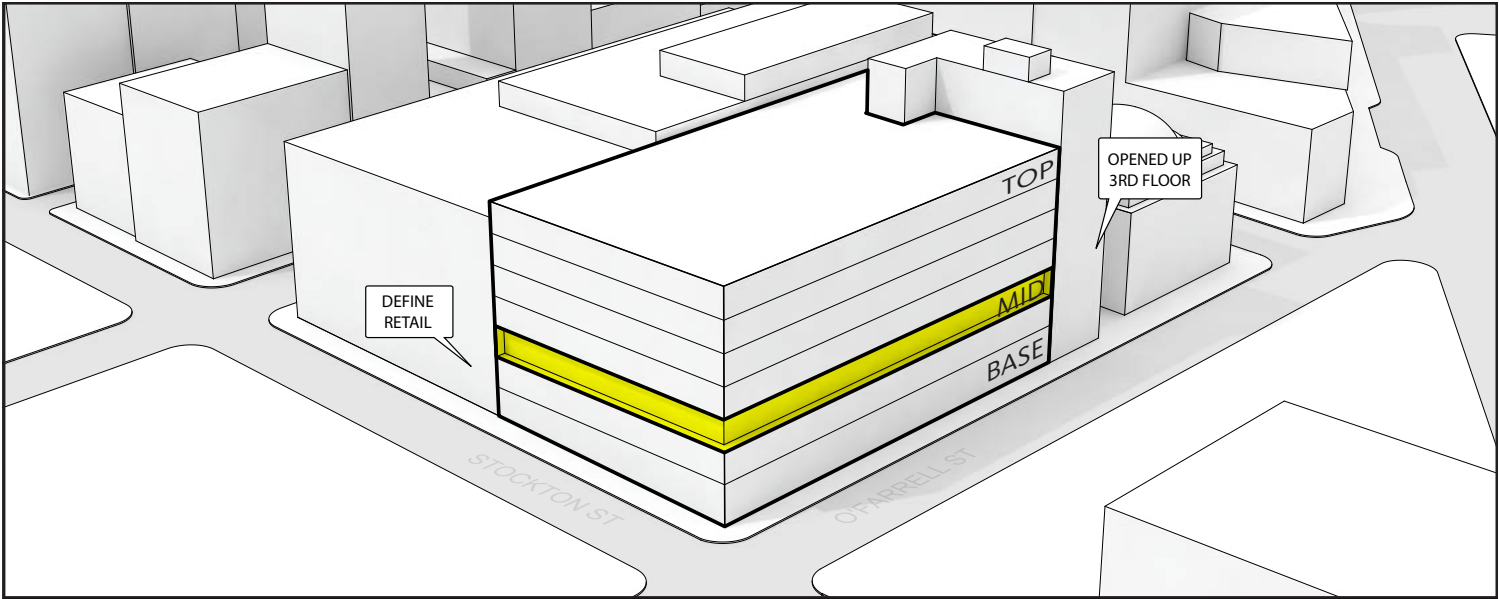
STREETSCAPE SCALE



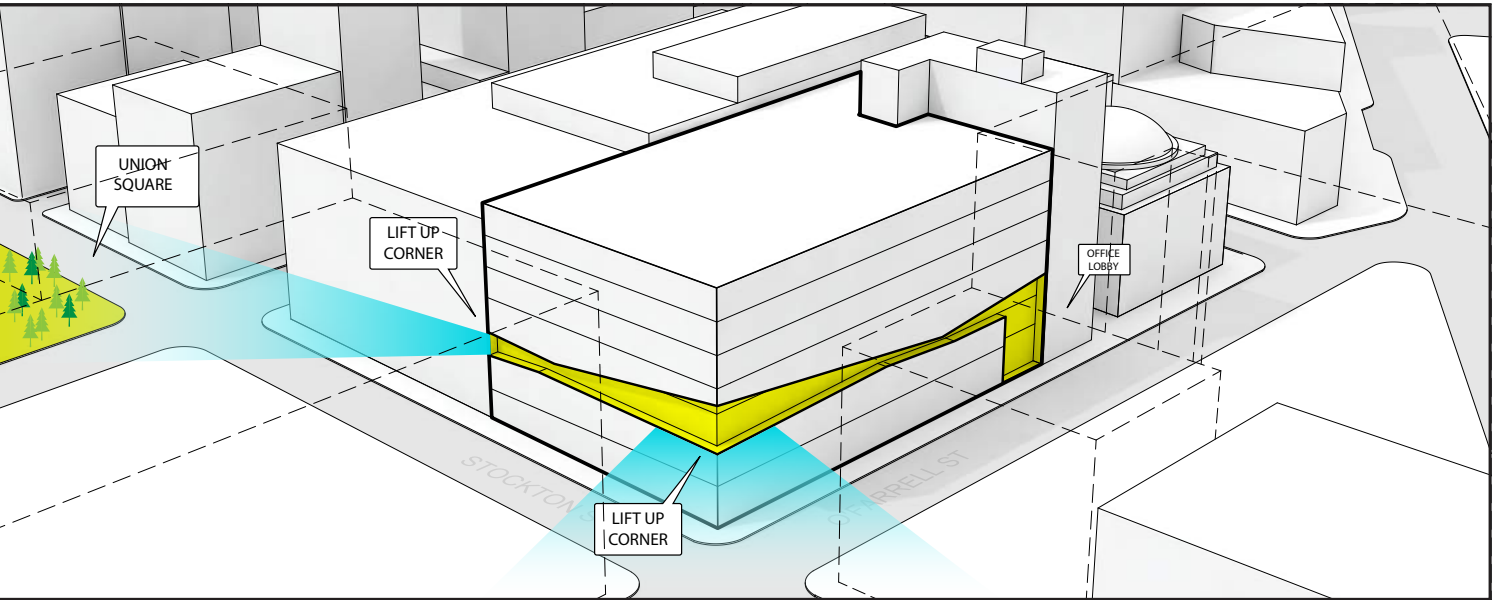
PROPOSED FACADE ARTICULATION



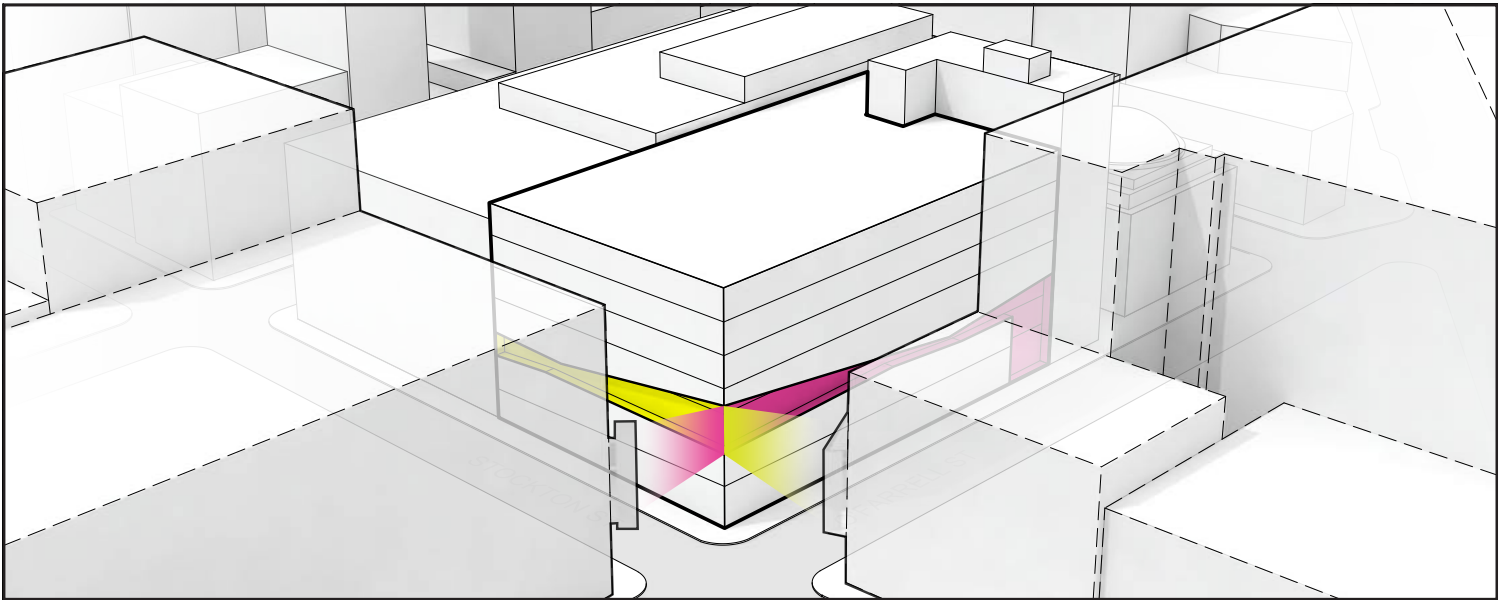
1. PROPOSED MIXED USES



2. THIRD FLOOR ARTICULATION, TWO STORY STOREFRONTS



3. CORNER RESPONSE



4. CORNER RESPONSE, RELATION TO HISTORICAL CORNER SIGNAGE





VIEW LOOKING NORTH
UP STOCKTON STREET



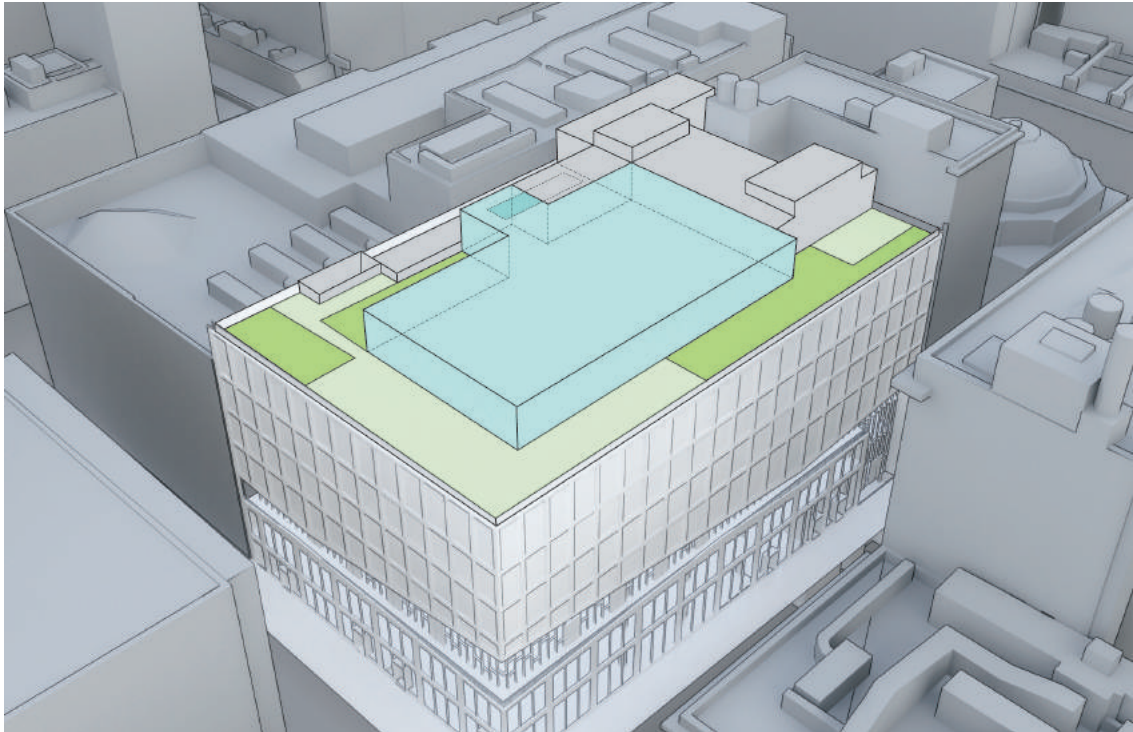
SIDEWALK VIEW ON
STOCKTON STREET



PROPOSED ROOFTOP AMENITY

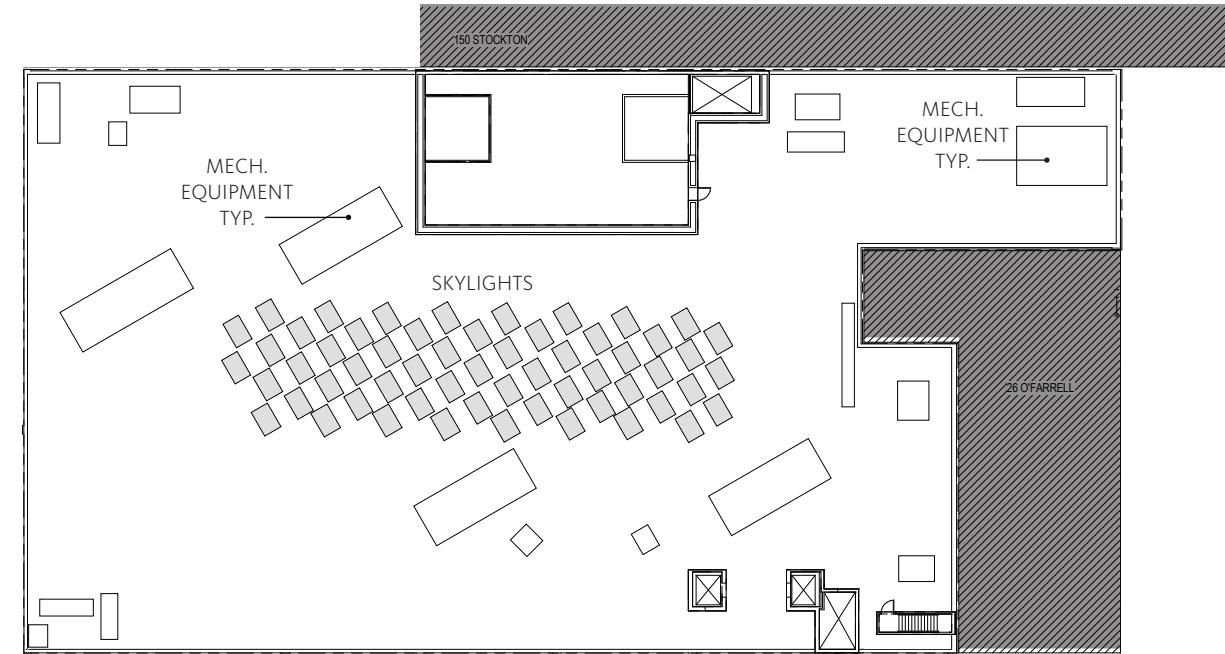


EXISTING ROOFTOP



PROPOSED ROOFTOP MASSING

- RETAIL TENANT
- LANDSCAPING
- OUTDOOR TERRACE

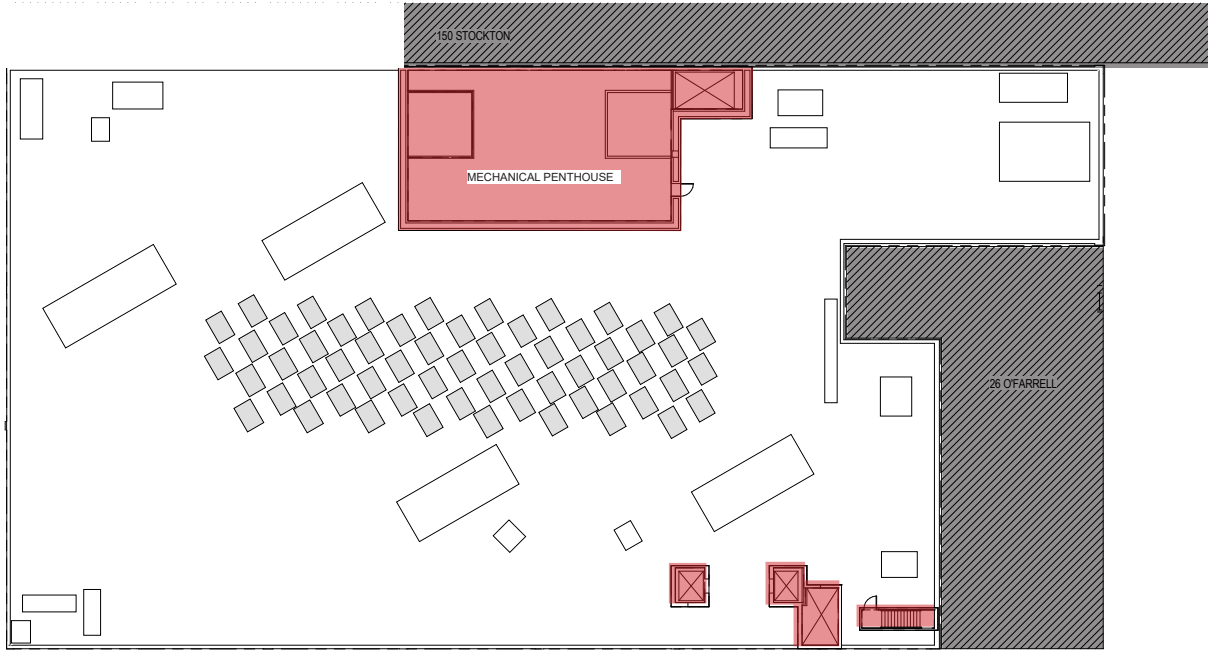


EXISTING ROOFTOP PLAN



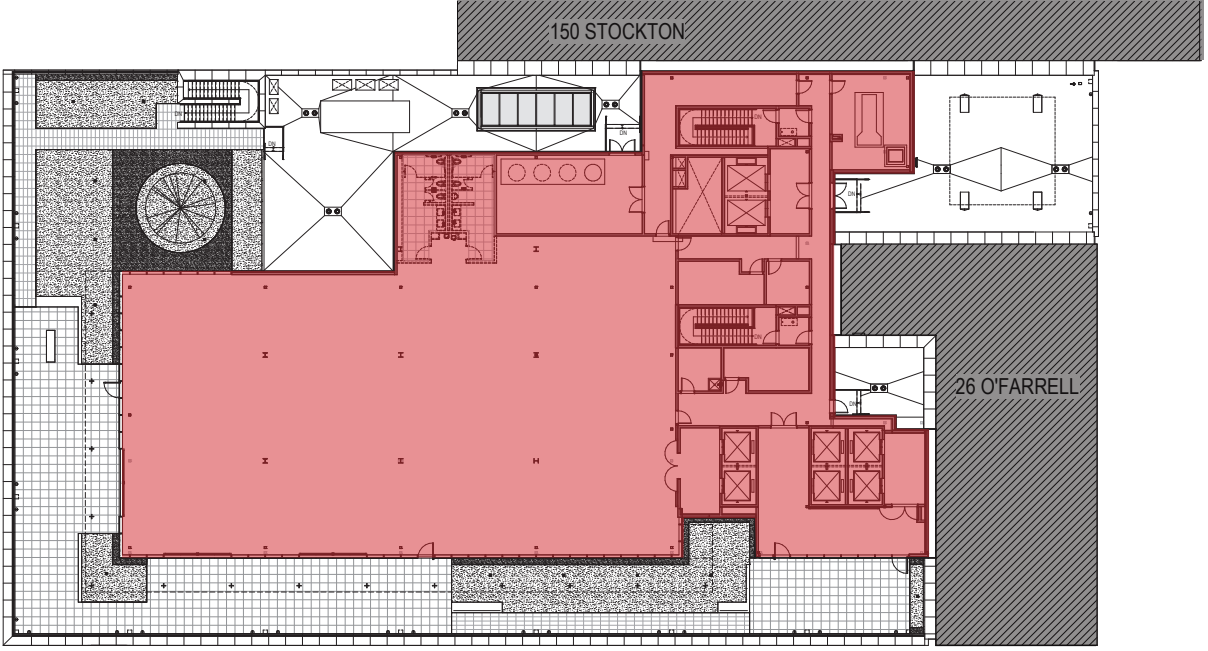
PROPOSED ROOFTOP PLAN

ROOF AREA COVERAGE



EXISTING ROOFTOP COVERAGE

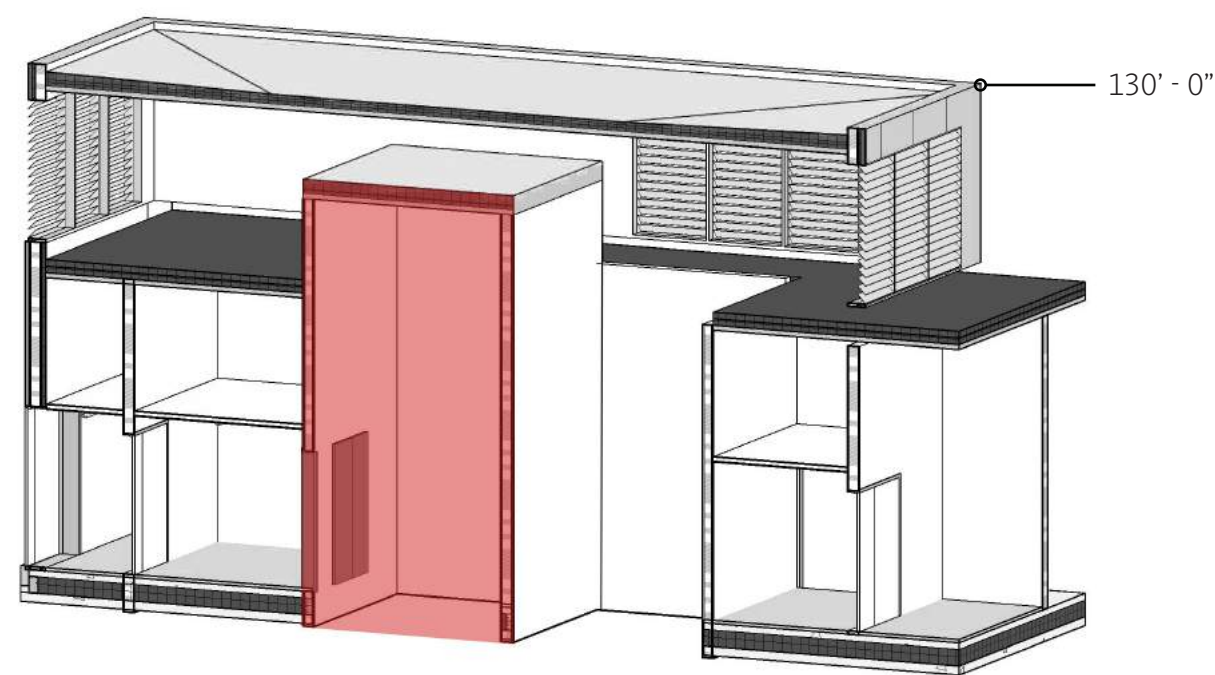
ENCLOSED AREA	3,183 SF	10.1%
OPEN AREA	28,222 SF	89.9%
<hr/>		
TOTAL	31,405 SF	100%



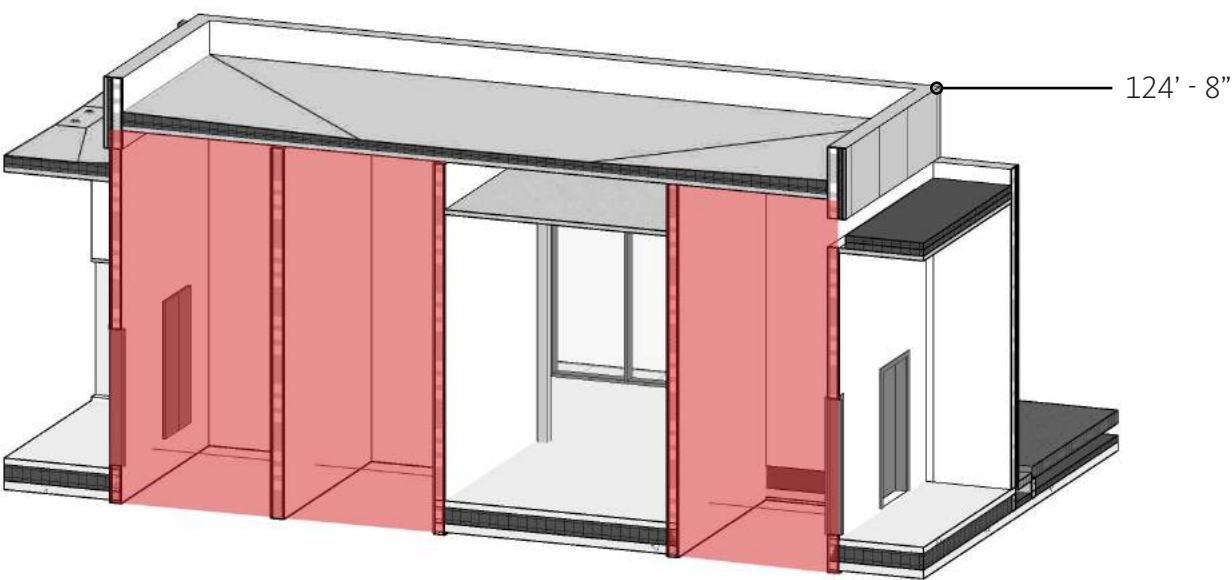
PROPOSED ROOFTOP COVERAGE

ENCLOSED AREA	16,227 SF	51.7%
OPEN AREA	15,178 SF	48.3%
<hr/>		
TOTAL	31,405 SF	100%

ELEVATOR OVERRUNS

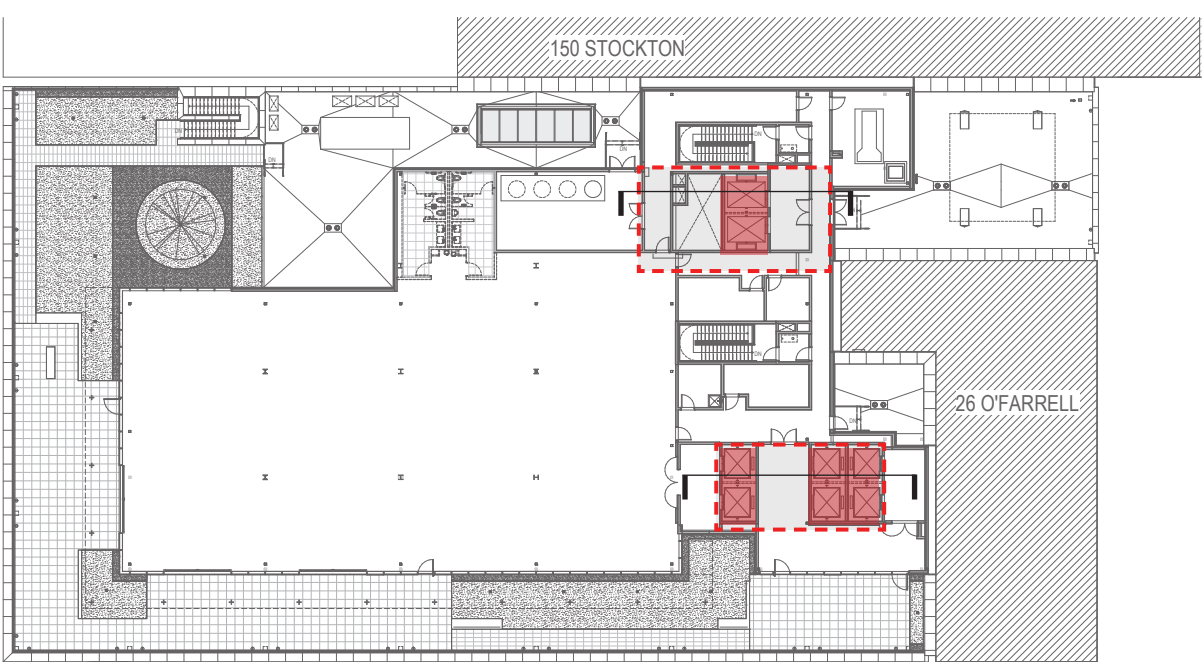


SERVICE ELEVATORS

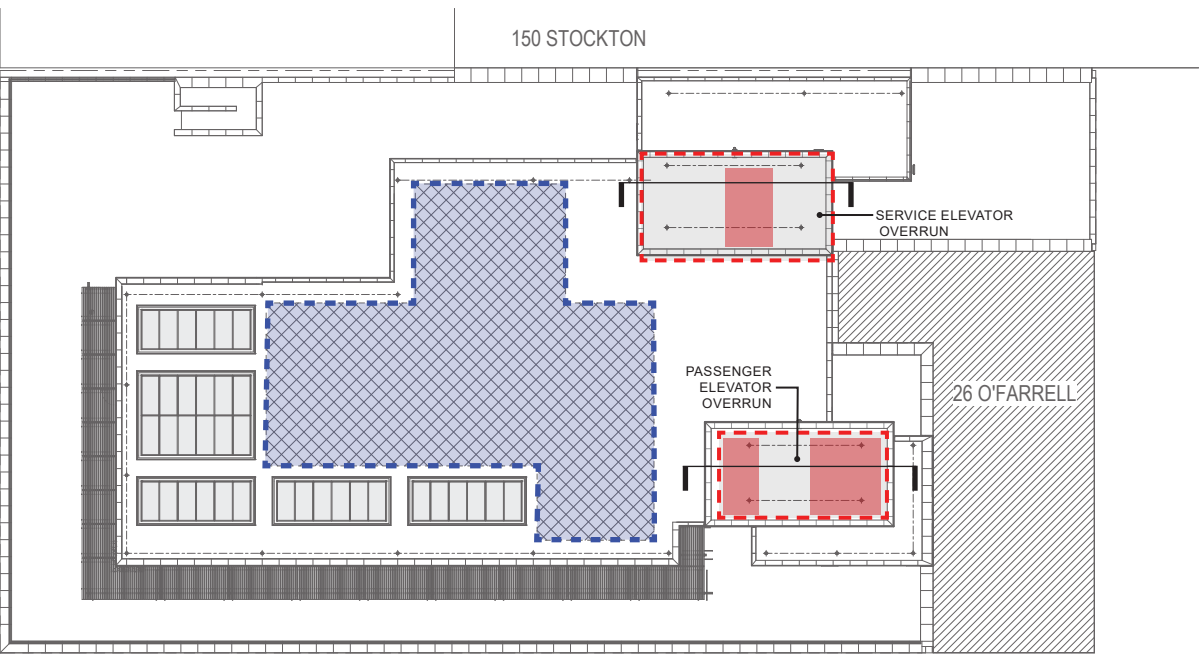


PASSENGER ELEVATORS

 ELEVATOR SHAFT



8TH LEVEL PLAN



ROOF PLAN

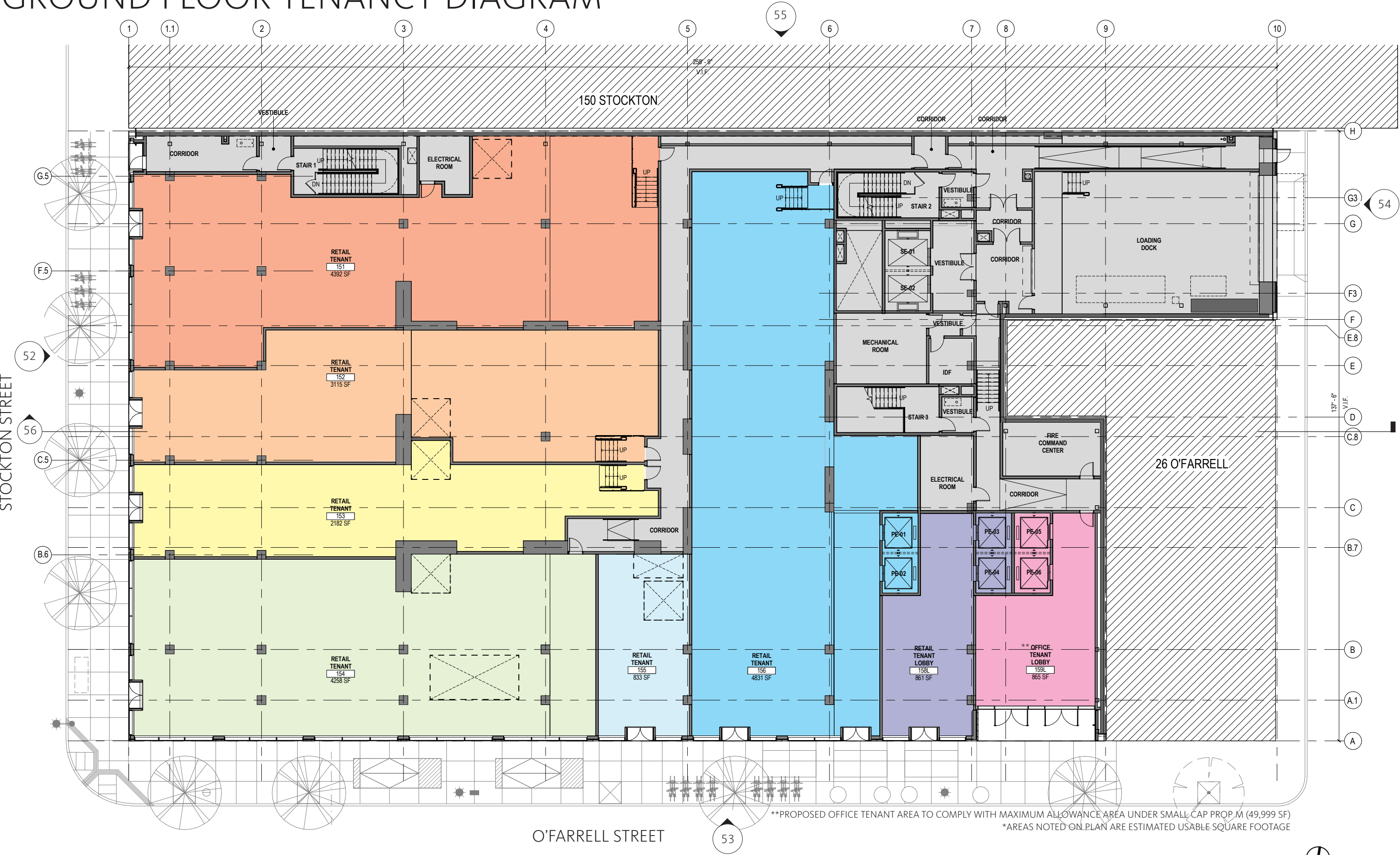
 EXTENT OF OVERRUN  PV AREA
 EXTENT OF ELEVATORS

1. SERVICE ELEVATOR OVERRUN SIZED FOR AIR INTAKE REQUIREMENTS
2. PASSENGER ELEVATOR OVERRUN SIZED FOR MASSING CONSISTENCY



PROPOSED ROOFTOP
RESTAURANT VIEW

GROUND FLOOR TENANCY DIAGRAM





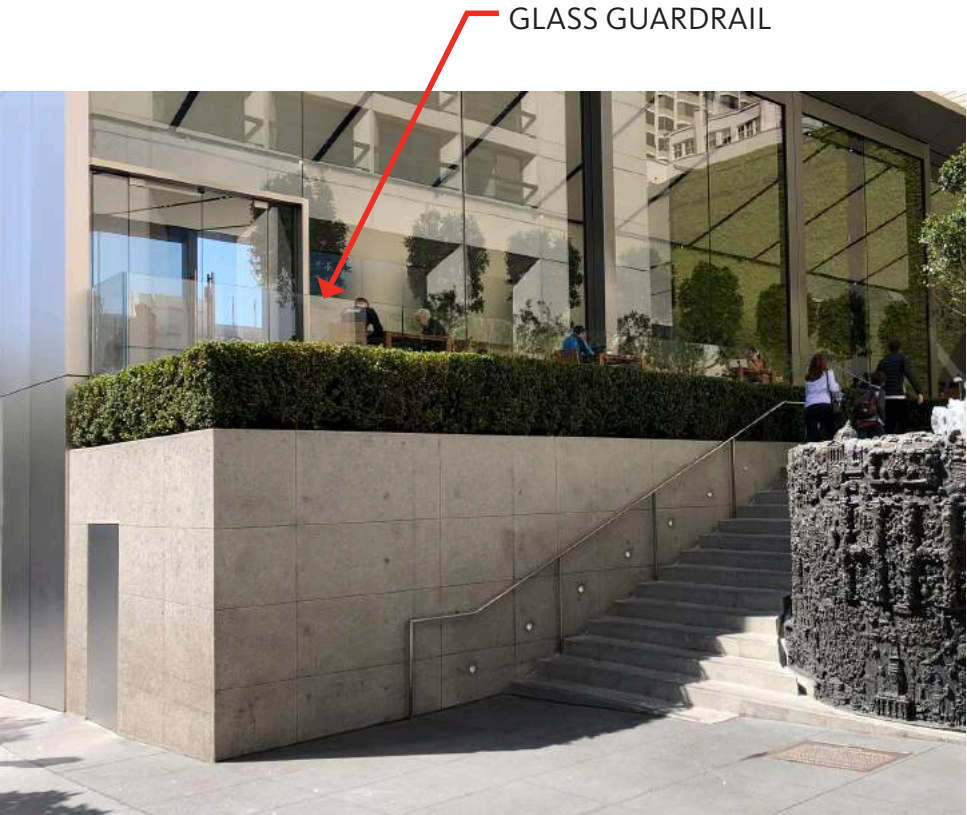
O'FARRELL STREET RETAIL VIEW

ARC COMMENTS

TERRACE RAILING & PARAPET

ARC: ARC recommended that the project consider alternate railing designs to minimize the visual appearance of a railing on the facade. ARC also suggested the parapet be heightened to achieve the intent of the first comment. In addition, a suggestion to create a finished edge at the termination of the terracotta was recommended.

RESPONSE: The new proposal includes a frameless glass guardrail set back from the terracotta. The terracotta parapet has been doubled in height from 12 inches to 24 inches. This creates a more substantial 3-D terracotta expression. A new finished trim element is added to cap the top of the 3-D terracotta as well. The new parapet height reduces the amount of railing and screens it from the sidewalk vantage point of pedestrians.



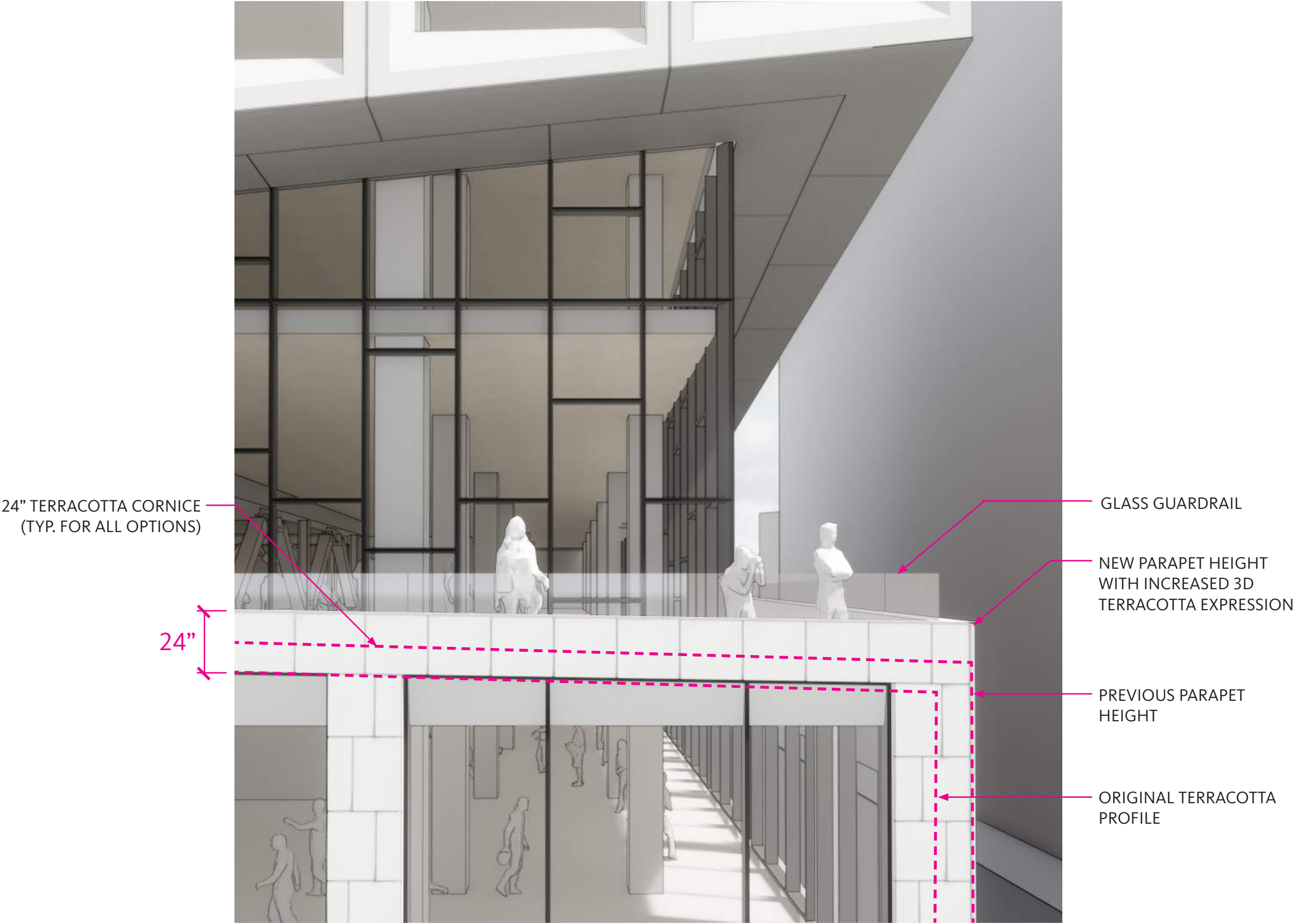
300 POST STREET

ARC COMMENTS

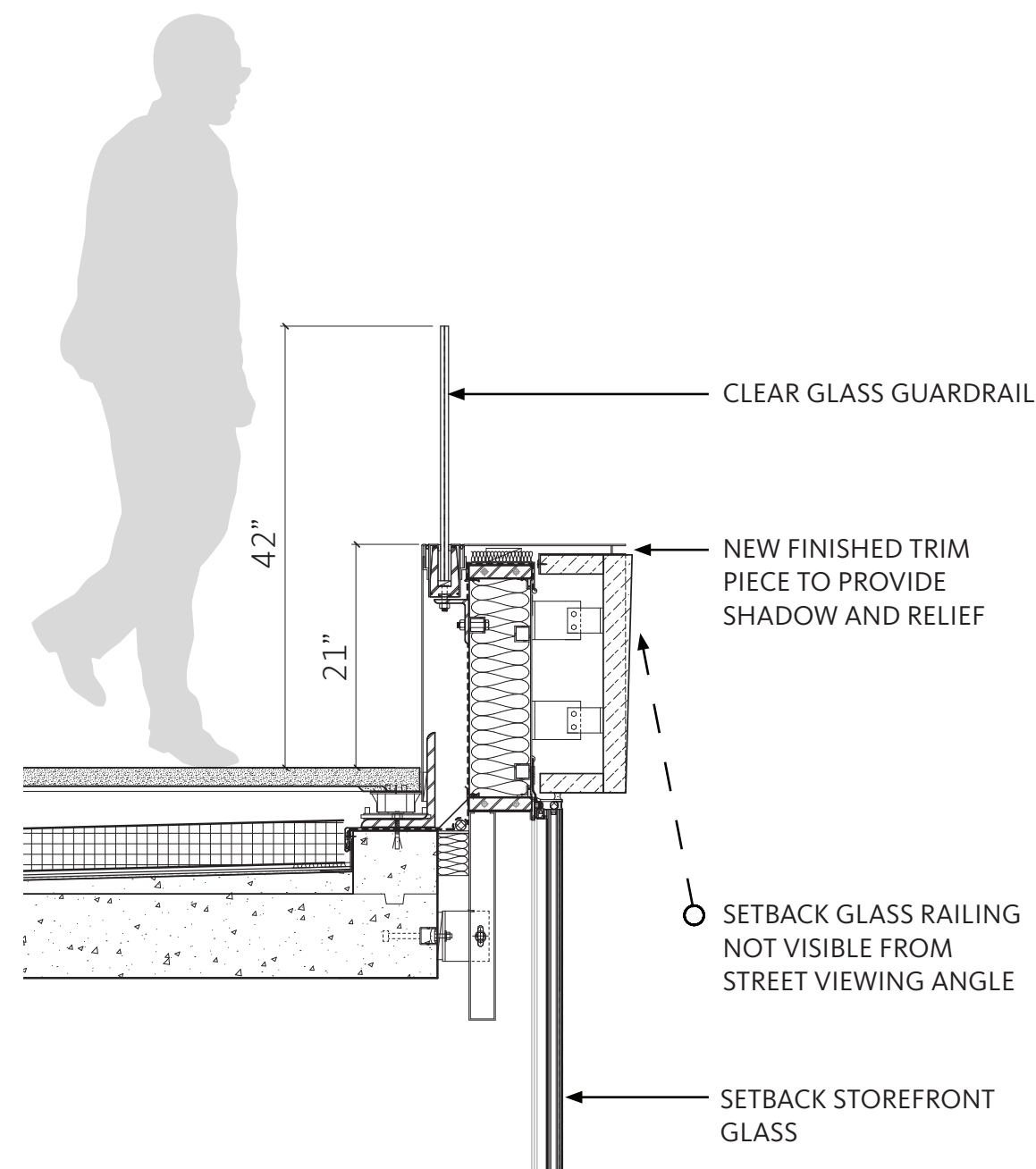
TERRACE RAILING & PARAPET

ARC: ARC recommended that the project consider alternate railing designs to minimize the visual appearance of a railing on the facade. ARC also suggested the parapet be heightened to achieve the intent of the first comment. In addition, a suggestion to create a finished edge at the termination of the terracotta was recommended.

RESPONSE: The new proposal includes a frameless glass guardrail set back from the terracotta. The terracotta parapet has been doubled in height from 12 inches to 24 inches. This creates a more substantial 3-D terracotta expression. A new finished trim element is added to cap the top of the 3-D terracotta as well. The new parapet height reduces the amount of railing and screens it from the sidewalk vantage point of pedestrians.

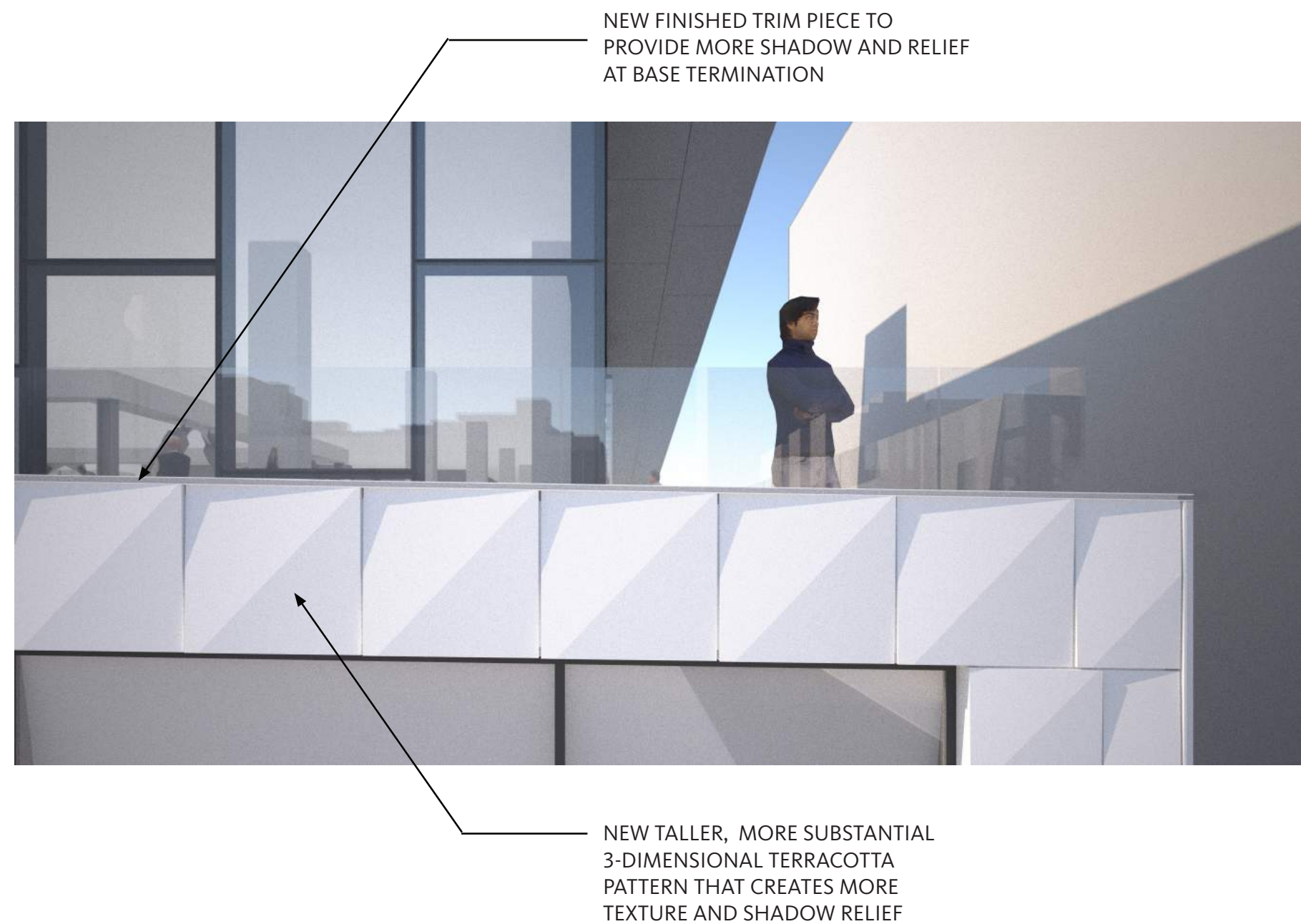


ARC COMMENTS



TERRACE RAILING & PARAPET

ARC: ARC recommended that the project consider alternate railing designs to minimize the visual appearance of a railing on the facade. ARC also suggested the parapet be heightened to achieve the intent of the first comment. In addition, a suggestion to create a finished edge at the termination of the terracotta was recommended.



RESPONSE: The new proposal includes a frameless glass guardrail set back from the terracotta. The terracotta parapet has been doubled in height from 12 inches to 24 inches. This creates a more substantial 3-D terracotta expression. A new finished trim element is added to cap the top of the 3-D terracotta as well. The new parapet height reduces the amount of railing and screens it from the sidewalk vantage point of pedestrians.



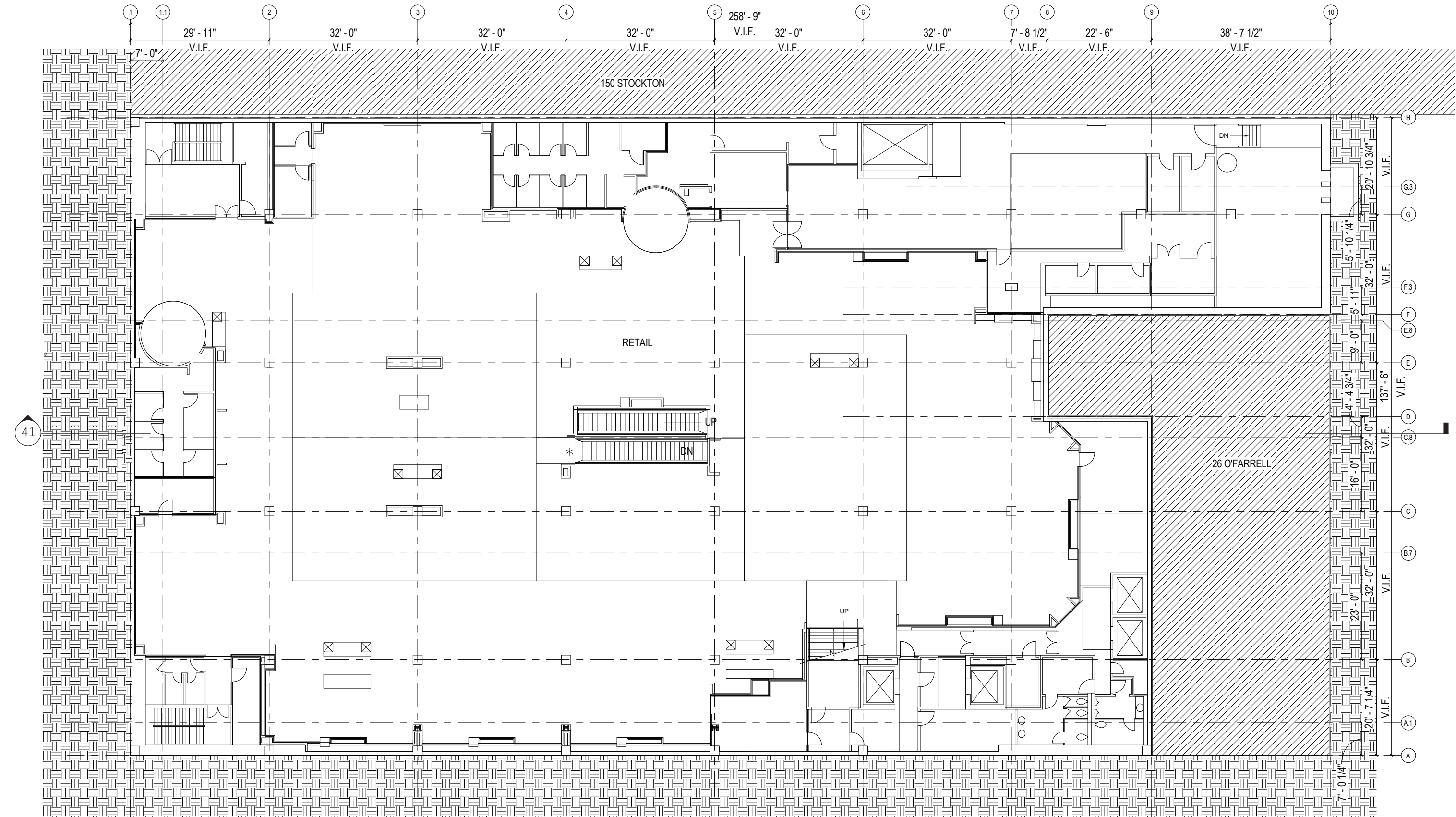
CURRENT



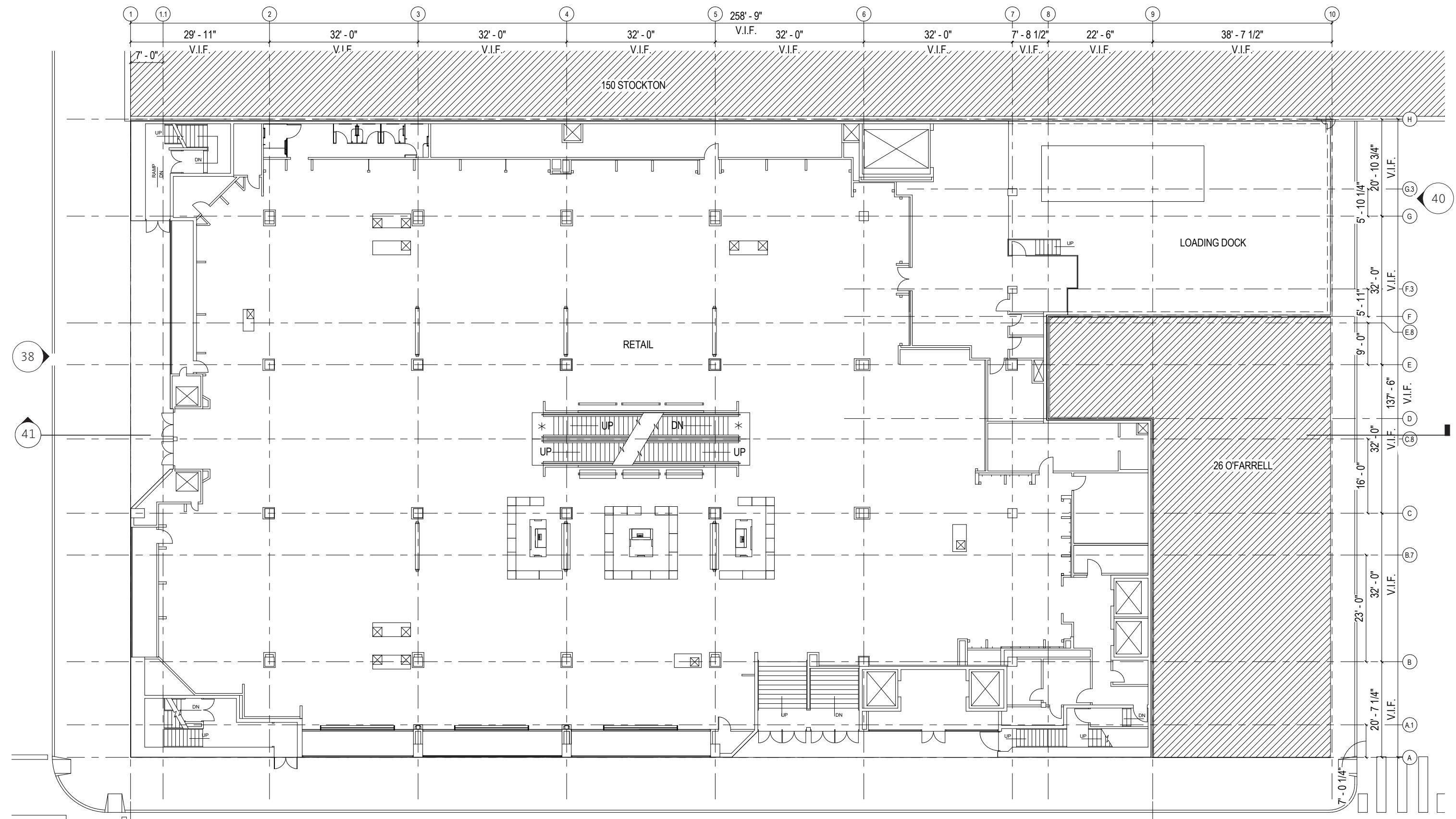
PROPOSED

EXISTING & PROPOSED DRAWINGS

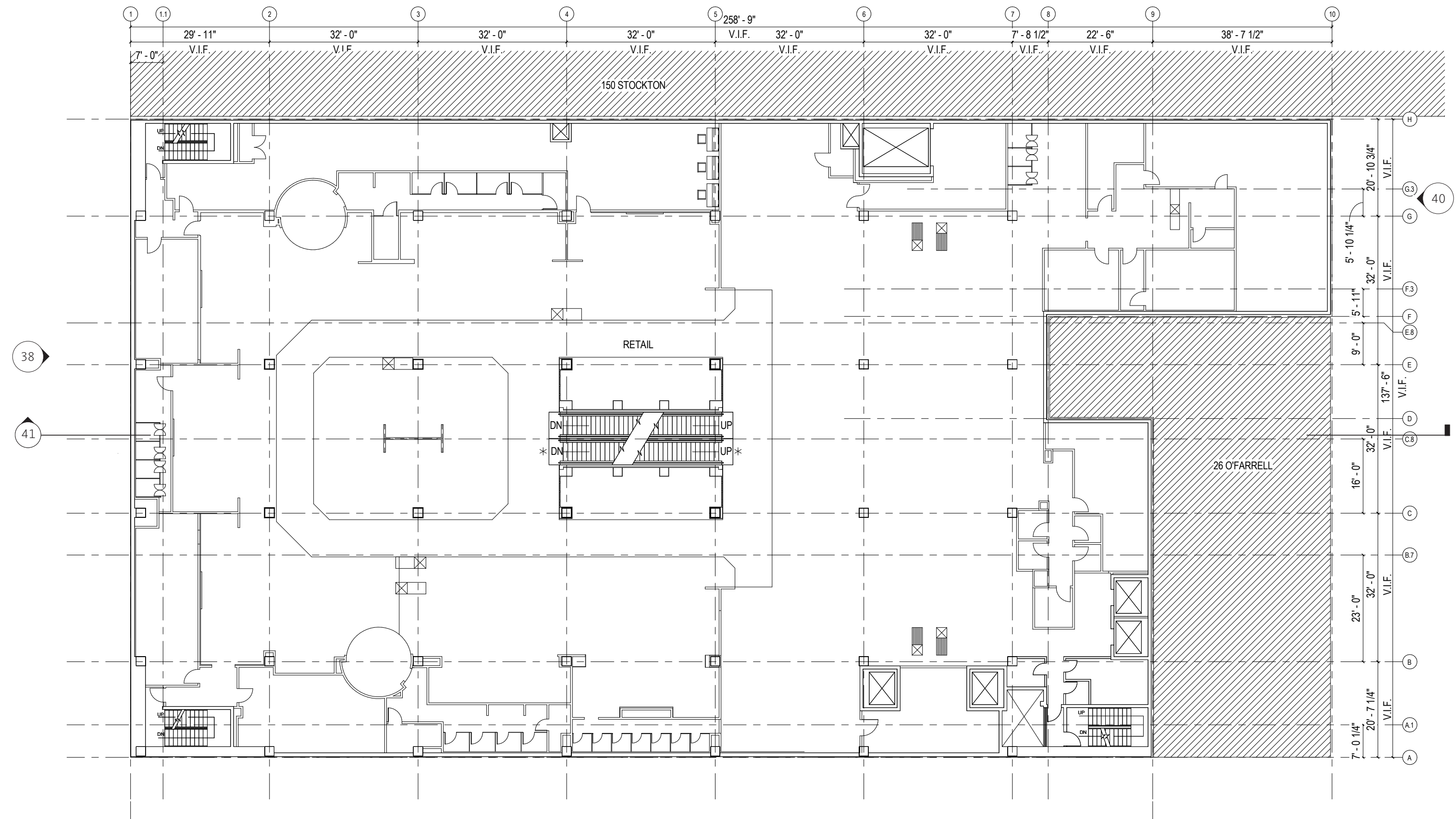
EXISTING BASEMENT LEVEL PLAN



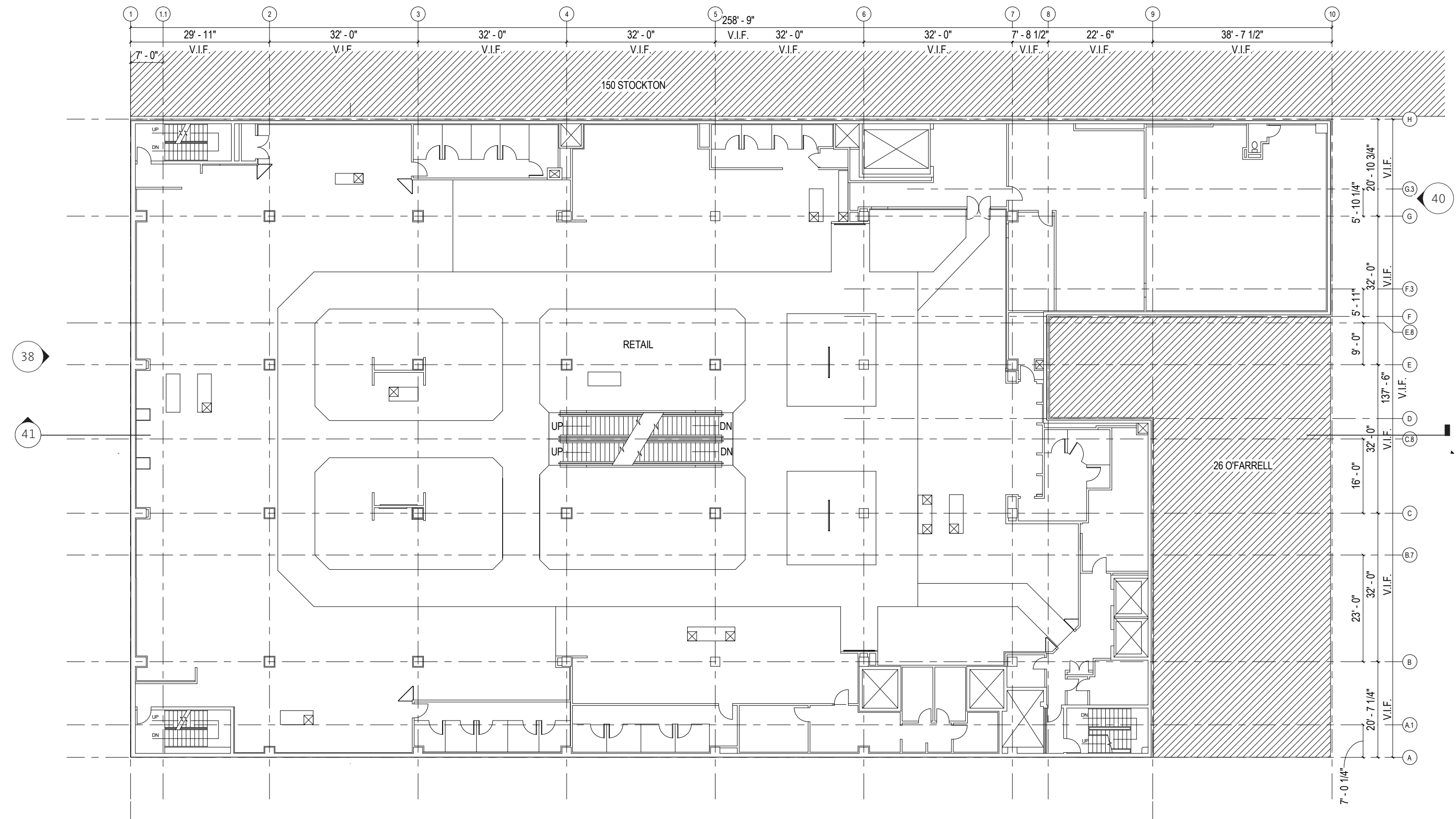
EXISTING 1ST LEVEL PLAN



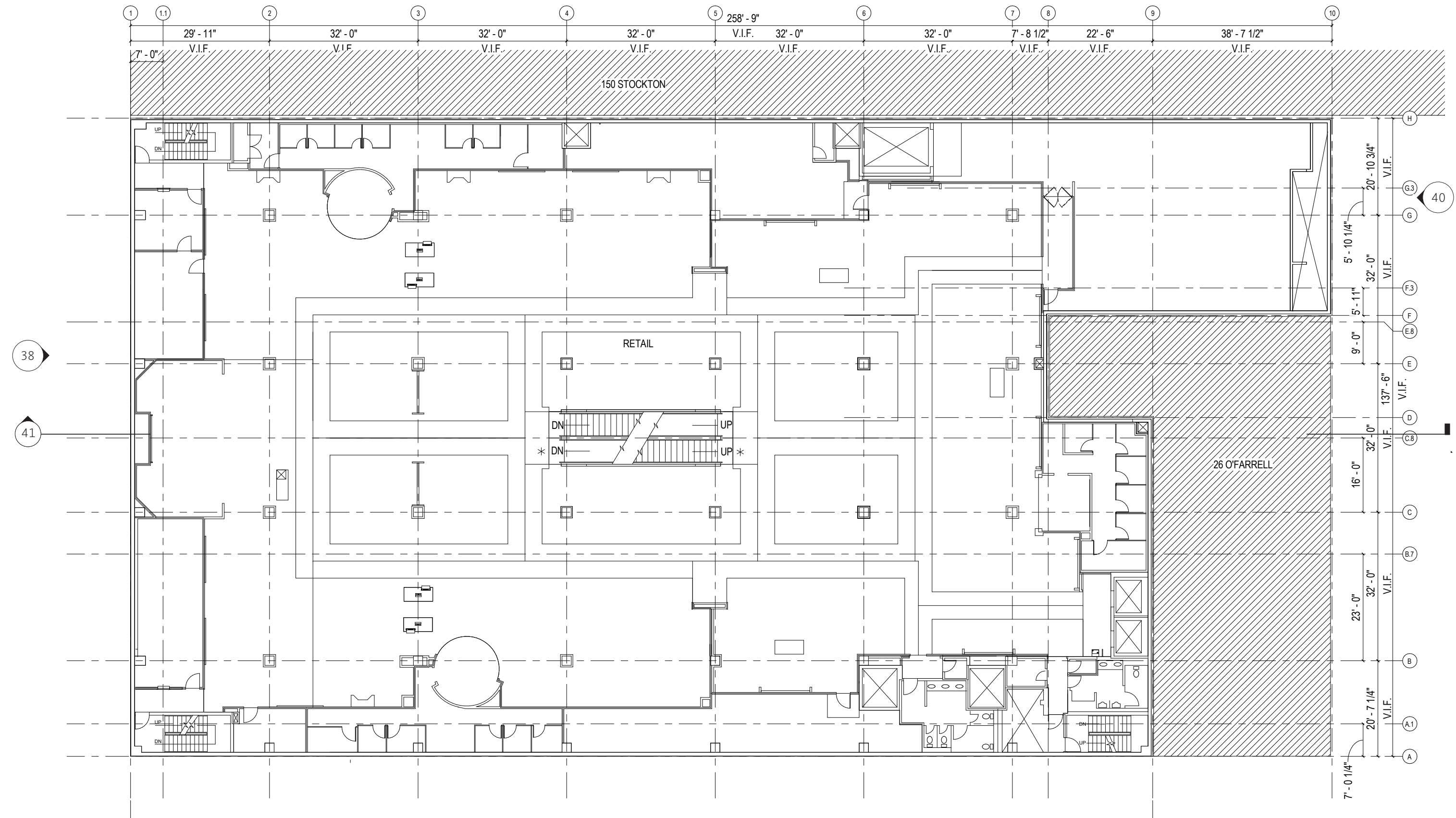
EXISTING 2ND LEVEL PLAN



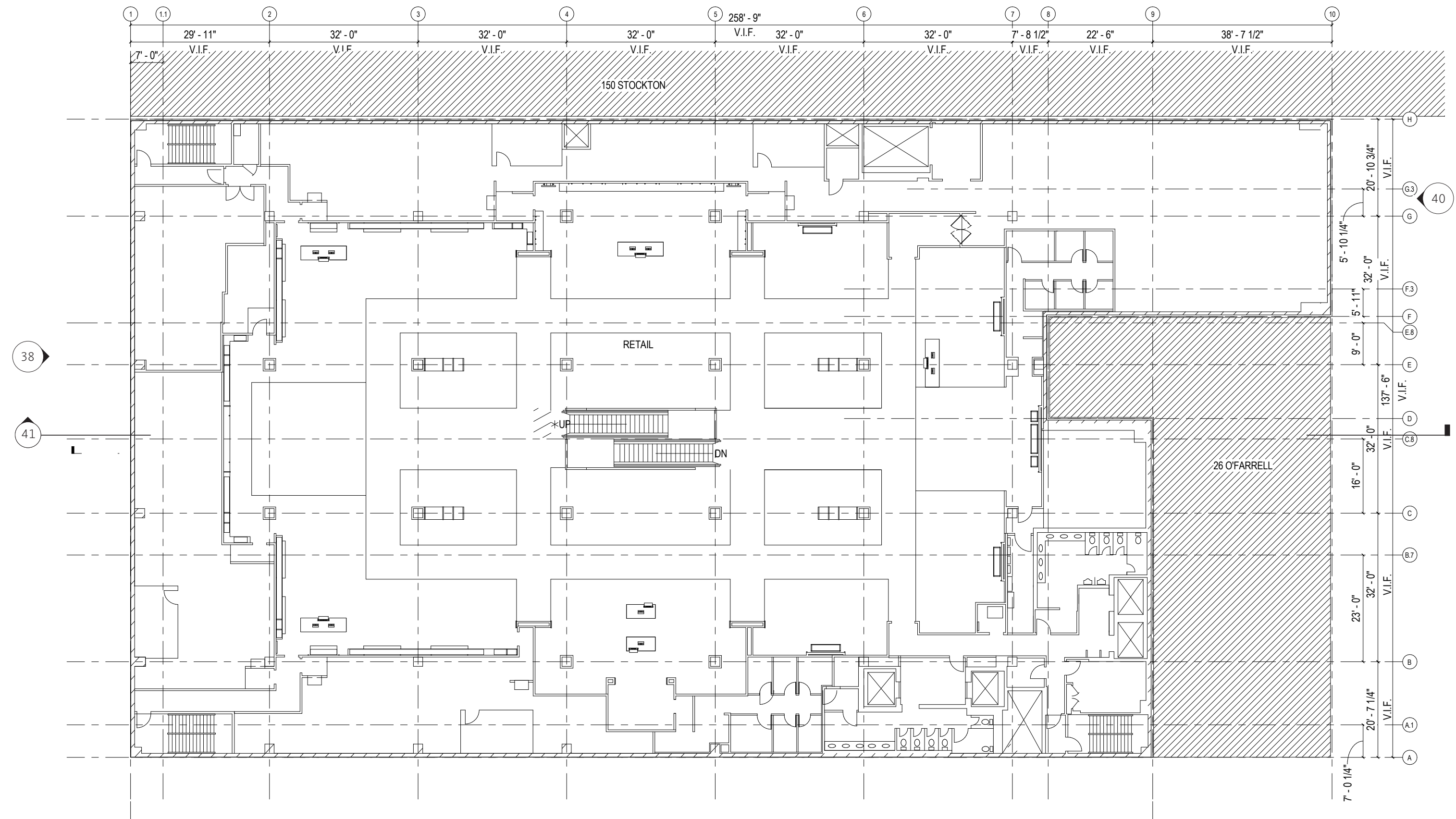
EXISTING 3RD LEVEL PLAN



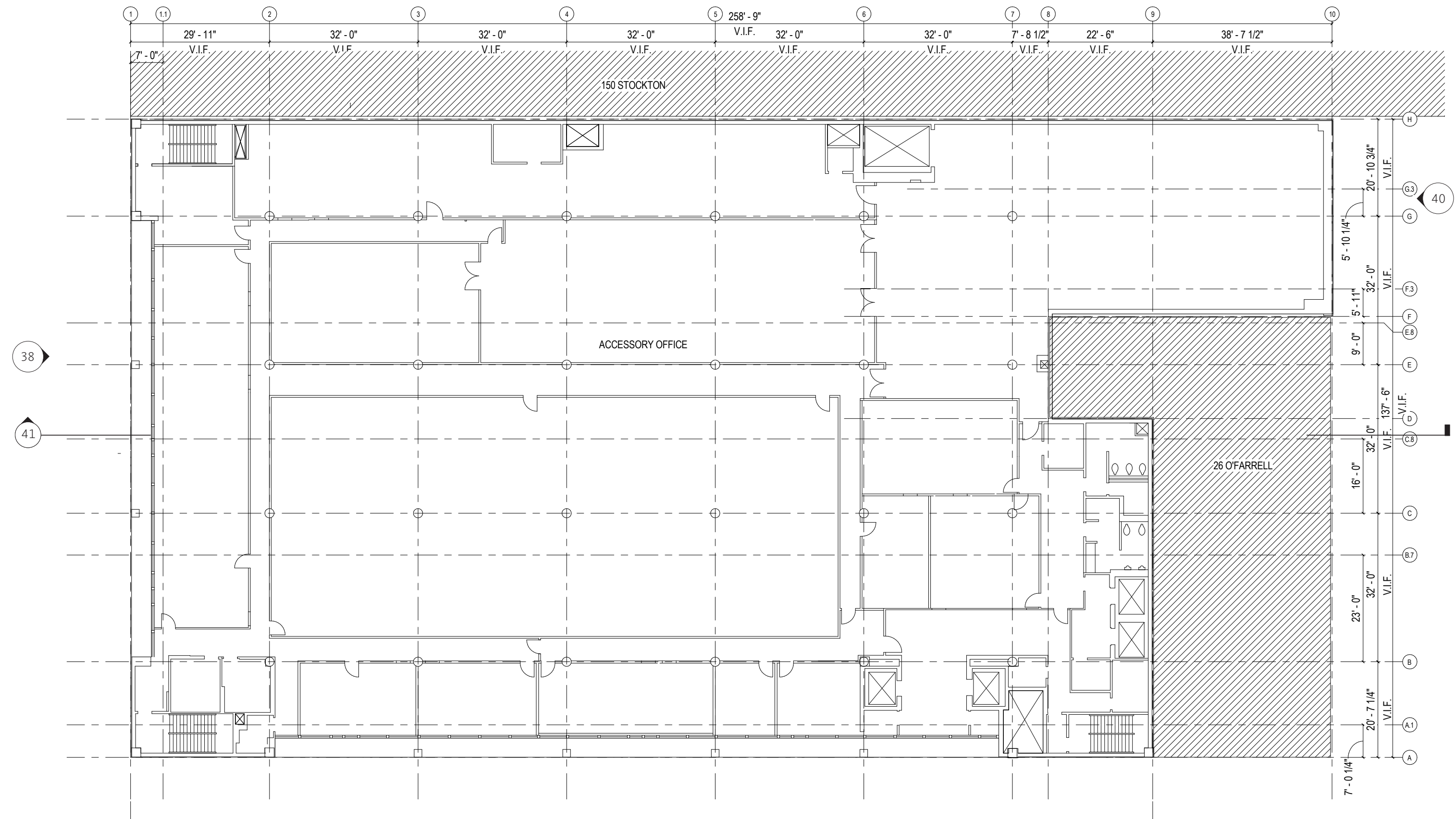
EXISTING 4TH LEVEL PLAN



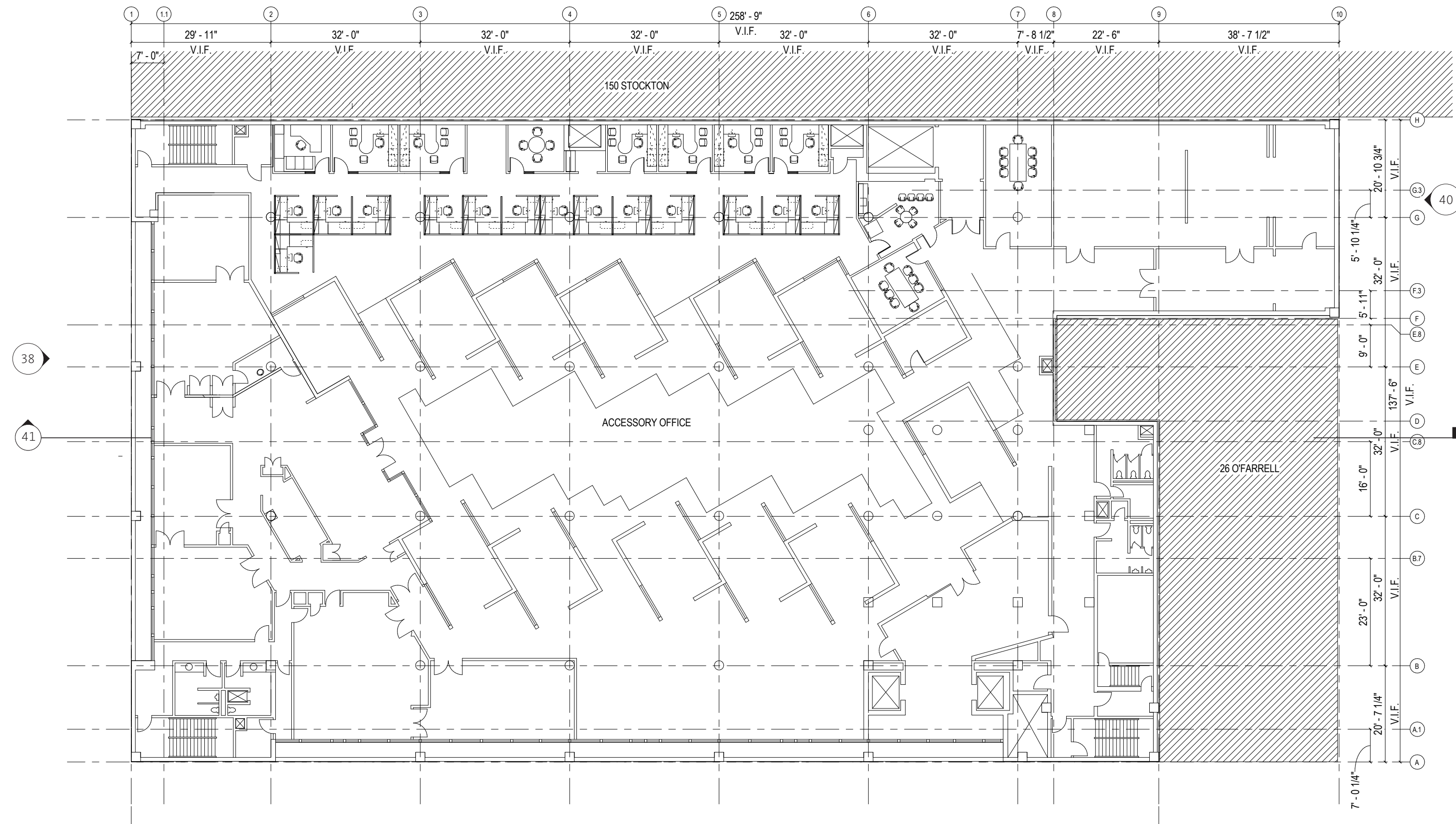
EXISTING 5TH LEVEL PLAN



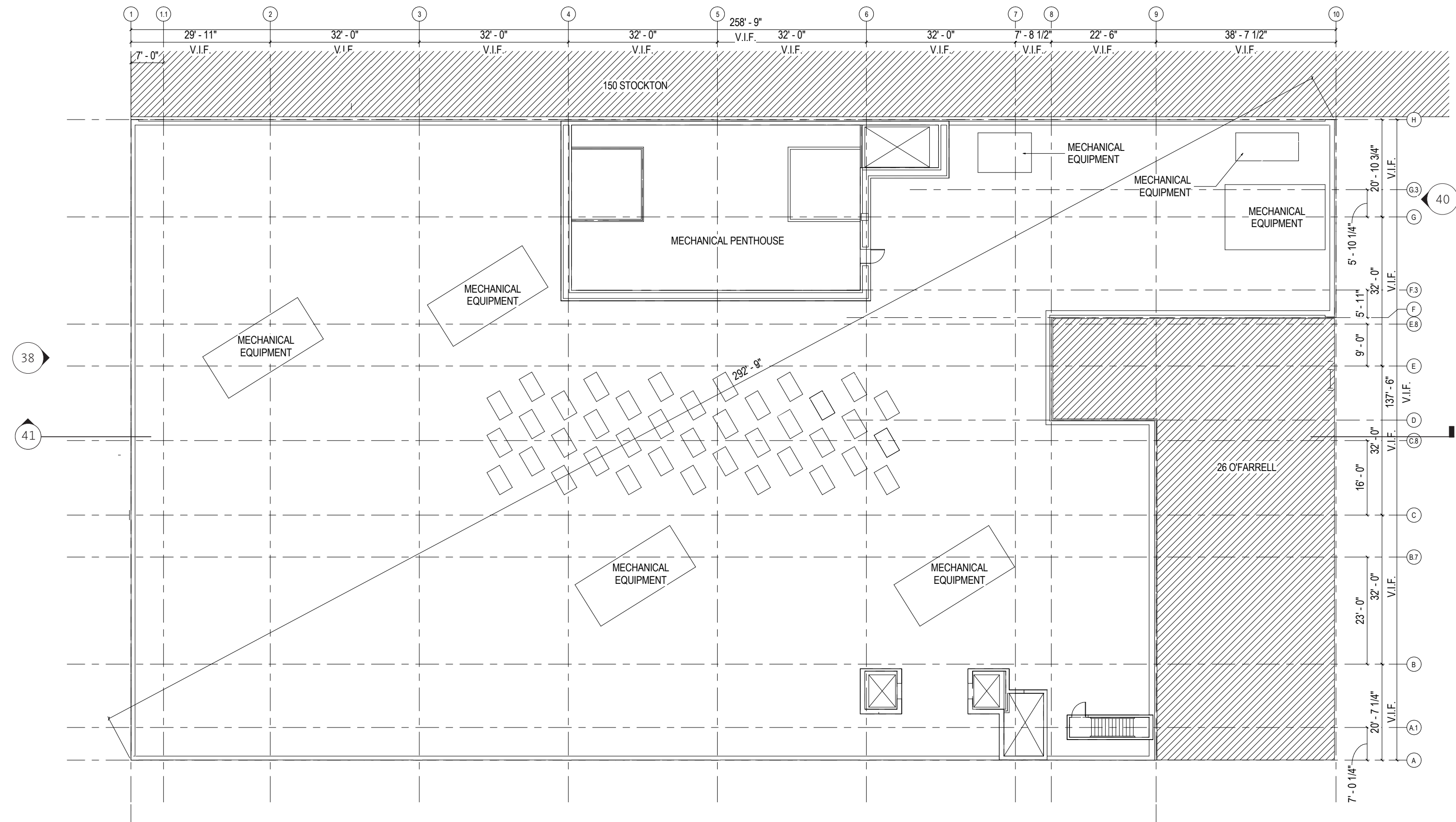
EXISTING 6TH LEVEL PLAN



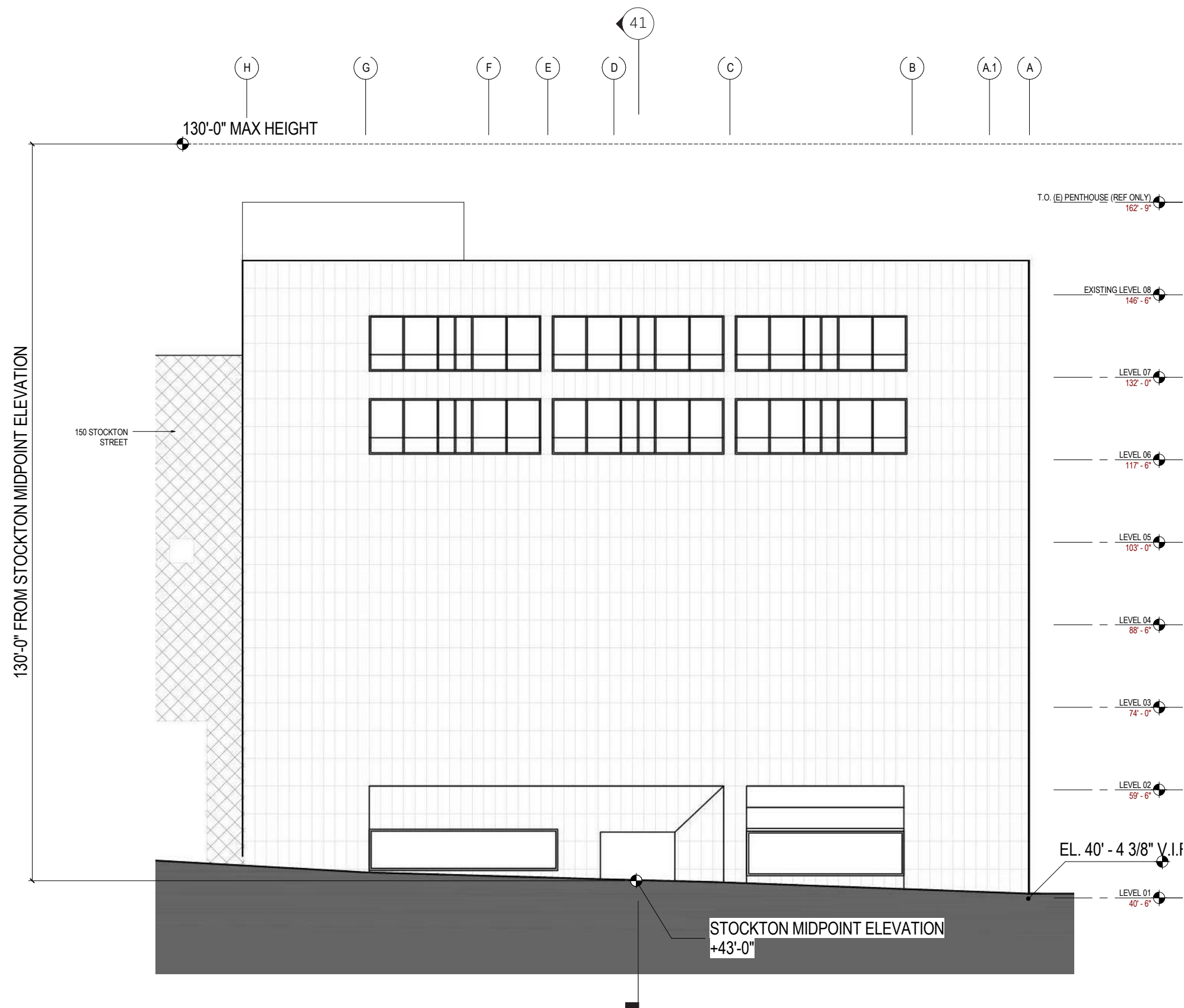
EXISTING 7TH LEVEL PLAN



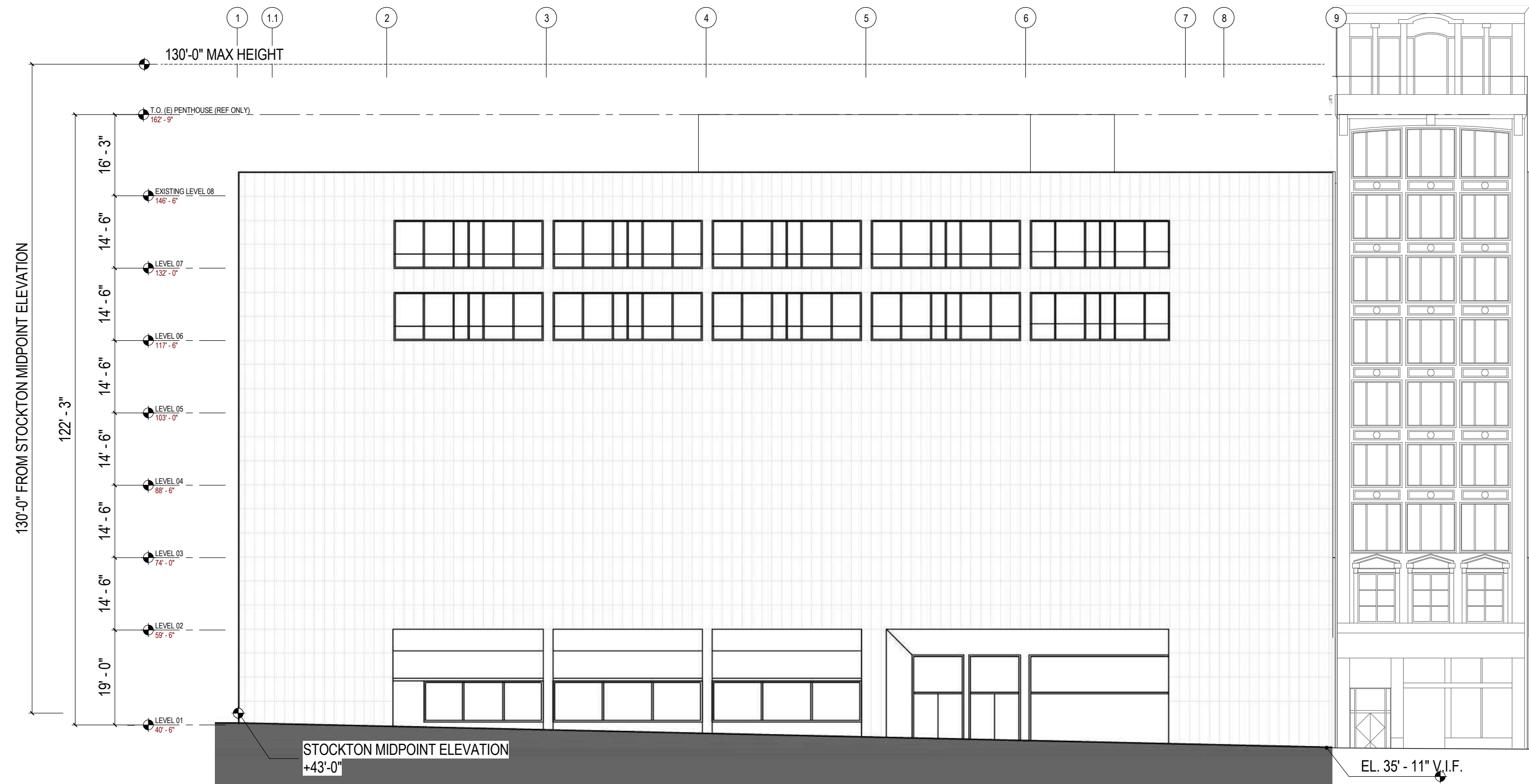
EXISTING ROOF PLAN



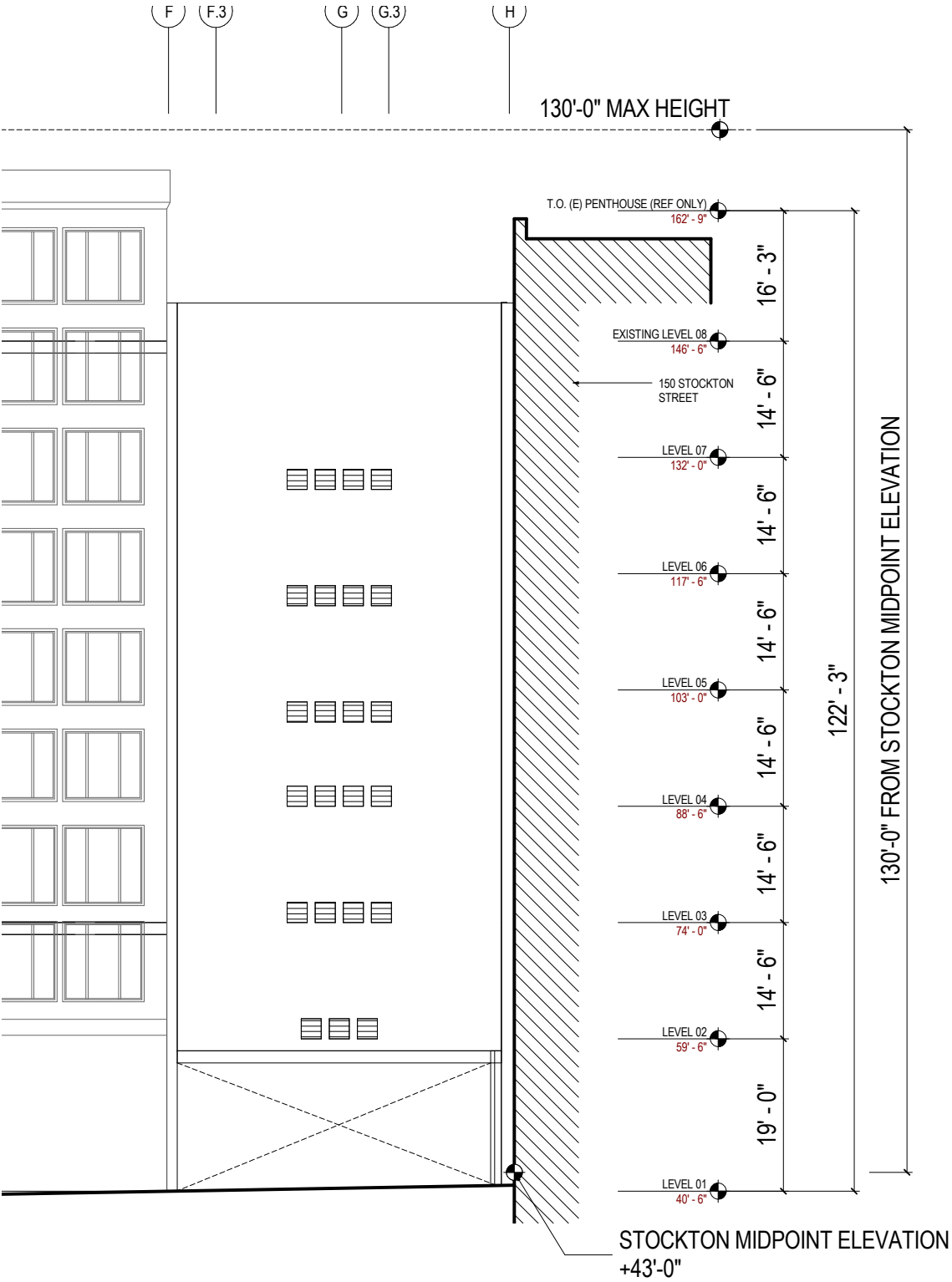
EXISTING STOCKTON STREET FACADE



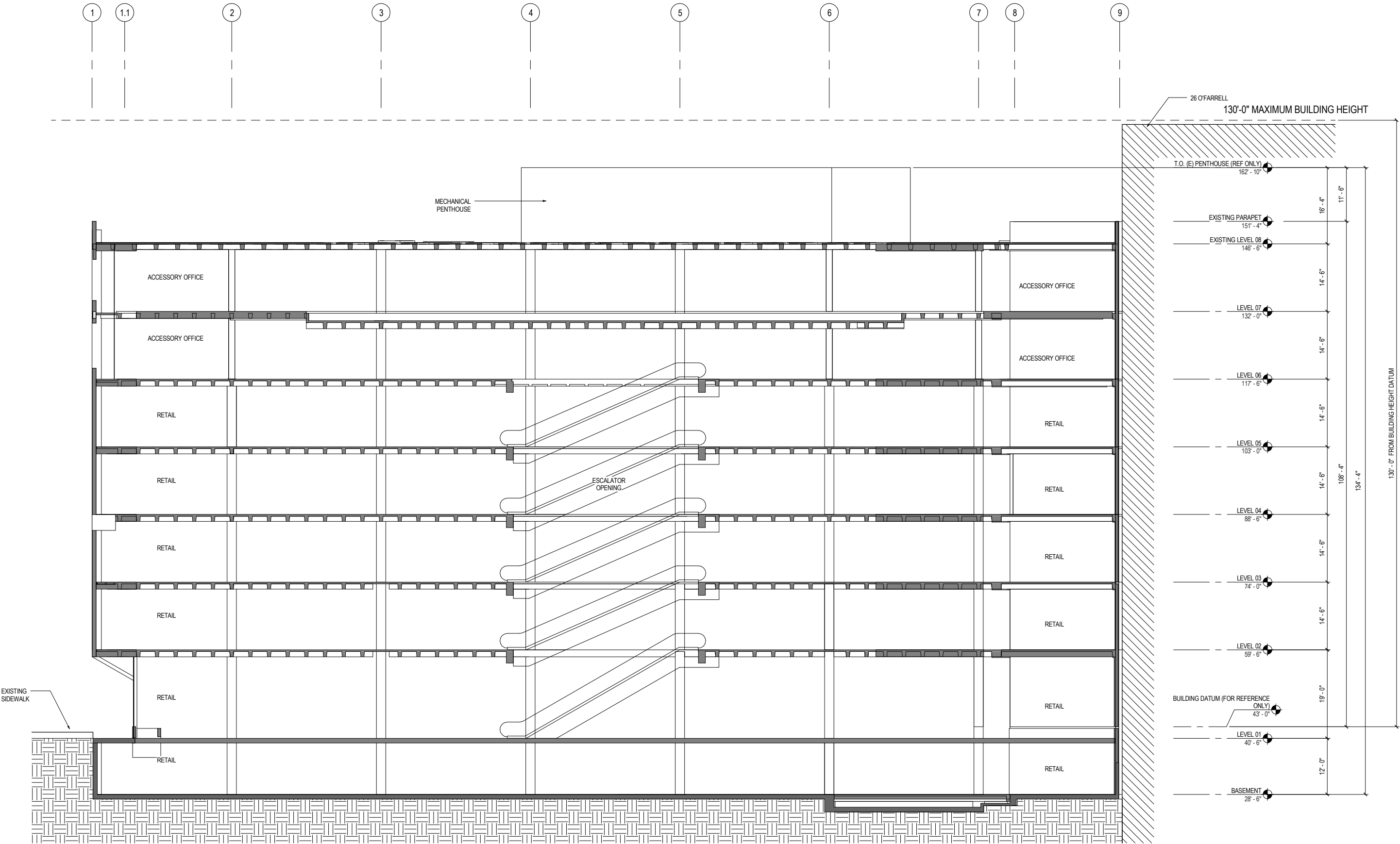
EXISTING O'FARRELL STREET FACADE



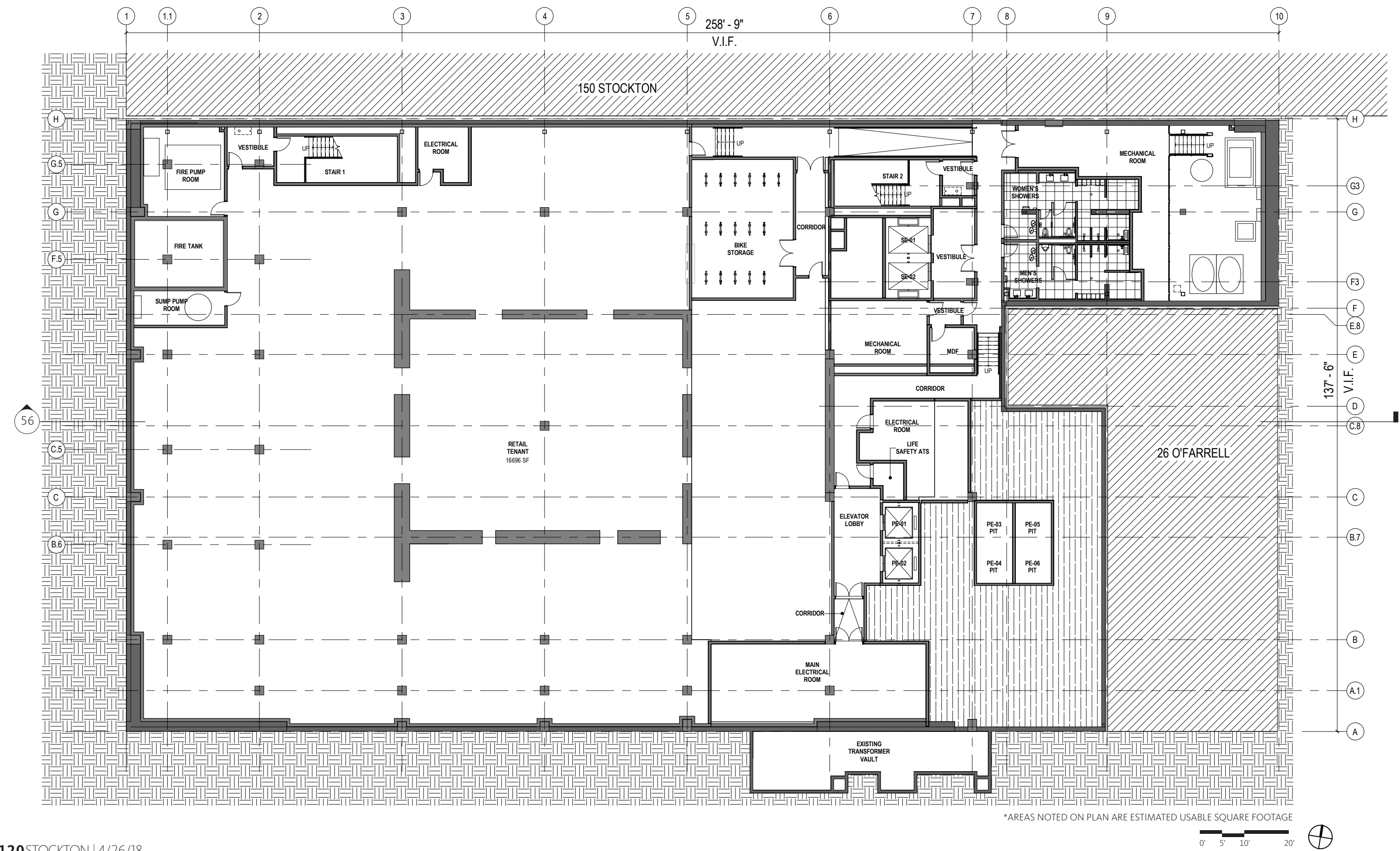
EXISTING SECURITY PACIFIC PLACE FACADE



EXISTING BUILDING SECTION



PROPOSED BASEMENT LEVEL PLAN

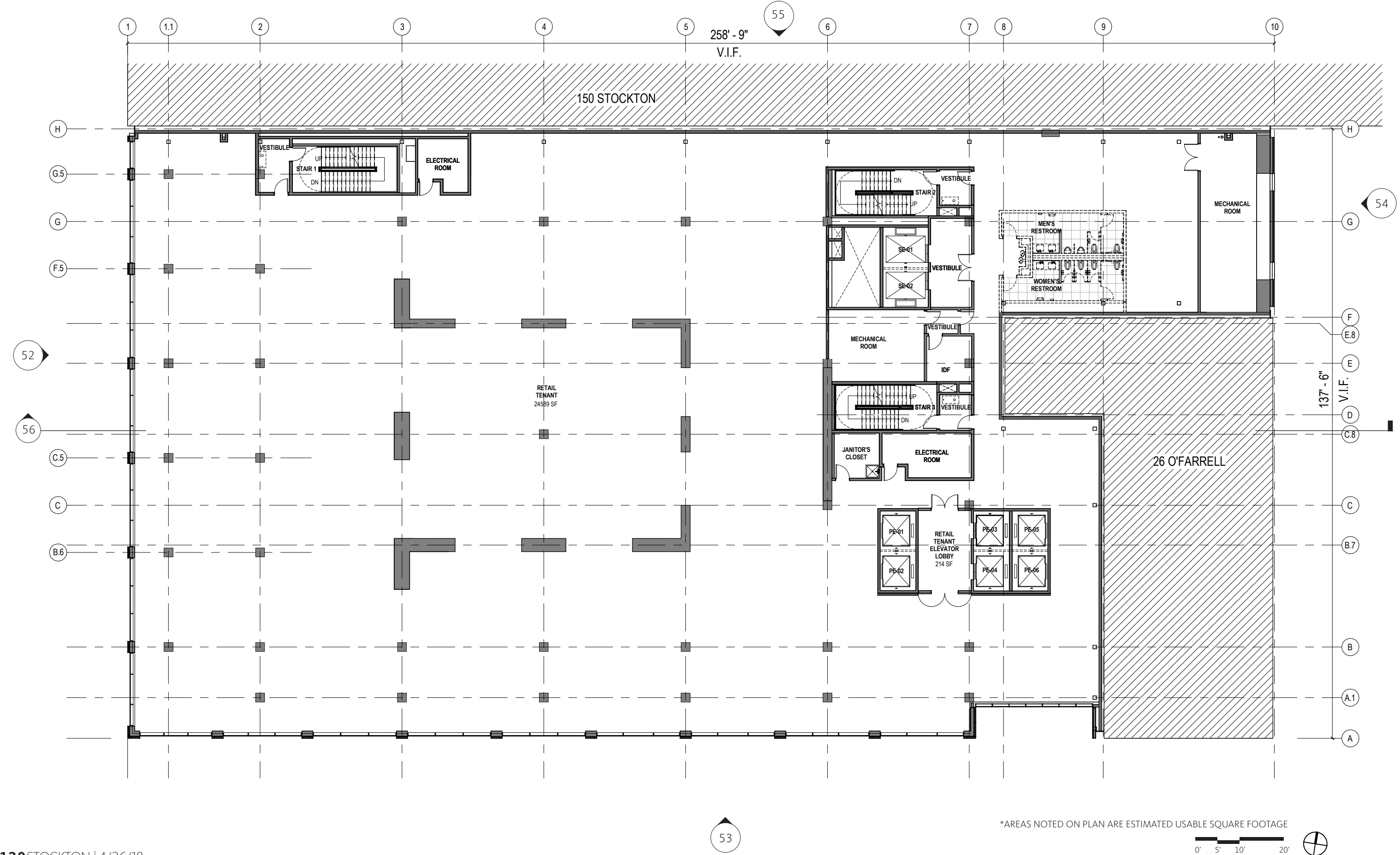


*AREAS NOTED ON PLAN ARE ESTIMATED USABLE SQUARE FOOTAGE

PROPOSED 1ST LEVEL PLAN

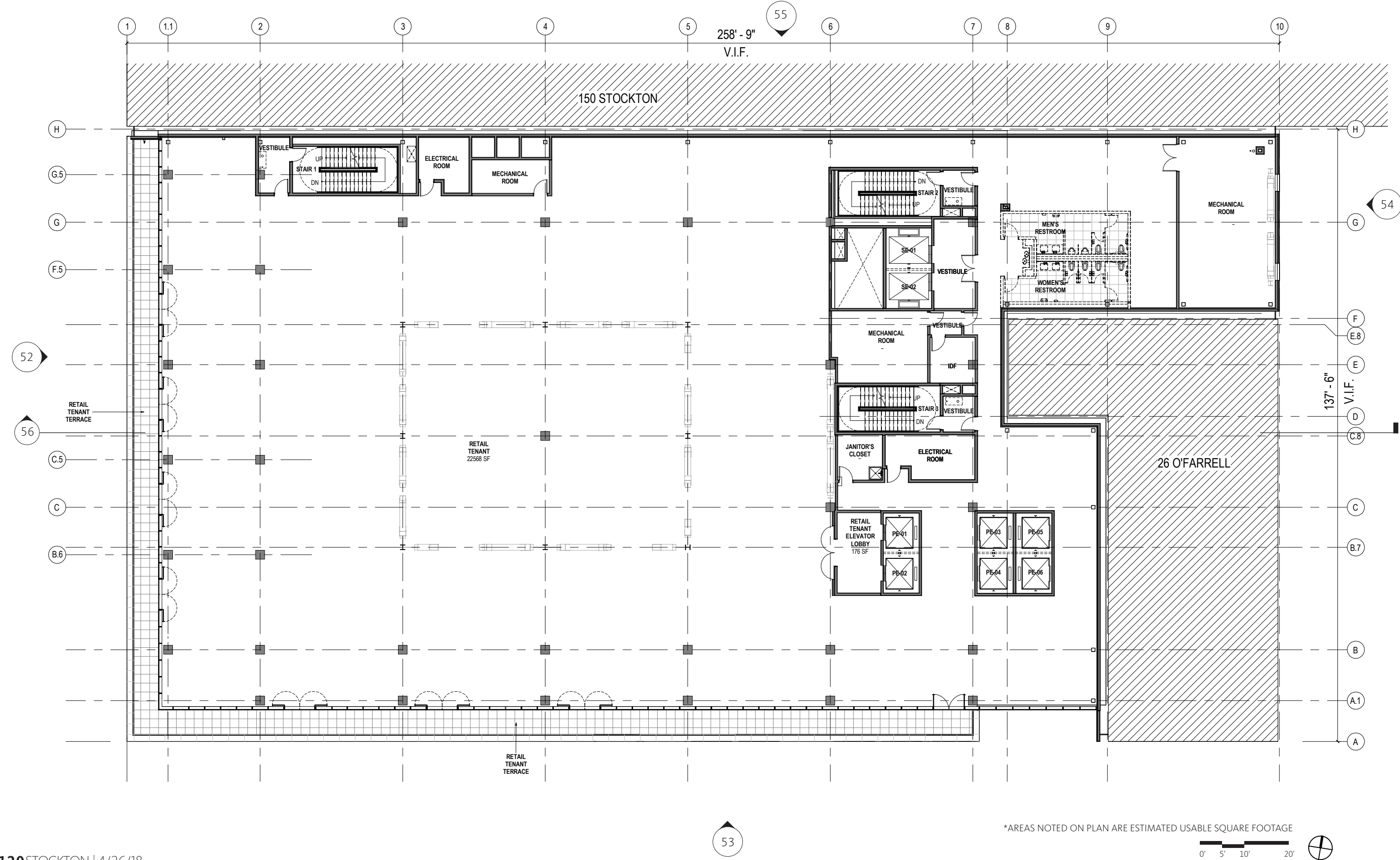


PROPOSED 2ND LEVEL PLAN

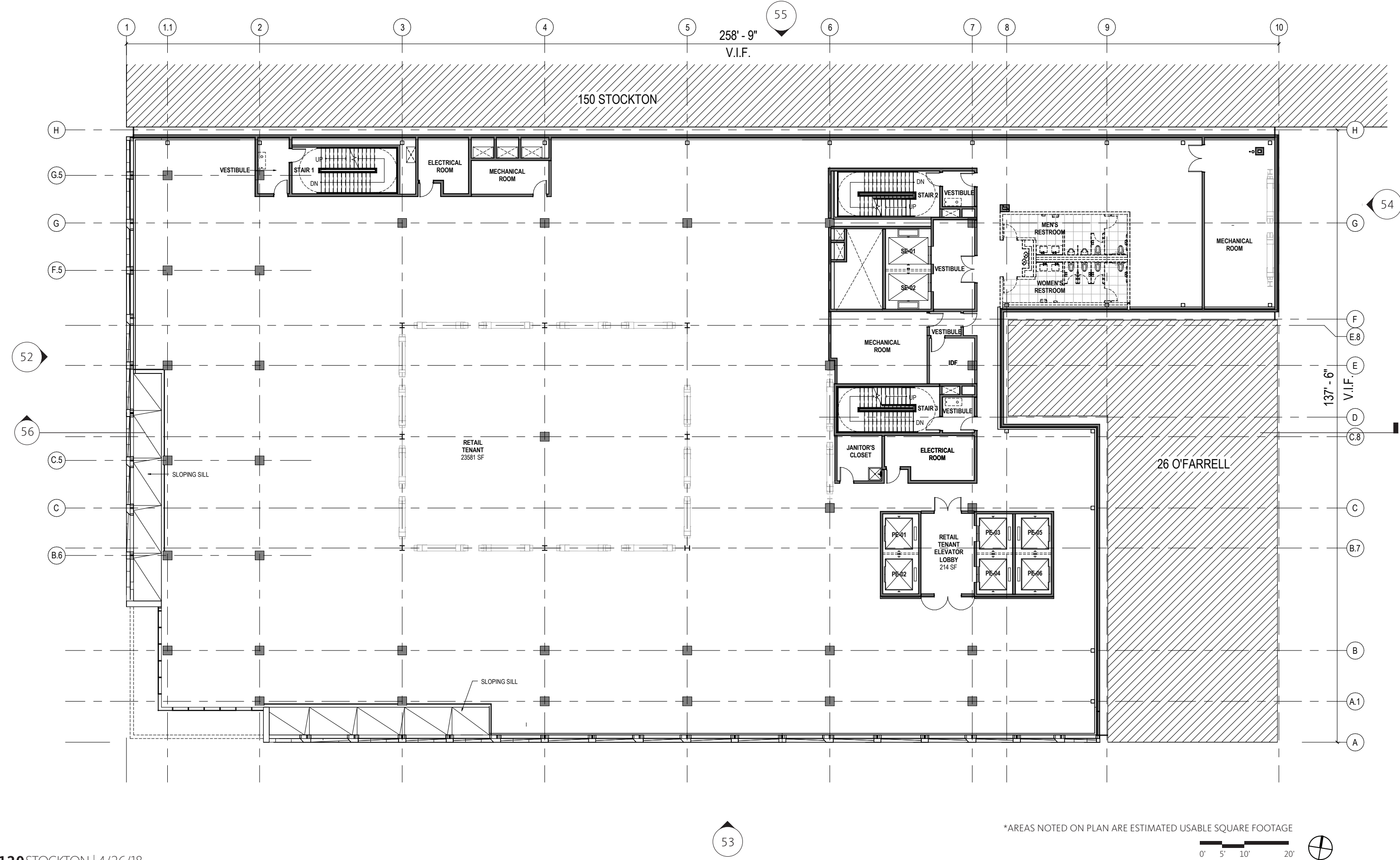


*AREAS NOTED ON PLAN ARE ESTIMATED USABLE SQUARE FOOTAGE

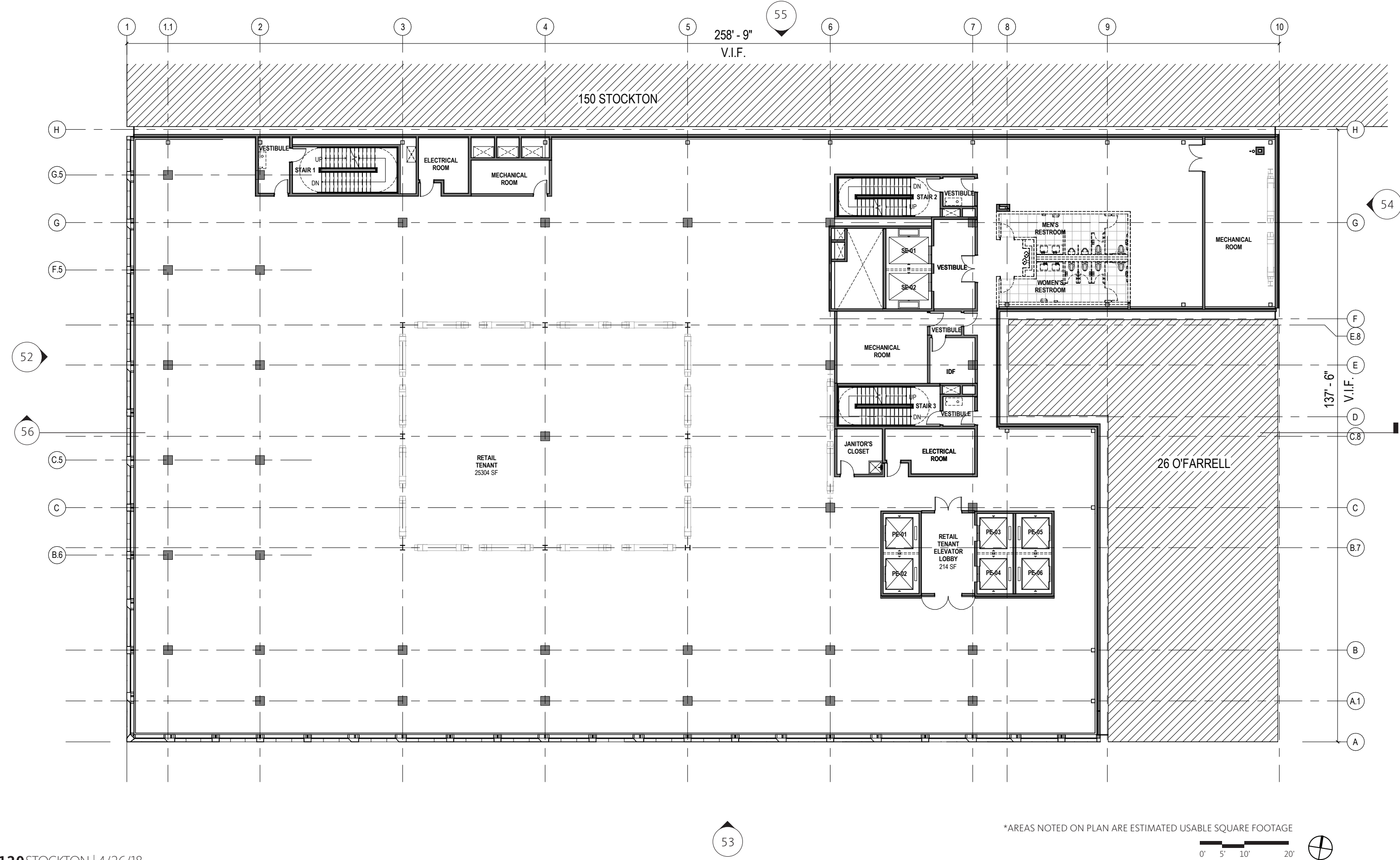
PROPOSED 3RD LEVEL PLAN



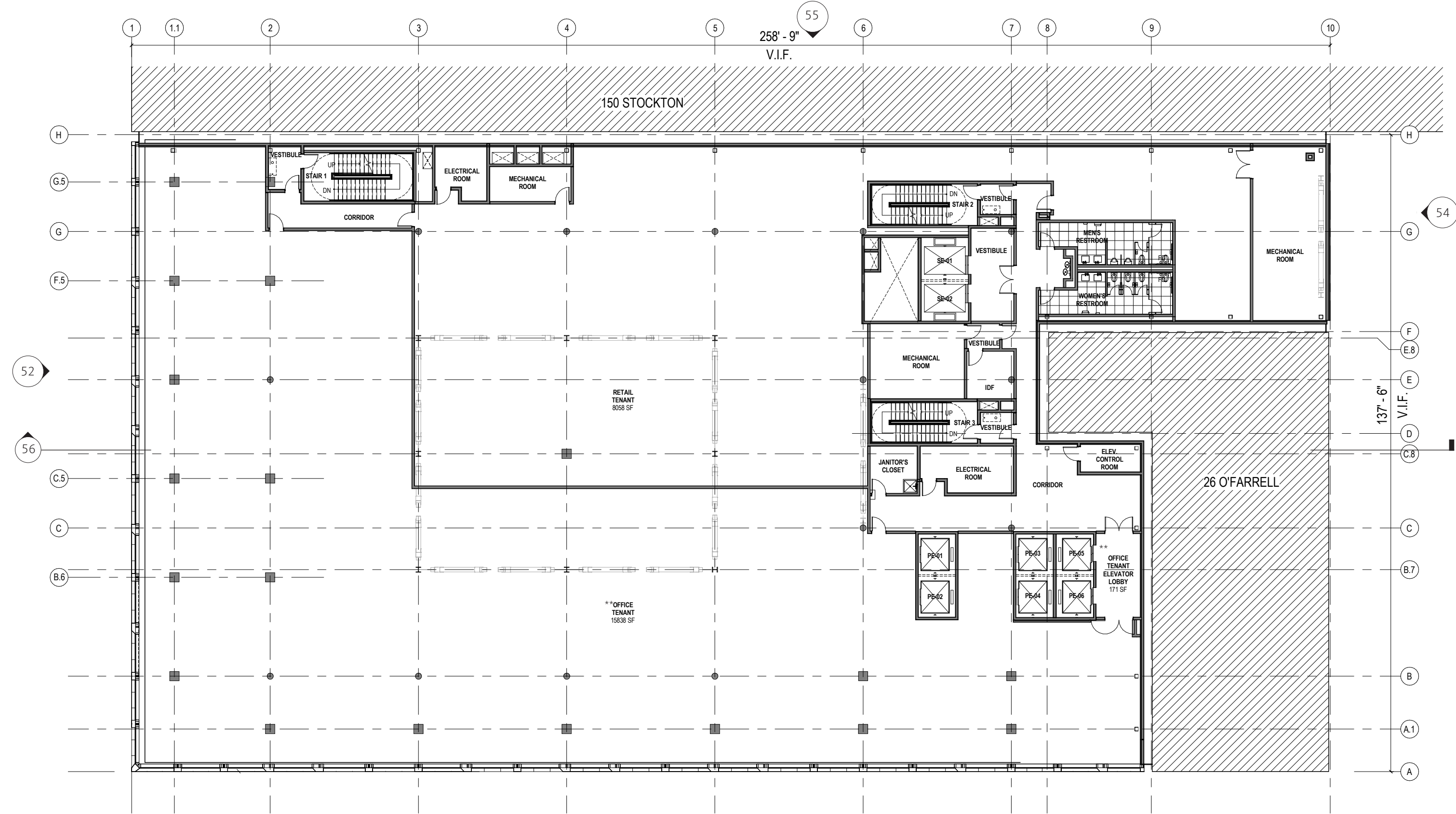
PROPOSED 4TH LEVEL PLAN



PROPOSED 5TH LEVEL PLAN

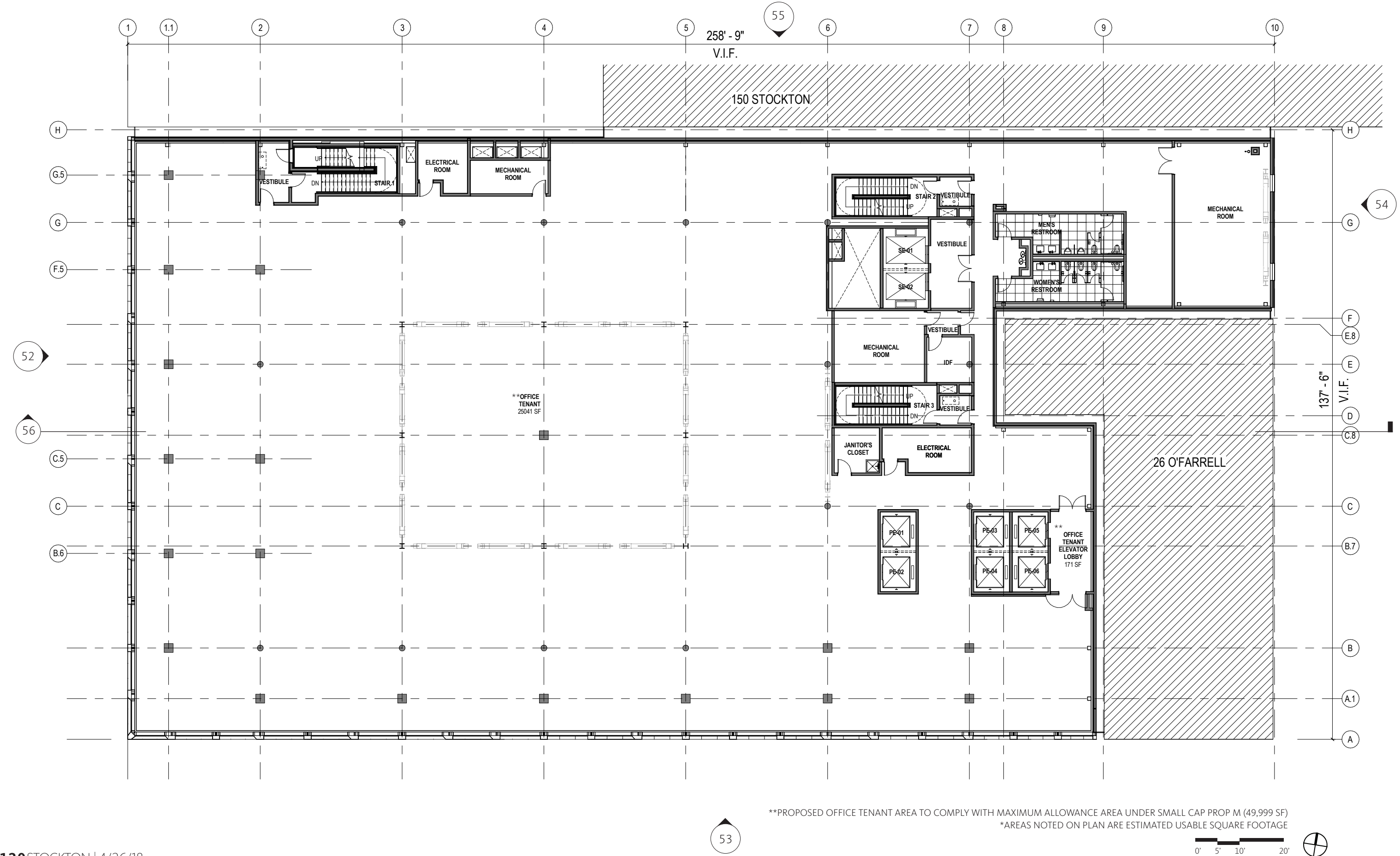


PROPOSED 6TH LEVEL PLAN



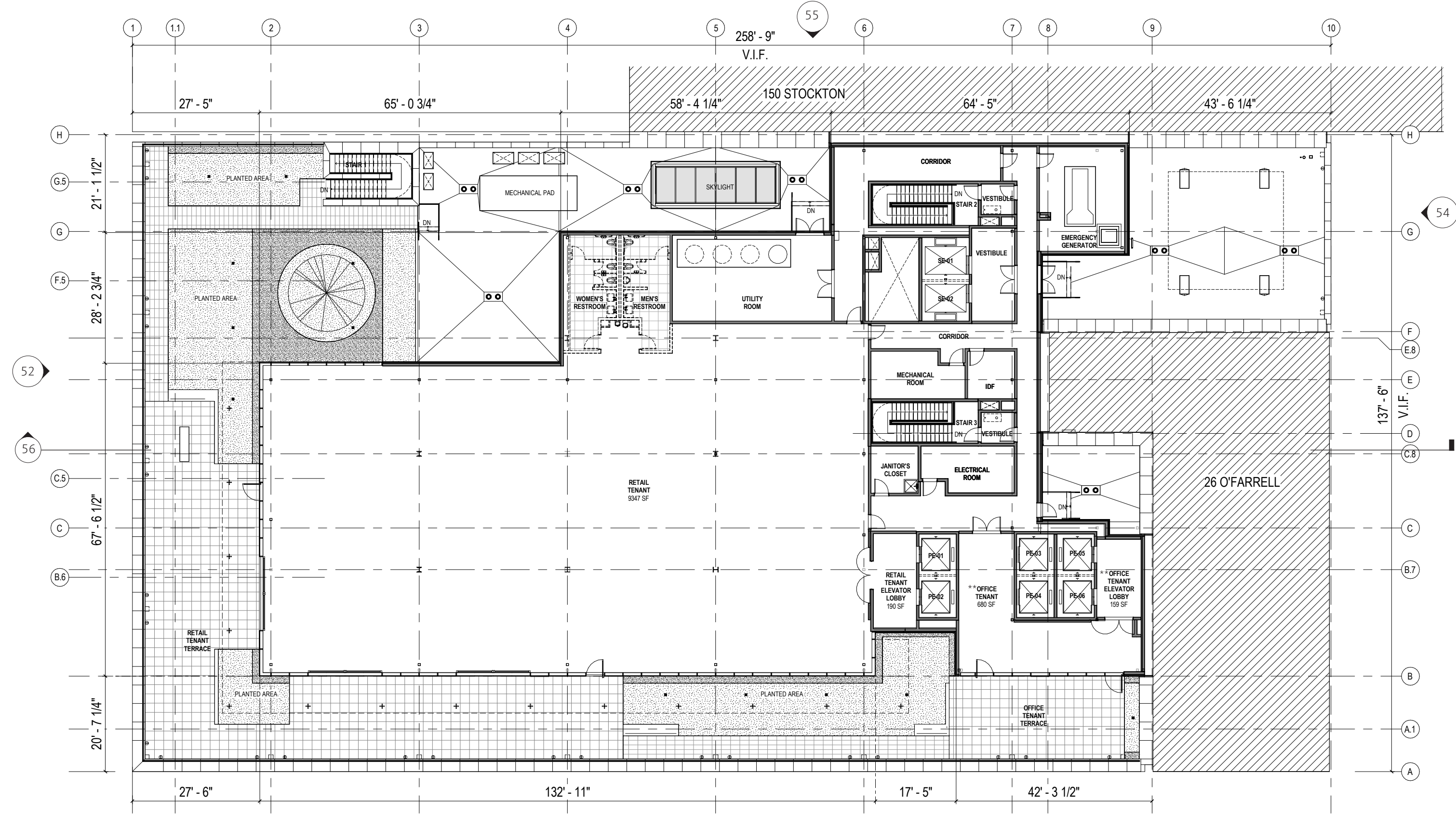
**PROPOSED OFFICE TENANT AREA TO COMPLY WITH MAXIMUM ALLOWANCE AREA UNDER SMALL CAP PROP M (49,999 SF)
*AREAS NOTED ON PLAN ARE ESTIMATED USABLE SQUARE FOOTAGE

PROPOSED 7TH LEVEL PLAN



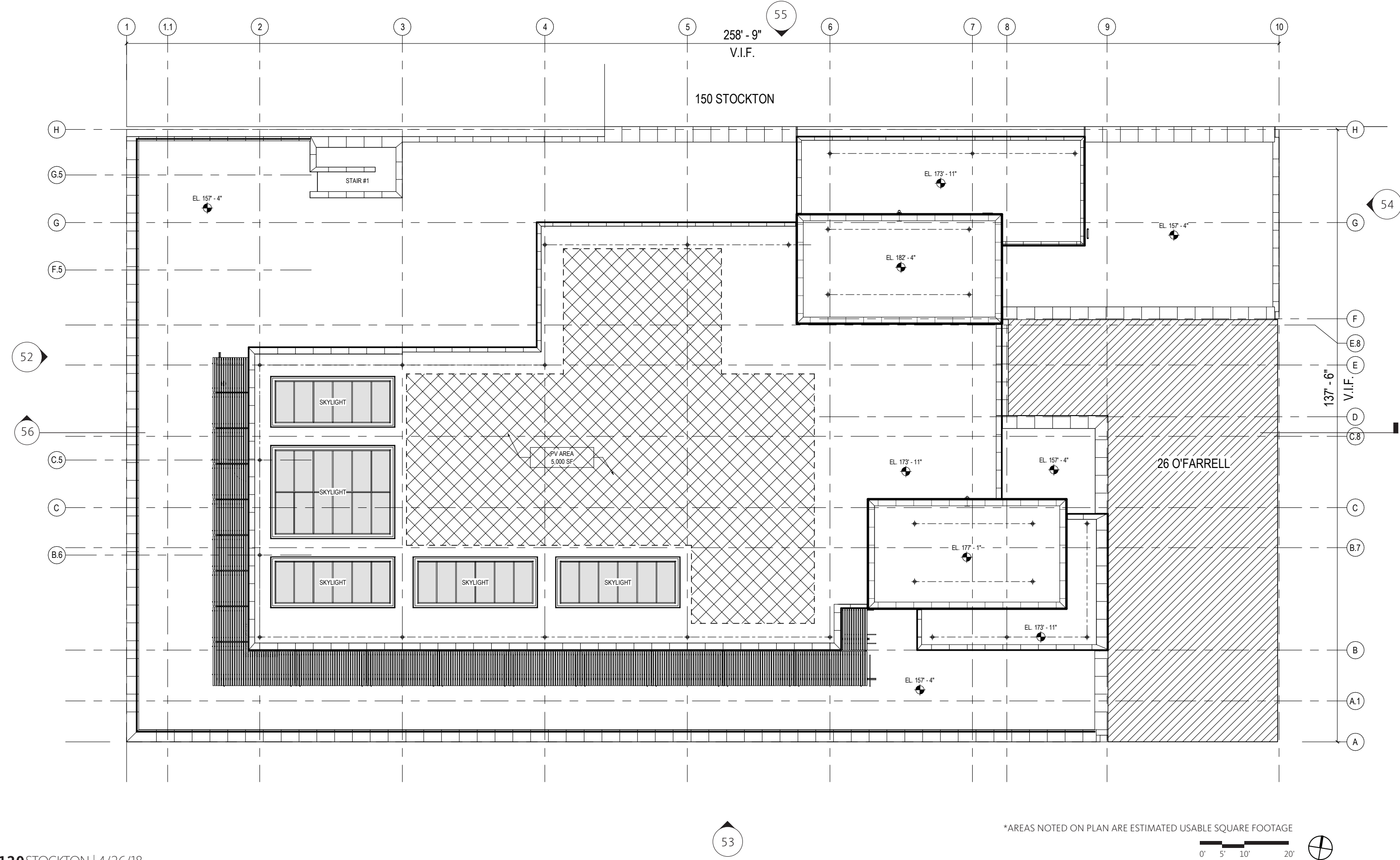
**PROPOSED OFFICE TENANT AREA TO COMPLY WITH MAXIMUM ALLOWANCE AREA UNDER SMALL CAP PROP M (49,999 SF)
*AREAS NOTED ON PLAN ARE ESTIMATED USABLE SQUARE FOOTAGE

PROPOSED 8TH LEVEL PLAN

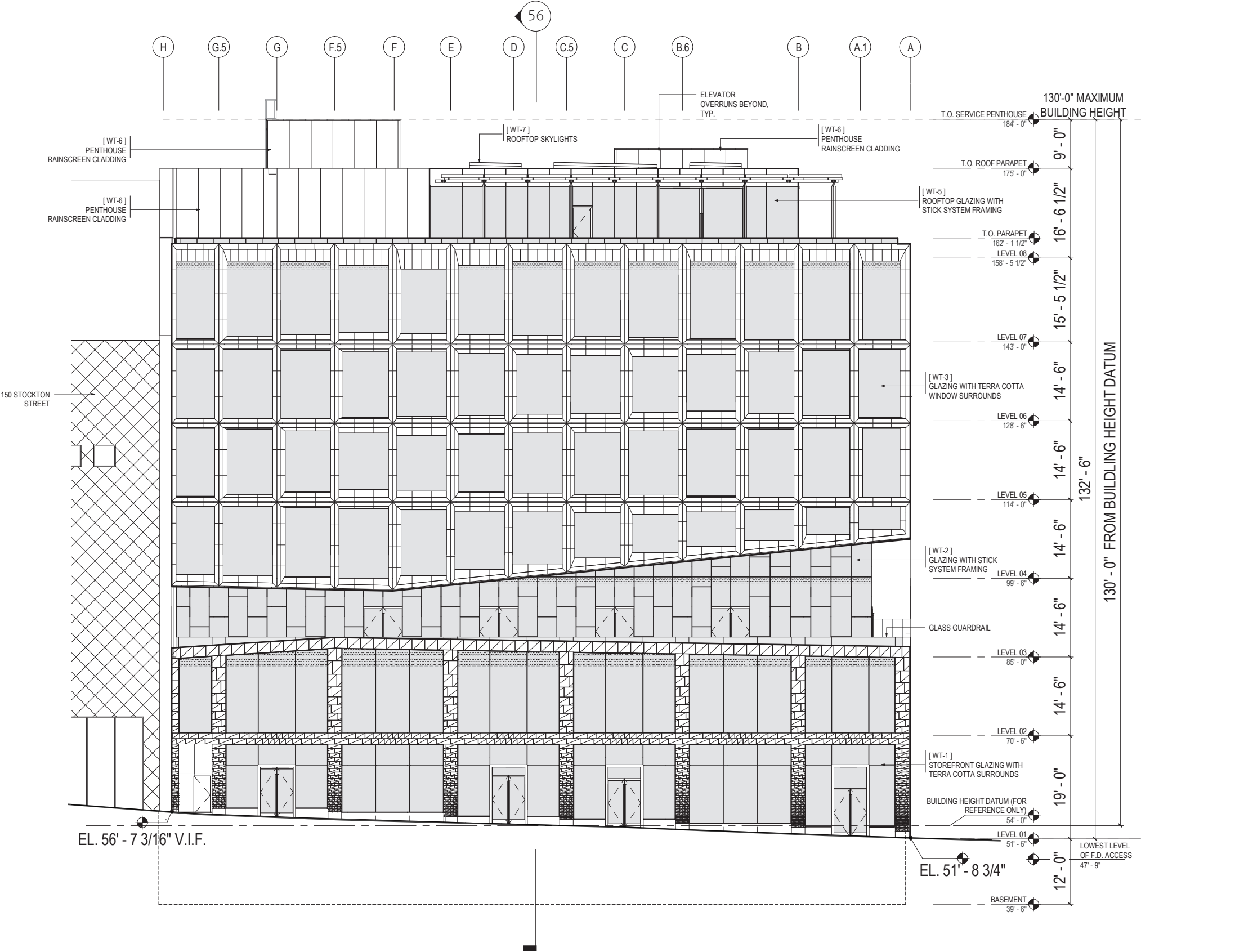


**PROPOSED OFFICE TENANT AREA TO COMPLY WITH MAXIMUM ALLOWANCE AREA UNDER SMALL CAP PROP M (49,999 SF)
*AREAS NOTED ON PLAN ARE ESTIMATED USABLE SQUARE FOOTAGE

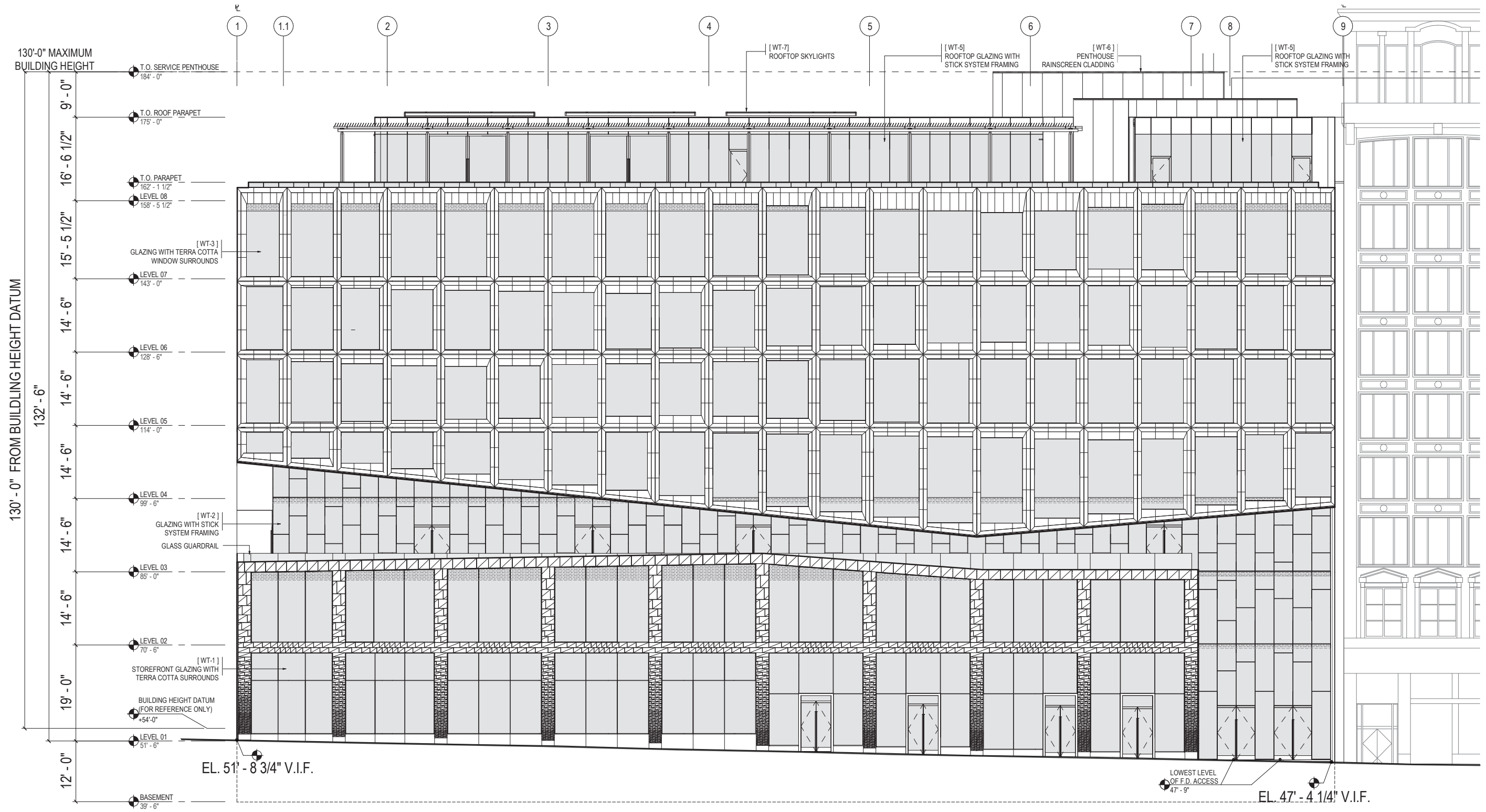
PROPOSED ROOF PLAN



PROPOSED STOCKTON STREET FACADE

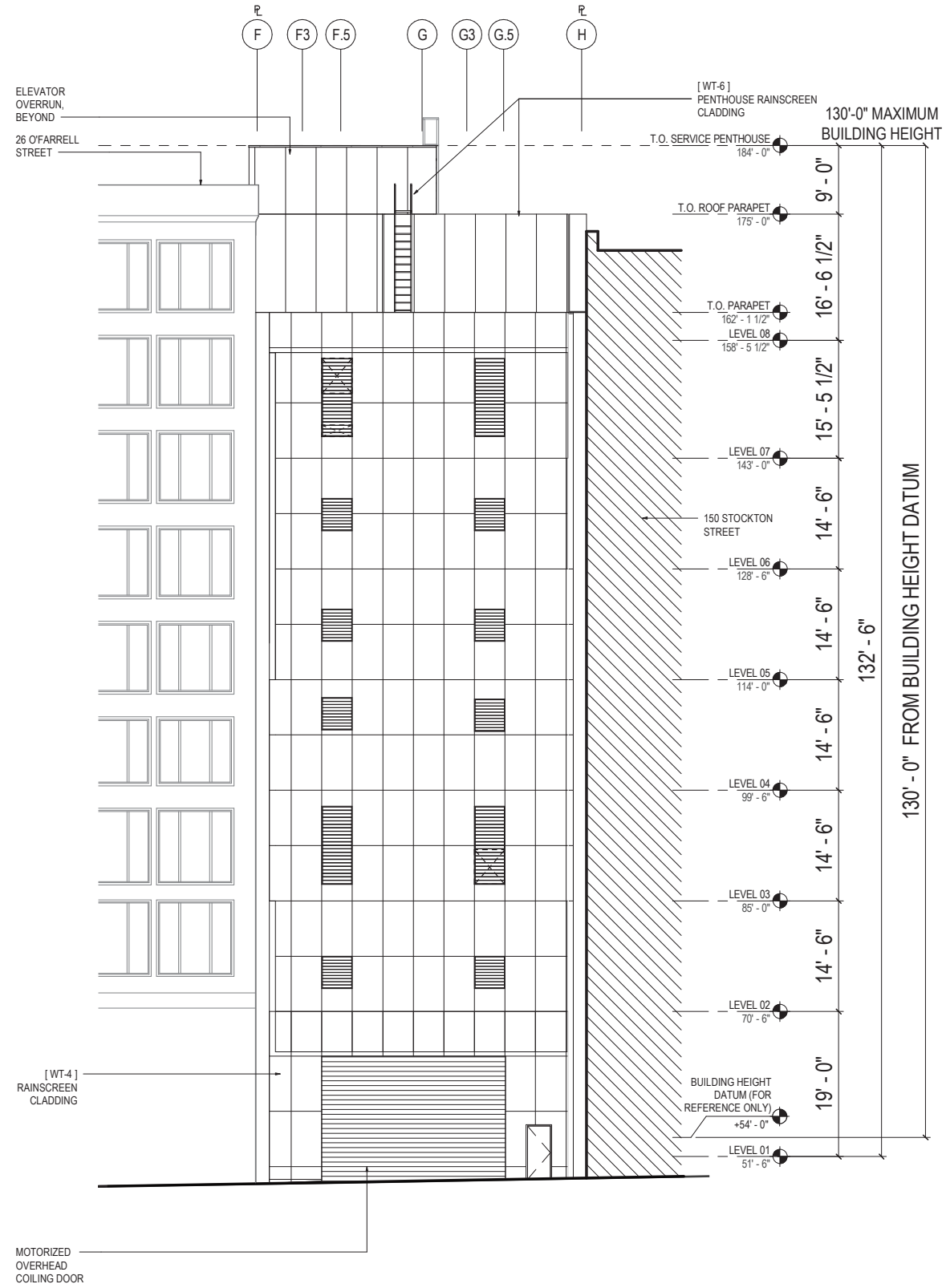


PROPOSED O'FARRELL STREET FACADE



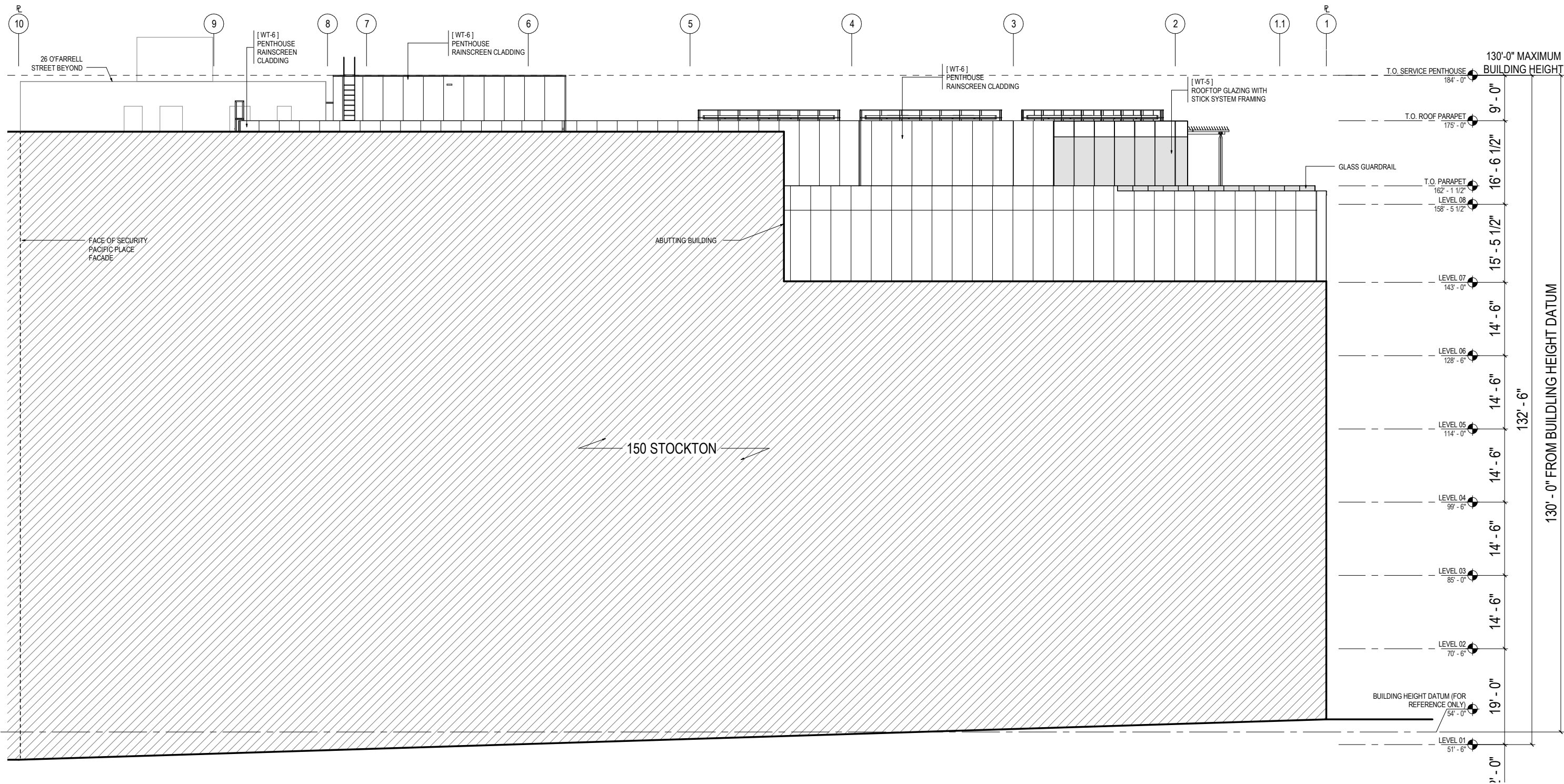
NOTE: 11'-0" DISCREPANCY BETWEEN EXISTING AND PROPOSED ELEVATION DATUM IS DUE TO CHANGE IN SAN FRANCISCO CITY DATUM WHICH OCCURED BETWEEN 1974 & 2017.

PROPOSED SECURITY PACIFIC PLACE FACADE

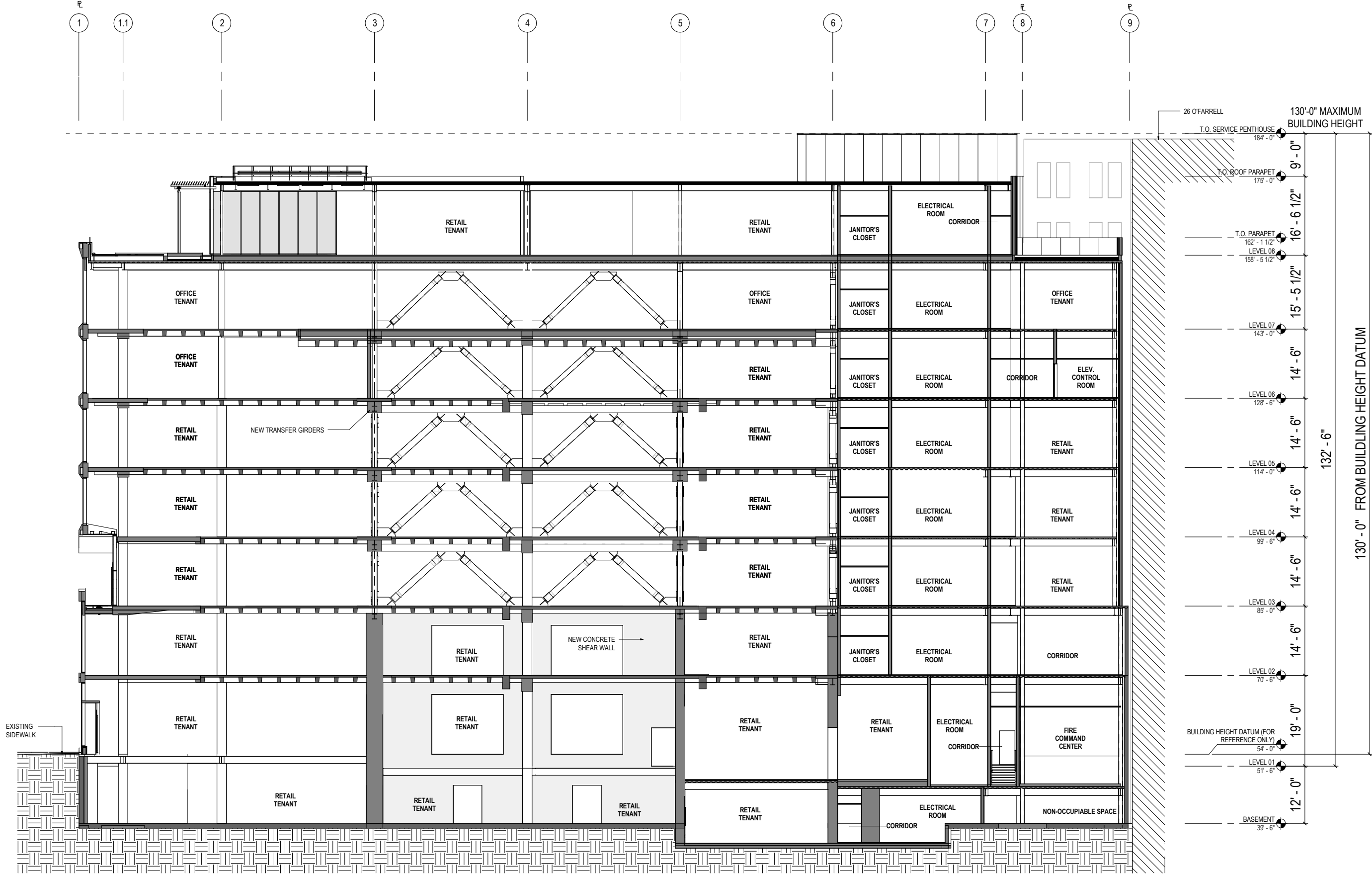


NOTE: 11'-0" DISCREPANCY BETWEEN EXISTING AND PROPOSED ELEVATION DATUM IS DUE TO CHANGE IN SAN FRANCISCO CITY DATUM WHICH OCCURED BETWEEN 1974 & 2017.

PROPOSED NORTH FACADE



PROPOSED BUILDING SECTION



NOTE: 11'-0" DISCREPANCY BETWEEN EXISTING AND PROPOSED ELEVATION DATUM IS DUE TO CHANGE IN SAN FRANCISCO CITY DATUM WHICH OCCURED BETWEEN 1974 & 2017.