



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use

HEARING DATE: SEPTEMBER 28, 2017

Date: September 18, 2017
Case No.: **2017-006420CUA**
Project Address: **75 FOLSOM STREET UNITS #1005 and #1006**
Zoning: RH-DTR (Rincon Hill Downtown Residential Mixed Use) District
84-X, 105-X, and 85/200-R Height and Bulk District
Block/Lot: 3744/031 and 032
Project Sponsor: Ernie Selander
2095 Jerrold Avenue
San Francisco, CA 94124
Staff Contact: Natalia Kwiatkowska – (415) 575-9185
natalia.kwiatkowska@sfgov.org
Recommendation: Approval with Conditions

1650 Mission St.
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PROJECT DESCRIPTION

The Project Sponsor seeks to merge two dwelling units within an existing 17-story residential building with 67 dwelling units. The Project would merge a 1,365 square foot, two-bedroom, two-bath unit (Unit #1005) with a 1,365 square foot, two-bedroom, two-bath unit (Unit #1006), resulting in a 2,730 square foot four-bedroom, four-bath, two-kitchen unit. The Project would add a communicating door between the two units. The Project does not include any changes to the interior layout.

SITE DESCRIPTION AND PRESENT USE

The project site is located on the southeast of Folsom Street between the Embarcadero and Spear Street on Lots 031 and 032 in Assessor's Block 3744. The project site currently contains a 17-story mixed-use residential tower (Hills Plaza) constructed in 1990 as a 67-unit Planned Unit Development and 5-story mixed-use historic building, known as the Hills Brothers Building, constructed in 1924 and designated as an Individual Landmark No. 157 per Article 10 of the Planning Code in 1982. The subject lot is rectangular in shape and measures approximately 275 feet deep by 550 feet wide.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is within the RH-DTR (Rincon Hill Downtown Residential Mixed Use) Zoning District and a 84-X, 105-X, and 85/200-R Height and Bulk district. Uses in the immediate vicinity are primarily multi-family, multi-story residential structures with some office buildings.

ENVIRONMENTAL REVIEW

The project is not a project under CEQA Guidelines Sections 15060(c) and 15378 because there is no direct or indirect physical change in the environment.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	September 8, 2017	September 8, 2017	20 days
Posted Notice	20 days	September 8, 2017	September 8, 2017	20 days
Mailed Notice	10 days	September 8, 2017	September 8, 2017	20 days

PUBLIC COMMENT/OUTREACH

- To date, the Department has not received any correspondence related to the project.
- A Pre-Application meeting was conducted on May 9, 2017. No one attended.

ISSUES AND OTHER CONSIDERATIONS

- Conditional Use Authorization: Per Planning Code Section 303 and 317, the Project requires a Conditional Use Authorization to merge two dwelling units into one dwelling unit.

In addition to the Conditional Use Authorization findings, the Commission must consider separate criteria outlined in Section 317(g)(2). The Project is eliminating owner-occupied housing and is not considered affordable. With residential merger, the property is not maximizing density and reduces a viable residential unit from the market. The Project would merge two existing two-bedroom, two-bathroom units through the addition of a communicating door between the two units. The project does not include any interior changes to the layout and would retain the same number of bedrooms, baths, and two separate kitchens. The units would continue to be occupied by the project sponsor and his family. The Project does not involve any exterior alterations to the existing building.

The Department recommends approval with conditions of the Conditional Use Authorization.

- Conditions of Approval: The Department recommends approval with conditions of the Conditional Use Authorization. The conditions would eliminate the communicating door if one or both of the units is sold; thus, resulting in two separate, 1,365 square foot, two-bedroom, two-bath units. In addition, the Project Sponsors would be required to retain both kitchens, as well as the bedroom layout within each dwelling unit.
- Project History: The Hills Brothers Building was constructed in 1924 and used primarily for roasting and packing coffee. The building was designated as Landmark No. 157 in 1985.

On November 14, 1985, The Planning Commission authorized the development of a Planned Unit Development known as "Hills Plaza". It authorized the renovation of the Landmark Hills Brothers Building into office space and the construction of a new 17-story, 85-unit mixed-use residential tower to the north of the landmark building. On April 12, 1990 the Commission authorized the reduction of housing units within the residential tower from 85 to 67.

The Planning Code was amended in April 2005 creating the (RH-DTR) Rincon Hill Downtown Residential Mixed-Use District (Section 827) from the existing M-1 (Light Industrial) District.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant Conditional Use Authorization to allow the merging of two dwelling units, pursuant to Planning Code Sections 303 and 317.

BASIS FOR RECOMMENDATION

- The Project would merge two owner-occupied units that are not demonstrably affordable.
- The Project will continue to let the Project Sponsor and his family occupy both of the units, as they currently do.
- The Project would result in the addition of a communicating door between two existing units and would retain the existing layout, separate kitchens, number of bedrooms and bathrooms.
- The Project Sponsor would be required to eliminate the communicating door upon the sale of one or both of the units.
- The Project meets all applicable requirements of the Planning Code and the General Plan.

RECOMMENDATION:	Approval with Conditions
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Attachments:

Draft Motion

Exhibits:

- Parcel Map
- Sanborn Map
- Zoning Map
- Height & Bulk Maps
- Aerial Photographs
- Context Photo

Project Sponsor submittal, including:

- Reduced Plans
- Context Photos

Attachment Checklist

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

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

NK

Planner's Initials



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

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

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Planning Commission Draft Motion

HEARING DATE: SEPTEMBER 28, 2017

Case No.: 2017-006420CUA
Project Address: 75 FOLSOM STREET UNITS #1005 and #1006
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ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 303 AND 317 OF THE PLANNING CODE FOR A DWELLING UNIT MERGER OF A 1,365 SQUARE FOOT, TWO-BEDROOM, TWO-BATH DWELLING UNIT (UNIT #1005) WITH A 1,365 SQUARE FOOT, TWO-BEDROOM, TWO-BATH DWELLING UNIT (UNIT #1006) AT 75 FOLSOM STREET IN ASSESSOR'S BLOCK 3744, LOTS 031 AND 032 WITHIN THE RH-DTR (RINCON HILL DOWNTOWN RESIDENTIAL MIXED USE ZONING DISTRICT AND THE 84-X, 105-X, AND 85/200-R HEIGHT AND BULK DISTRICT.

PREAMBLE

On May 23, 2017, Ernie Selander (Project Sponsor) filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Sections 303 and 317 to merge two dwelling units at 75 Folsom Street within the RH-DTR (Rincon Hill Downtown Residential Mixed Use) Zoning District and a 84-X, 105-X, and 85/200-R Height and Bulk District.

On September 28, 2017, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2017-006420CUA.

The project is not a project under CEQA Guidelines Sections 15060(c) and 15378 because there is no direct or indirect physical change in the environment.

The Planning Commission Secretary is the custodian of records, located in the File for Case No. 2017-006420CUA 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 authorizes the Conditional Use requested in Application No. 2017-006420CUA, 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. **Project Description.** The Project Sponsor seeks to merge two dwelling units within an existing 17-story residential building with 67 dwelling units. The Project would merge a 1,365 square foot, two-bedroom, two-bath unit (Unit #1005) with a 1,365 square foot, two-bedroom, two-bath unit (Unit #1006), resulting in a 2,730 square foot four-bedroom, four-bath, two-kitchen unit. The Project would add a communicating door between the two units. The Project does not include any changes to the interior layout.
3. **Site Description and Present Use.** The project site is located on the southeast of Folsom Street between the Embarcadero and Spear Street on Lots 031 and 032 in Assessor’s Block 3744. The project site currently contains a 17-story mixed-use residential tower (Hills Plaza) constructed in 1990 as a 67-unit Planned Unit Development and 5-story mixed-use historic building, known as the Hills Brothers Building, constructed in 1924 and designated as an Individual Landmark No. 157 per Article 10 of the Planning Code in 1982. The subject lot is rectangular in shape and measures approximately 275 feet deep by 550 feet wide.
4. **Surrounding Properties and Neighborhood.** The project site is within the RH-DTR (Rincon Hill Downtown Residential Mixed Use) Zoning District and a 84-X, 105-X, and 85/200-R Height and Bulk district. Uses in the immediate vicinity are primarily multi-family, multi-story residential structures with some office buildings.
5. **Public Comment.** To date, the Department has not received any correspondence related to the Project. The Project Sponsor conducted a Pre-Application Meeting on May 9, 2017. No one attended this meeting.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Residential.** Planning Code Section 827.46 principally permits residential uses.

The Project will merge two existing dwelling units within the building and does not propose any changes to the aforementioned land use; the merged units will remain as a residential use.

- B. **Rear Yard and Site Coverage.** Planning Code Section 827.12 permits 100 percent lot coverage, and does not require a rear yard for the project site.

The Project and adjacent Hills Brothers Building cover the majority of the subject lot, and is consistent with Planning Code Section 827.12. The Project will merge two existing dwelling units within the building and does not propose any exterior alterations to the building or rear yard configuration.

- C. **Residential Usable Open Space.** Planning Code Sections 135 and 827.49 require a minimum of 75 square feet of usable private or common open space per dwelling unit.

Unit 1005 is provided with a 480 square foot deck; Unit 1006 is provided with a 480 square foot deck as well. The new merged unit would be provided with 960 square feet of usable open space.

- D. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, public alley at least 25-ft in width, side yard at least 25-ft in width, or rear yard, which meets the requirements of the Planning Code. Alternatively, an open area (whether an inner court or a space between separate buildings on the same lot) which is unobstructed (except for fire escapes not projecting more than necessary for safety and in no case more than 4'-6", chimneys, and those obstructions permitted in Sections 136(c)(14), (15), (16), (19), (20) and (29) of this Code) and is no less than 25 feet in every horizontal dimension for the floor at which the Dwelling Unit in question is located and the floor immediately above it, with an increase of five feet in every horizontal dimension at each subsequent floor can satisfy the exposure requirement.

The Project proposes a dwelling unit merger at Units 1005 and 1006, both of which front a public street.

- E. **Off-Street Parking.** Planning Sections 827.50 and 151.1 of the Planning Code permit one off-street parking space for each two dwelling units, where none are required.

Both of the existing dwelling units have two designated off-street residential parking spaces. As part of the dwelling unit merger, the off-street parking count will not be affected, no additional parking is required.

- F. **Residential Density.** Planning Code Section 827.47 allows dwelling units as a principally permitted use with no residential density subject to the criteria of Section 207.5.

The Project site currently provides 67 dwelling units; thus, the Project would result in 66 dwelling units within the existing building.

- G. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40 percent of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30 percent of the total number of proposed dwelling units contain at least three bedrooms.

Of the 67 dwelling units, the Project is required to provide at least 27 (or 40%) two-bedroom units or 20 (30%) three-bedroom units. The proposal does not eliminate any of the existing bedrooms. The proposal will merge a two-bedroom unit with another two-bedroom unit, resulting in a four-bedroom unit. The proposal will increase the existing percentage of the total number of dwelling units that contain at least three bedrooms.

- H. **Residential Merger – Section 317:** Pursuant to Planning Code Section 317, Conditional Use Authorization is required for applications proposing to combine two or more residential or unauthorized units within a building, or the enlargement of one or more existing units while substantially reducing the size of others by more than 25% of their original floor area, even if the number of units is not reduced. The Planning Commission may reduce the numerical element of this criterion by up to 20% of its value should it deem that adjustment is necessary to implement the intent of Section 317, to conserve existing housing and preserve affordable housing. This Code Section establishes a checklist of criteria that delineate the relevant General Plan Policies and Objectives.

As the Project requires Conditional Use Authorization per the requirements of the Section 317, the additional criteria specified under Section 317 have been incorporated as findings below.

7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:

- A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The Project would not result in any exterior alterations to the existing building, and would not increase the size or intensity of the existing residential uses. The Project would merge two existing dwelling units that have served as individual dwelling units since their construction. The Project would merge two existing dwellings that are not demonstrably affordable as both existing units have been appraised at over \$1,630,000. Pursuant to City's Periodic Adjustment to Numerical Criteria, a single family home valued at or above \$1,630,000 is considered to be unaffordable.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

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

The Project does not involve any exterior alterations to the subject building and will not affect the building envelope.

- ii. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The Project does not trigger additional parking and would not increase the amount of traffic due to the merger of two existing dwelling units on the twenty-third floor.

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

The Project would merge two existing dwelling units and not create any additional noise, glare, dust or odor.

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

The Project does not require any additional landscaping, screening, or open space and does not propose any exterior changes.

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

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

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

The existing building is located in a Rincon Hill Downtown Residential Mixed Use (RH-DTR) Zoning District, where residential uses are principally permitted. The Project proposes to merge two existing residential uses that are principally permitted and conforms to the purposes of the RH-DTR District.

- 8. **Planning Code Section 317(g)(2)** establishes additional findings and criteria for the Planning Commission to consider when reviewing applications to merge residential units. On balance, the Project does comply with said criteria in that:

- A. That the unit would eliminate only owner occupied housing, and if so, for how long the unit proposed to be removed have been owner occupied;

Units 1005 and 1006 are currently owner-occupied by the Project Sponsor. The Project Sponsor purchased and began occupying Unit 1005 in November 2010. Unit 1006 was purchased by the Project Sponsor in January 2015. Unit 1005 is used as bedrooms for the parents and the teenage son. Unit 1006 is used for home offices of the parents, entertaining space for their son, guest bedrooms, and storage. The proposal only includes a communicating door between the two units and no other interior changes are proposed. The Project Sponsor will continue to occupy both units with his family once merged in its current layout.

To facilitate the potential for a future subdivision of this merged residential unit, the Commission had added a condition of approval to remove the communicating door once one or both of the units are sold and revert back to two separate, 1,365 square foot, two-bedroom, two-bathroom units.

- B. Whether removal of the unit(s) and the merger with another is intended for owner occupancy;

The Project Sponsor will occupy the merged unit with his family.

- C. Whether removal of the unit(s) will remove an affordable housing unit as defined in Section 401 of this Code or housing subject to the Residential Rent Stabilization and Arbitration Ordinance;

Neither of the units proposed for merger are designated affordable units under Section 415 of the Planning Code, nor are they subject to the Rent Ordinance as they were constructed after the cut-off date of June 13, 1979. Neither of the units proposed to be merged is subject to the Residential Rent Stabilization and Arbitration Ordinance.

Pursuant to City's Periodic Adjustment to Numerical Criteria, a single family home valued at or above \$1,630,000 is considered to be unaffordable. An appraisal prepared by Market Appraisal Group, dated September 7, 2017, valued Unit #1005 at \$3,000,000. An appraisal prepared by Market Appraisal Group, dated September 30, 2017, valued Unit #1006 at \$3,000,000. Although both of the units exceed the Numerical Criteria, the merging of the two unaffordable units into one unit would cumulatively approach or exceed \$6,000,000; thus, the residential merger would create a unit that is that much more unaffordable than if the two individual units remained as is.

- D. If removal of the unit(s) removes an affordable housing unit as defined in Section 401 of this Code or units subject to the Residential Rent Stabilization and Arbitration Ordinance, whether replacement housing will be provided which is equal or greater in size, number of bedrooms, affordability, and suitability to households with children to the units being removed;

Neither of the units proposed for the residential merger are affordable housing units nor are they subject to the City's Residential Rent Stabilization and Arbitration Ordinance.

- E. How recently the unit being removed was occupied by a tenant or tenants;

The existing building was originally constructed as a 67 unit condominium. The Project Sponsor is not aware of either unit ever being rented. The Project Sponsor purchased and began occupying Unit 1005 in November 2010. Unit 1006 was purchased by the Project Sponsor in January 2015.

- F. Whether the number of bedrooms provided in the merged unit will be equal to or greater than the number of bedrooms in the separate units;

There are no interior changes proposed to the current layout or number of bedrooms, baths, or kitchens. The project only includes a communicating door between the two units. Unit 1005 has two bedrooms, Unit 1006 has two bedrooms, and the proposed merged unit would have four bedrooms.

The Commission has added a condition of approval to retain the bedroom layouts within the two respective units.

- G. Whether removal of the unit(s) is necessary to correct design or functional deficiencies that cannot be corrected through interior alterations;

The Project does not include any interior alterations to the existing layout or number of bedrooms, baths, or kitchens. The project only includes a communicating door between the units that will allow the Project Sponsor and the family to use both units without exiting into the public corridor.

- H. The appraised value of the least expensive Residential Unit proposed for merger only when the merger does not involve an Unauthorized Unit;

Pursuant to City's Periodic Adjustment to Numerical Criteria, a single family home valued at or above \$1,630,000 is considered to be unaffordable. An appraisal prepared by Market Appraisal Group, dated September 7, 2017, valued Unit #1005 at \$3,000,000. An appraisal prepared by Market Appraisal Group, dated September 30, 2017, valued Unit #1006 at \$3,000,000. Both of the units exceed the Numerical Criteria; thus, whether the units are merged or whether they remain in their current configuration, they will remain unaffordable per their most recent property valuation.

Further, both exceed the 80th percentile of San Francisco single-family home values at \$1,630,000, a value previously used as an exemption from the conditional use requirement for dwelling unit mergers under a previous version of Section 317.

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

HOUSING ELEMENT

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.2:

Retain existing housing by controlling the merger of residential units, except where a merger clearly creates new family housing.

OBJECTIVE 3:

Protect the affordability of the existing housing stock, especially rental units.

OBJECTIVE 4:

Foster a housing stock that meets the needs of all residents across lifecycles.

The Project would merge a two-bedroom unit with another contiguous two-bedroom unit on the 10th floor, and would create a larger family-sized residential unit. The newly created unit would be required to maintain four bedrooms. The Housing Element does encourage a housing stock that meets the needs of all

residents across lifecycles. The new proposed residential merger would permit a family to occupy the merged unit together.

RINCON HILL AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1

ENCOURAGE THE DEVELOPMENT OF A UNIQUE DYNAMIC, MIXED-USE RESIDENTIAL NEIGHBORHOOD CLOSE TO DOWNTOWN, WHICH WILL CONTRIBUTE SIGNIFICANTLY TO THE CITY'S HOUSING SUPPLY.

OBJECTIVE 1.2

MAXIMIZE HOUSING IN RINCON HILL TO CAPITALIZE ON RINCON HILL'S CENTRAL LOCATION ADJACENT TO DOWNTOWN EMPLOYMENT AND TRANSIT SERVICE, WHILE STILL RETAINING THE DISTRICT'S LIVABILITY.

OBJECTIVE 1.5

ADD LIFE AND ACTIVITY TO THE DISTRICT'S PUBLIC SPACES BY PROVIDING ACTIVE USES ON STREET-FACING GROUND FLOORS.

Policy 1.1

Allow housing as a principally permitted use throughout the district.

Policy 1.3

Eliminate the residential density limit to encourage the maximum amount of housing possible within the allowable building envelope.

Policy 1.4

Require parking to be located primarily underground so that the allowable above-ground building envelope can be used for housing.

75 Folsom Street was approved, entitled and constructed with 67 dwelling units. Allowing the residential merger will decrease the total dwelling unit count to 66. However, after the residential merger, the proposed residential use which is principally permitted in the RH-DTR will remain.

Housing

OBJECTIVE 2.1

PROVIDE QUALITY HOUSING IN A PLEASANT ENVIRONMENT THAT HAS ADEQUATE ACCESS TO LIGHT, AIR, OPEN SPACE AND NEIGHBORHOOD AMENITIES, AND THAT IS BUFFERED FROM EXCESSIVE NOISE.

OBJECTIVE 2.3

ENCOURAGE NEW HOUSING PRODUCTION OF AN ADEQUATE SIZE AND CONFIGURATION TO SERVE FAMILIES.

Policy 2.4

Require 40 percent of all units in new development to be two or more bedroom units.

The Project will increase the existing percentage of dwelling units with at least three bedrooms.

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

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

The proposal is a residential project and neighborhood retail uses will not be affected.

- 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 would merge two existing units that are considered unaffordable as they exceed \$1,630,000 in valuation and are owner-occupied. The Project Sponsor owns both units and would continue to own and occupy the merged unit and therefore, the cultural and economic diversity of the neighborhood will not be affected.

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

Pursuant to the City's Periodic Adjustment to Numerical Criteria, a single-family home valued at or above \$1,630,000 is considered to be unaffordable. An appraisal prepared by Market Appraisal Group, dated September 7, 2017, valued Unit #1005 at \$3,000,000. An appraisal prepared by Market Appraisal Group, dated September 30, 2017, valued Unit #1006 at \$3,000,000. The Project will not eliminate any units of affordable housing, since the two existing units are not considered to be affordable housing.

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

The Project would merge two existing units and create one larger unit and is not expected to create additional traffic or parking demand as there is no building expansion of gross floor area or increase in number of units.

- 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 would merge two existing residential units and does not propose new commercial office space.

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

The Project will not change the seismic and fire safety standards of the Building.

- G. That landmarks and historic buildings be preserved.

The existing building is located adjacent to Landmark No. 157, known as the Hills Brothers Coffee, which is listed in Article 10 of the San Francisco Planning Code. The proposed merger of the two units will not affect the exterior of the existing building.

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

The Project does not propose any exterior changes. Therefore, the proposed merger will have no effect on the sunlight access of any parks or open space or impair the view from any public vistas.

11. 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.
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 Application No. 2017-006420CUA**, subject to the following conditions attached hereto as "EXHIBIT A," which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94012.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on September 28, 2017.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: September 28, 2017

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow a residential merger of two dwelling units within an existing 67-unit, 18-story residential building. The Project would merge a 1,365 square foot, two-bedroom unit (Unit #1005) with a 1,365 square foot, two-bedroom unit (Unit #1006) located at 75 Folsom Street, Assessor's Block 3744, and Lots 039 and 040, pursuant to Planning Code Sections 303 and 317, within the RH-DTR District and a 105-X, 84-X, 85/200-R Height and Bulk District; in general conformance with plans, dated August 31, 2017, and stamped "EXHIBIT B" included in the docket for Case No. 2017-006420CUA and subject to conditions of approval reviewed and approved by the Commission on September 28, 2017 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 September 28, 2017 under Motion No. XXXXX.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

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

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting PERFORMANCE

1. **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. **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.sf-planning.org

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

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

DESIGN – COMPLIANCE AT PLAN STAGE

6. **Interior Layout.** The Project Sponsor shall maintain four bedrooms, four bathrooms, and two kitchens within the final merged unit design. 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

7. **Communicating Door.** The Project Sponsor shall eliminate the communicating door upon the sale of one or both of the units. This merged dwelling unit shall revert back to two separate 1,365 square foot, two-bedroom, two-bathroom dwelling units after the sale of either dwelling unit.

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

MONITORING - AFTER ENTITLEMENT

8. **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

9. **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.

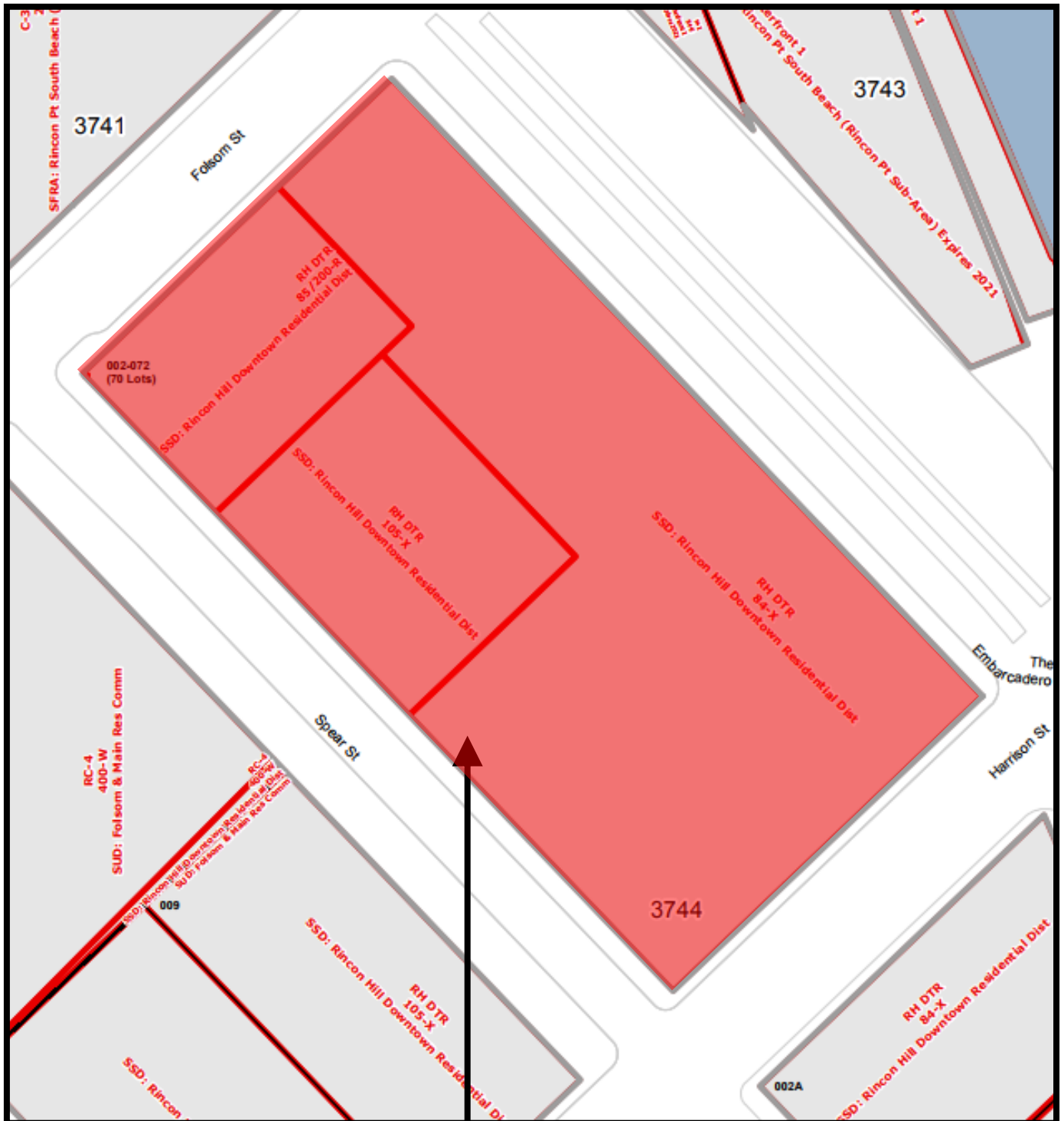
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

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

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

Parcel Map

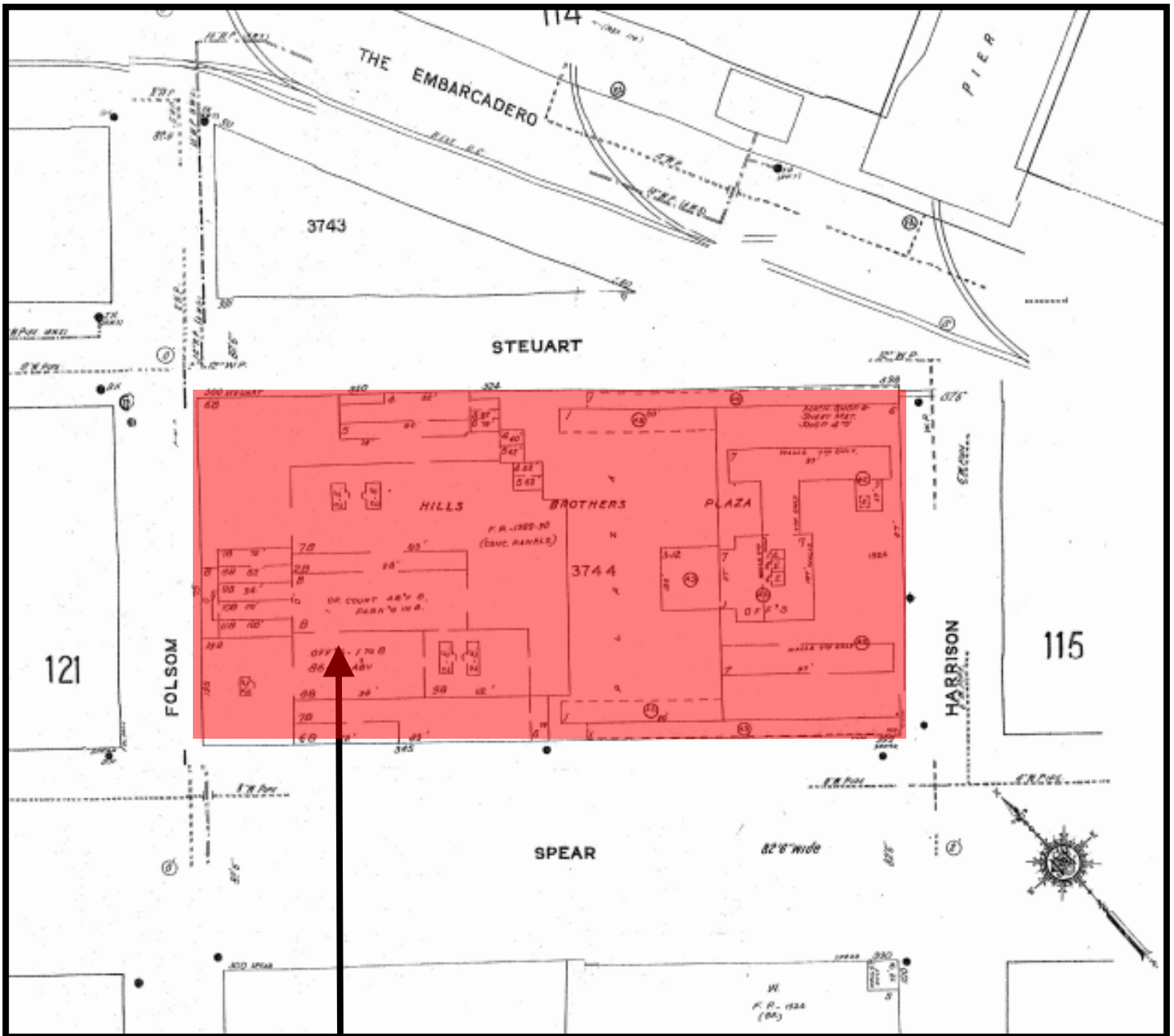


SUBJECT PROPERTY



Conditional Use Authorization
Case Number 2017-006420CUA
75 Folsom Street
Block 3744 Lot 031 and 032

Sanborn Map*



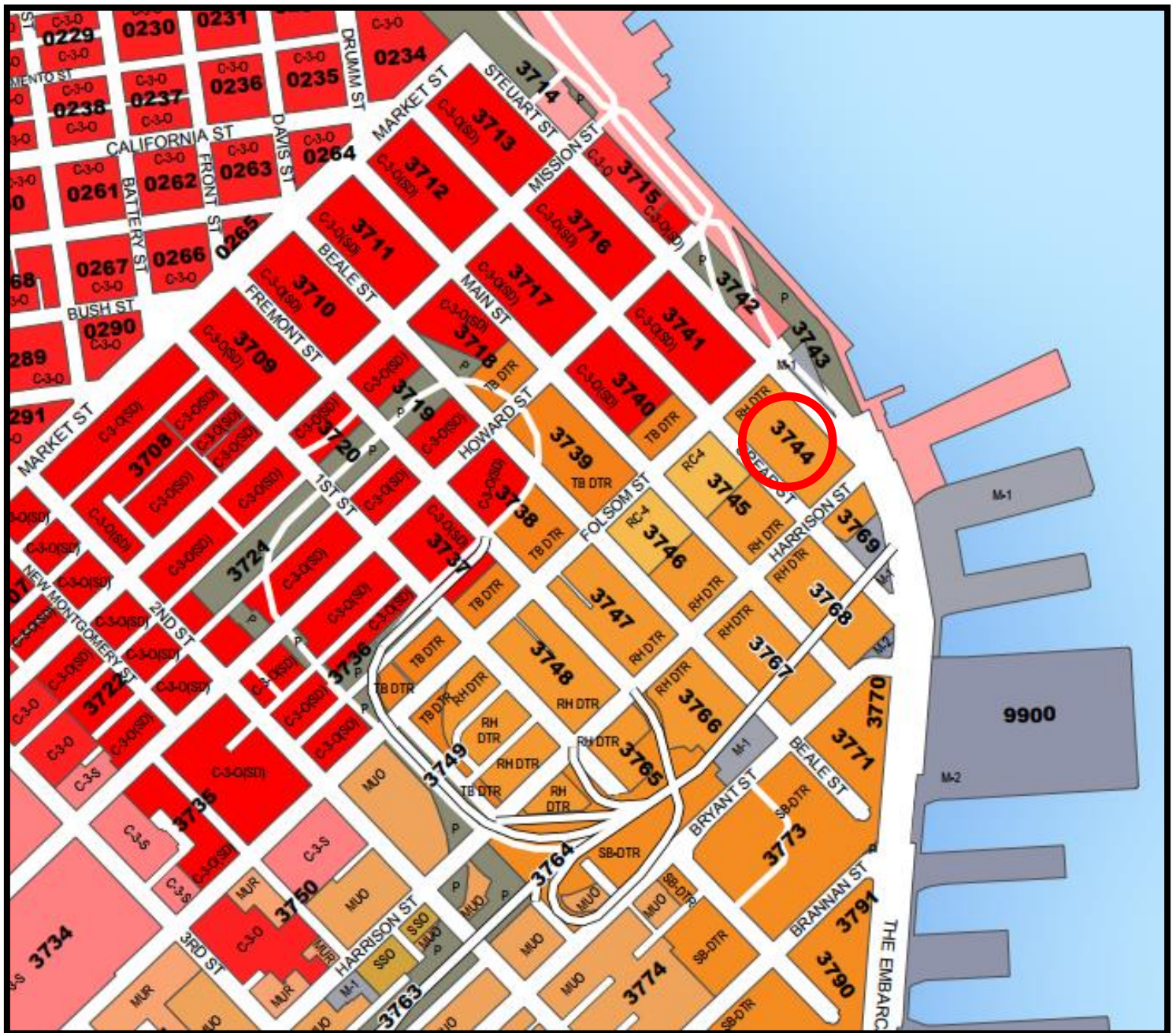
*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.

SUBJECT PROPERTY



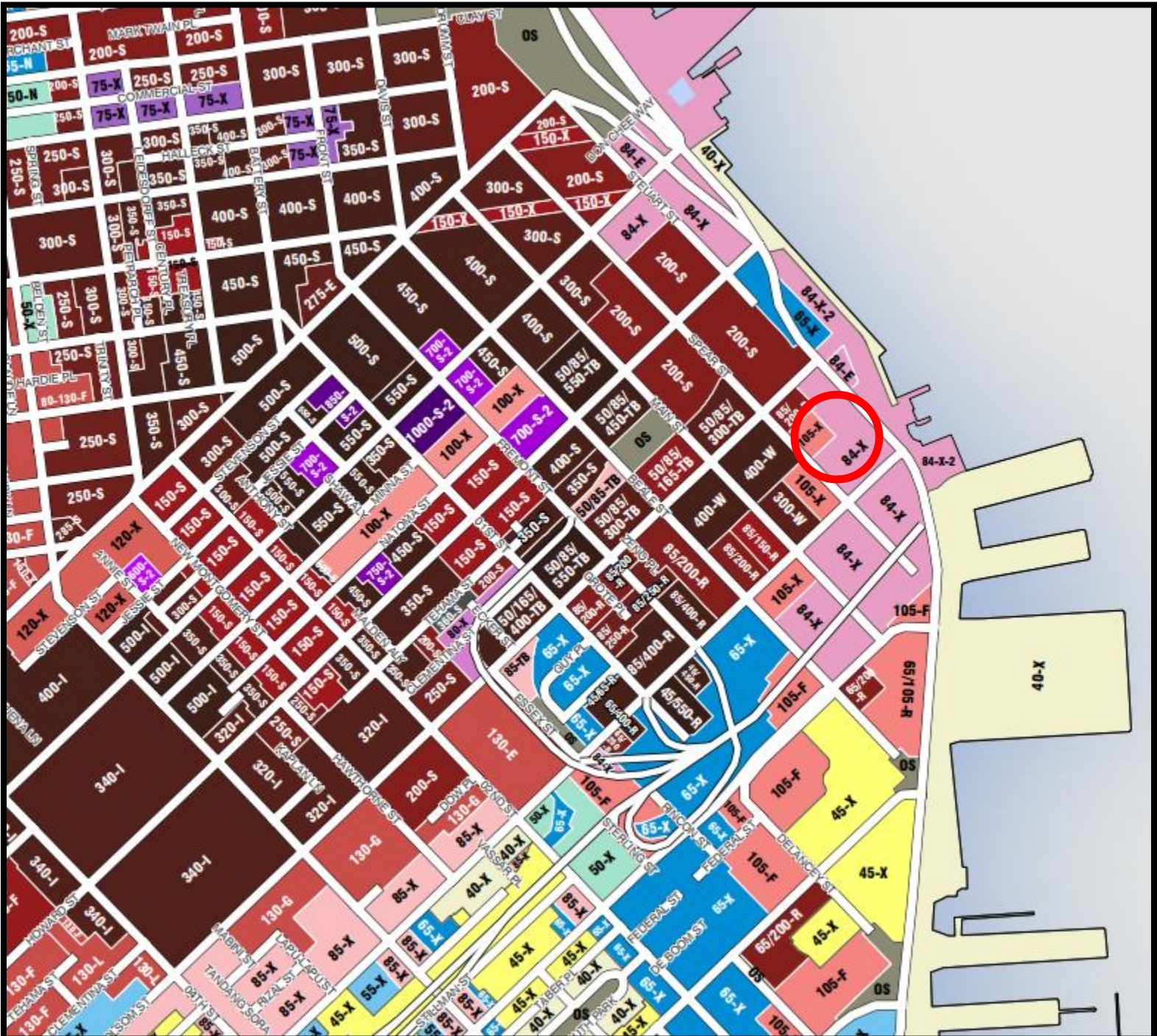
Conditional Use Authorization
Case Number 2017-006420CUA
75 Folsom Street
Block 3744 Lot 031 and 032

Zoning Map



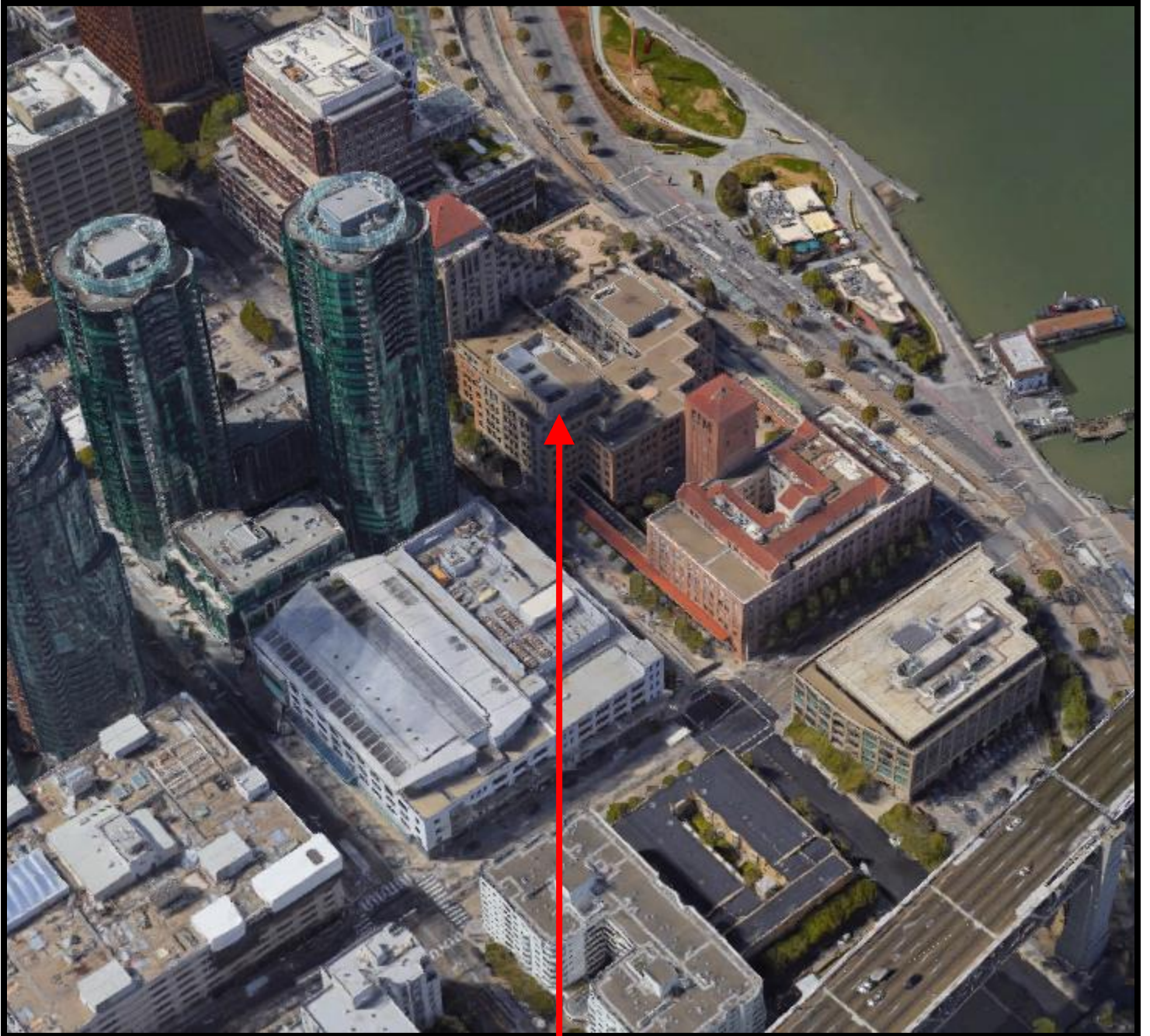
Conditional Use Authorization
Case Number 2017-006420CUA
 75 Folsom Street
 Block 3744 Lot 031 and 032

Height & Bulk Map



Conditional Use Authorization
Case Number 2017-006420CUA
75 Folsom Street
Block 3744 Lot 031 and 032

Aerial Photo

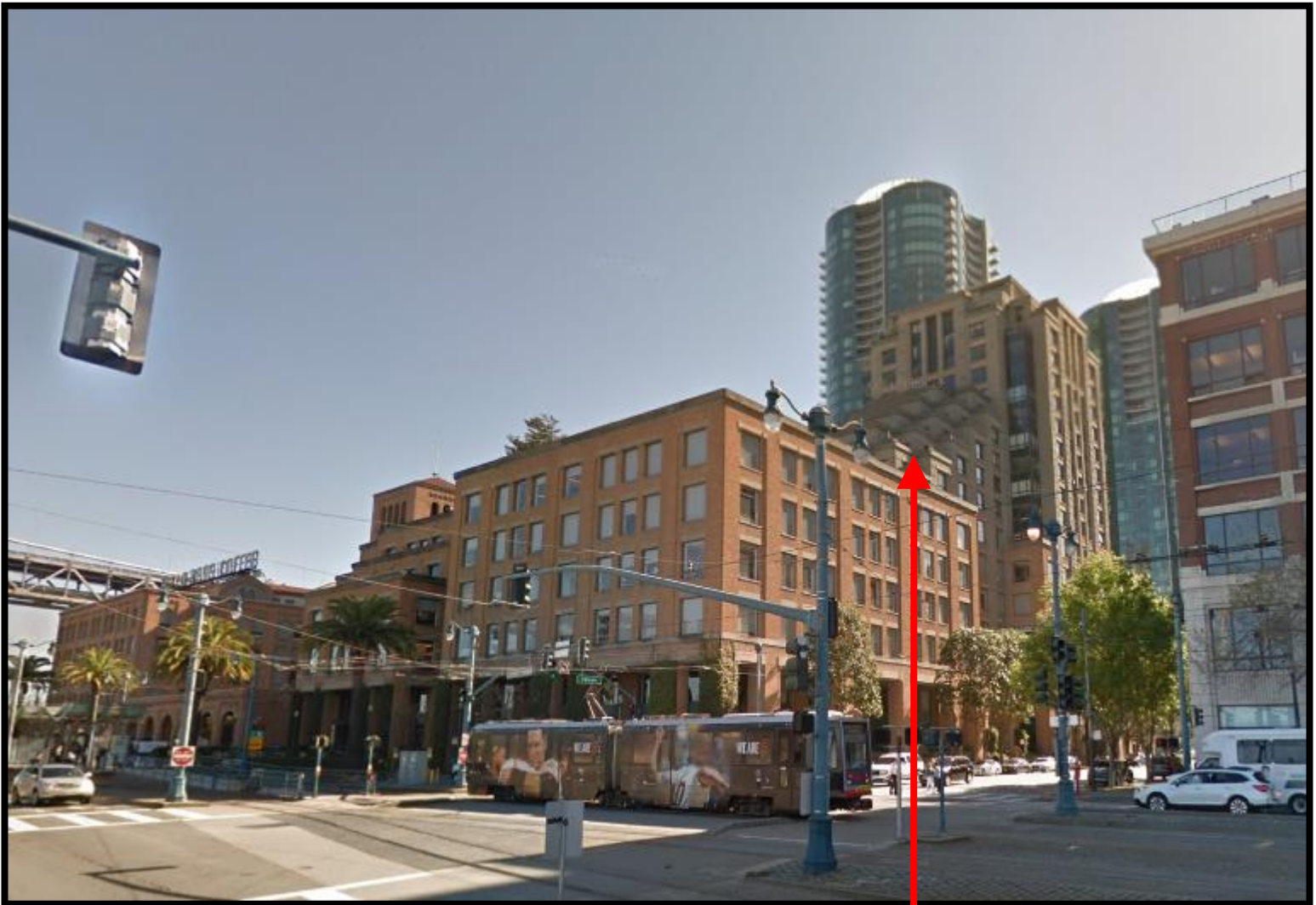


SUBJECT PROPERTY



Conditional Use Authorization
Case Number 2017-006420CUA
75 Folsom Street
Block 3744 Lot 031 and 032

Site Photo

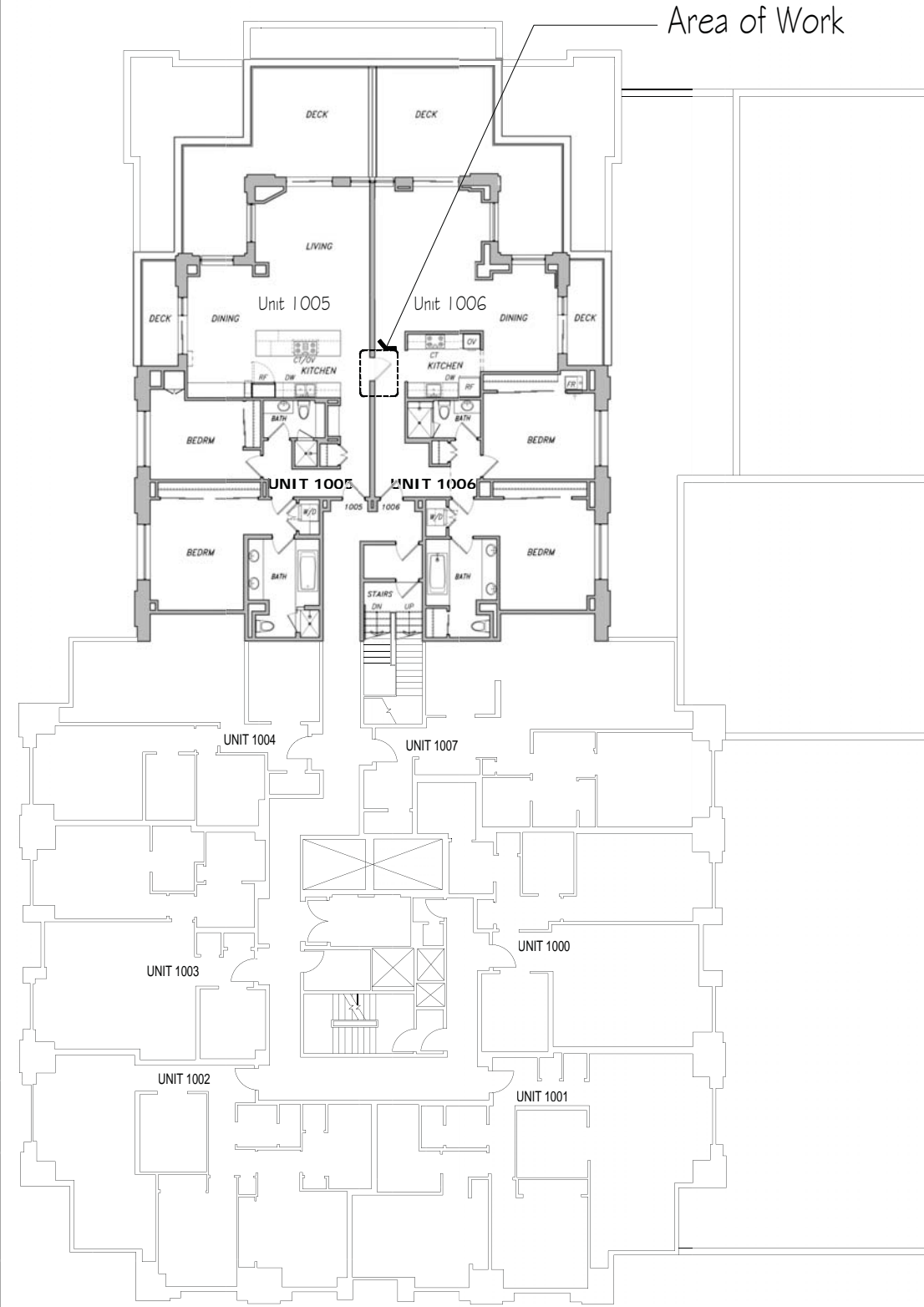


SUBJECT PROPERTY

Conditional Use Authorization
Case Number 2017-006420CUA
75 Folsom Street
Block 3744 Lot 031 and 032

The Embarcadero

Folsom Street



Spear Street

1 10th Floor Plan

Scale: 3/32"=1'-0"

Location Map



Project Description

Add communicating door between units 1005 and 1006.

Address:

75 Folsom St #1005, San Francisco, CA 94105
(Parcel 3744/039)
Area = 1365
75 Folsom St #1006, San Francisco, CA 94105
(Parcel 3744/040)
Area = 1365

Compined Unit Area= 2730

Fire Notes

It is the design professionals judgement, whose signature appears on this drawing, that the design described in this set of drawings and specs does not adversely infringe on the basic life safety of the building.

General Notes

1. These special notes are intended to clarify and specify the work of the various trades, vendors, and subcontractors. They are not intended to be exhaustive specification, but rather notes of concern for this project:
2. All trades shall conform to, but not necessarily be limited to, all of the following requirements:
 - A. Verify all conditions at the site affecting the work. Work to field dimensions as required. Coordinate with the work of others, verifying that their work is sufficiently and appropriately complete for the progress of the work.
 - B. Fabricate and install all work according to the best practices of the trade, per details and dimensions shown, with sharp lines, angles, and smooth surfaces, all true, plumb and level. Joints shall be flush and tight.
 - C. Coordinate all work with interfacing and adjoining work to ensure the best possible durability of the work, materials, and finishes.
 - D. Use only workers skilled and familiar with the work which they are to perform.
 - E. Follow all manufacturer's instructions and recommendations in the installation and application of materials.
3. No one drawing or specification shall "govern." The Contractor shall correlate work between all the various drawings and specifications. It is the explicit and specific responsibility of the Contractor to examine the Contract Documents in their entirety, bring all discrepancies therein to the attention of the Architect, and await resolution before proceeding with any work affected by such discrepancies.

Owner Information

Owners:
David Obershaw
75 Folsom Street, Apt 1005
San Francisco, CA 94105
M: 650-888-8905
E: david@obershaw.com
Architect:
Ernie Selander
Selander Architects
2095 Jerrold Ave. Suite 319
San Francisco, California 94124
M: 415.385.4339
email: ernie@selanderarchitects.net

Building Information

Zoning: M-B/R-2

Building Codes

Applicable building code 2016 CBC and all San Francisco Building, Mechanical, Plumbing, Electrical and Fire Codes and amendments.

Sheet Index

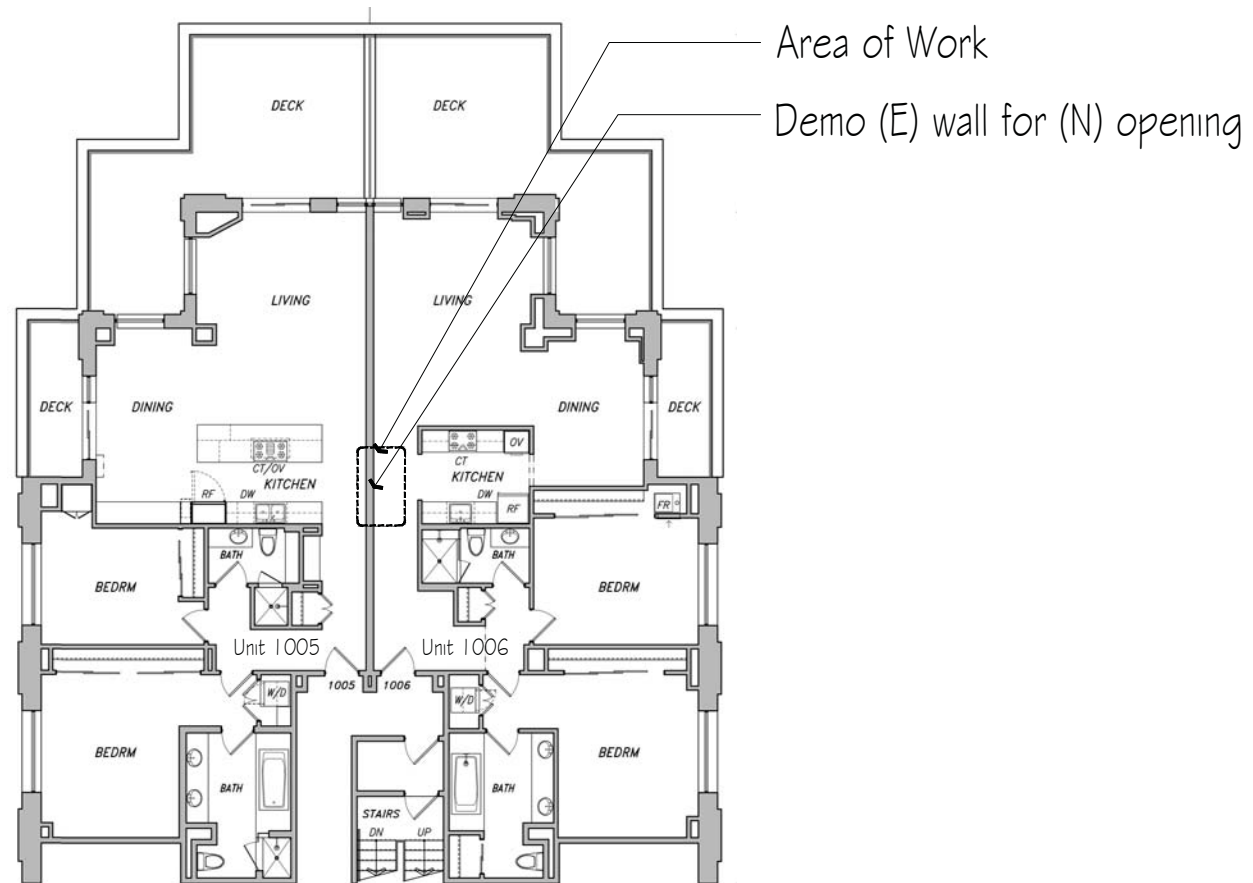
- A1 10th Floor Plan, Project Information
- A2 Existing & Proposed Plans
- A3 Neighborhood Photos


SELANDER ARCHITECTS
2095 Jerrold Avenue, Suite 319, SF, CA 94124
415.385.4339
ernie@selanderarchitects.net

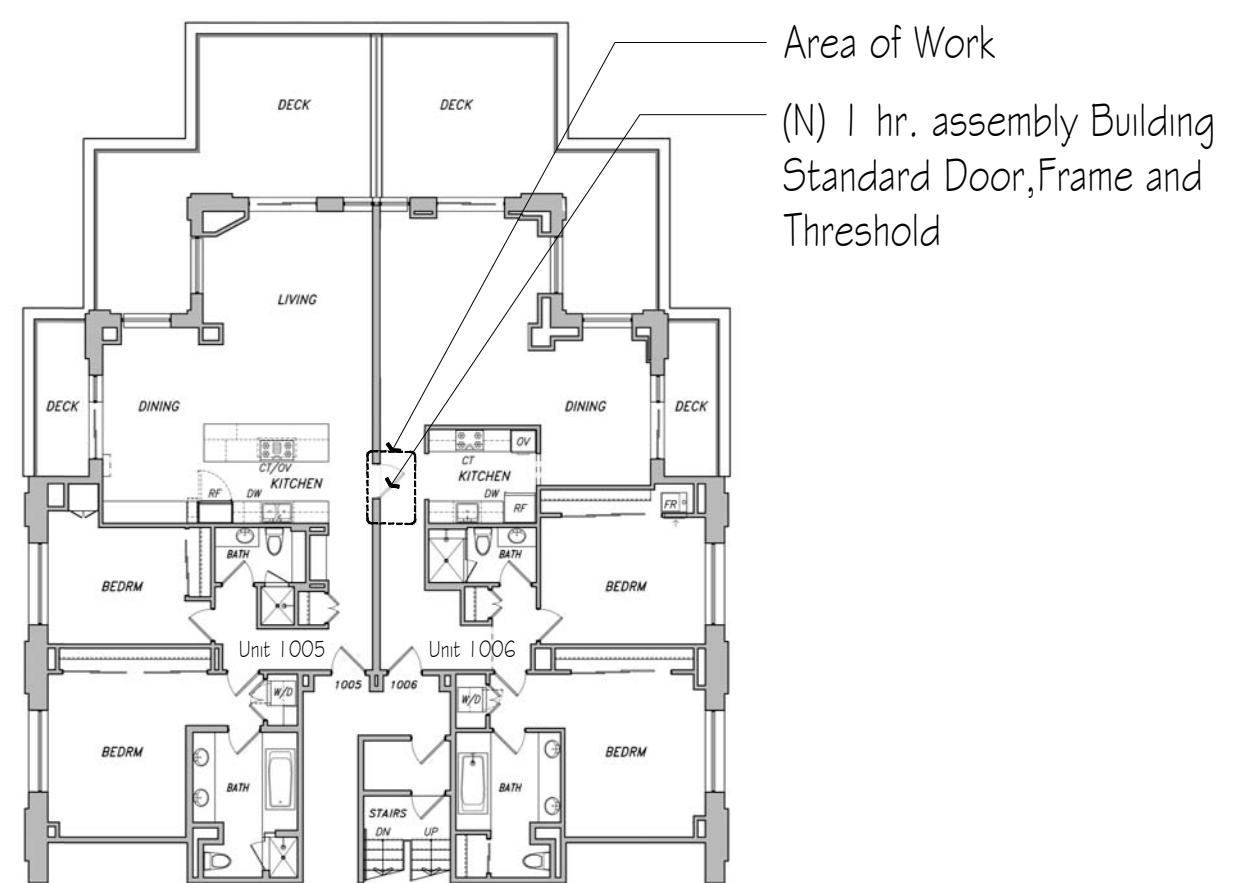
75 Folsom Street Unit 1005
San Francisco, CA 94105
Parcel # 3744/039

Issue:	Date:
Permit	03.08.17
Plot Date:	August 31, 2017
Scale:	As shown

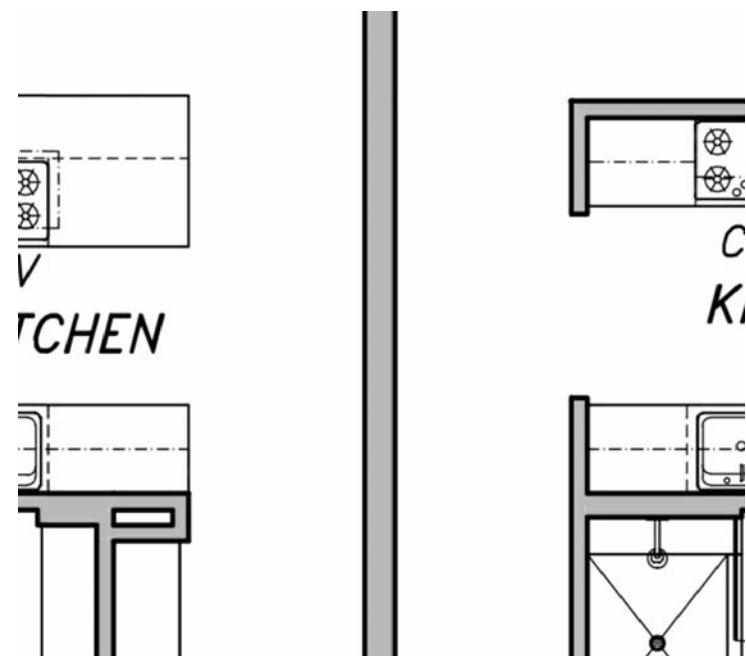
A1



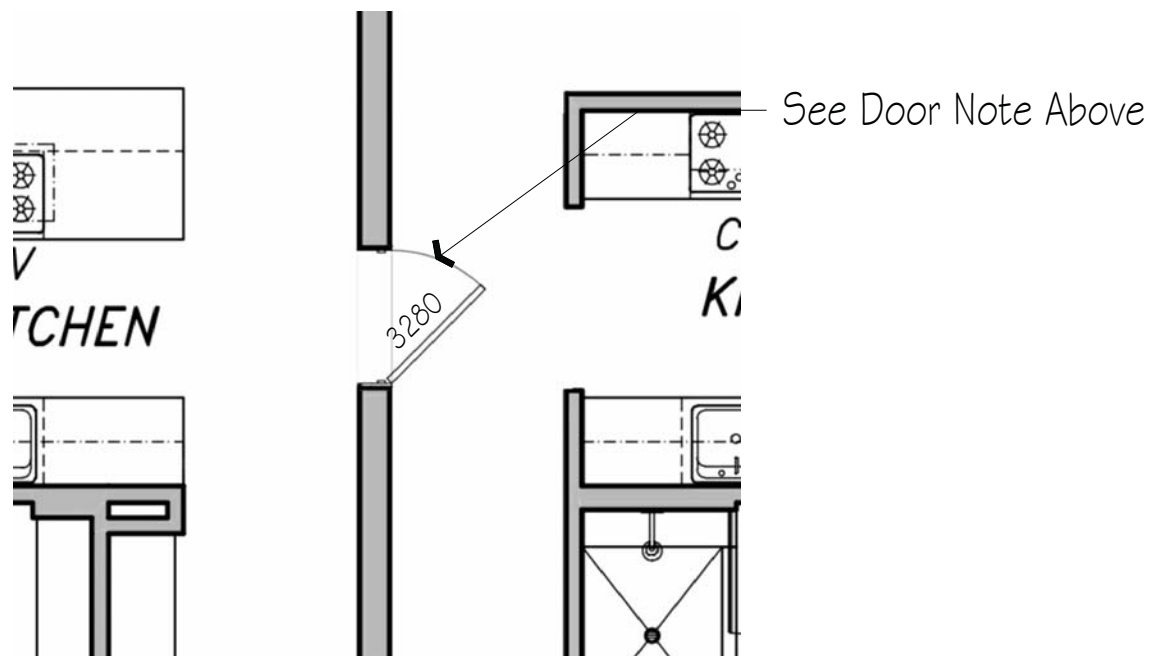
1 Existing Plan Units 1005/1006 
Scale: 1/8" = 1'-0"



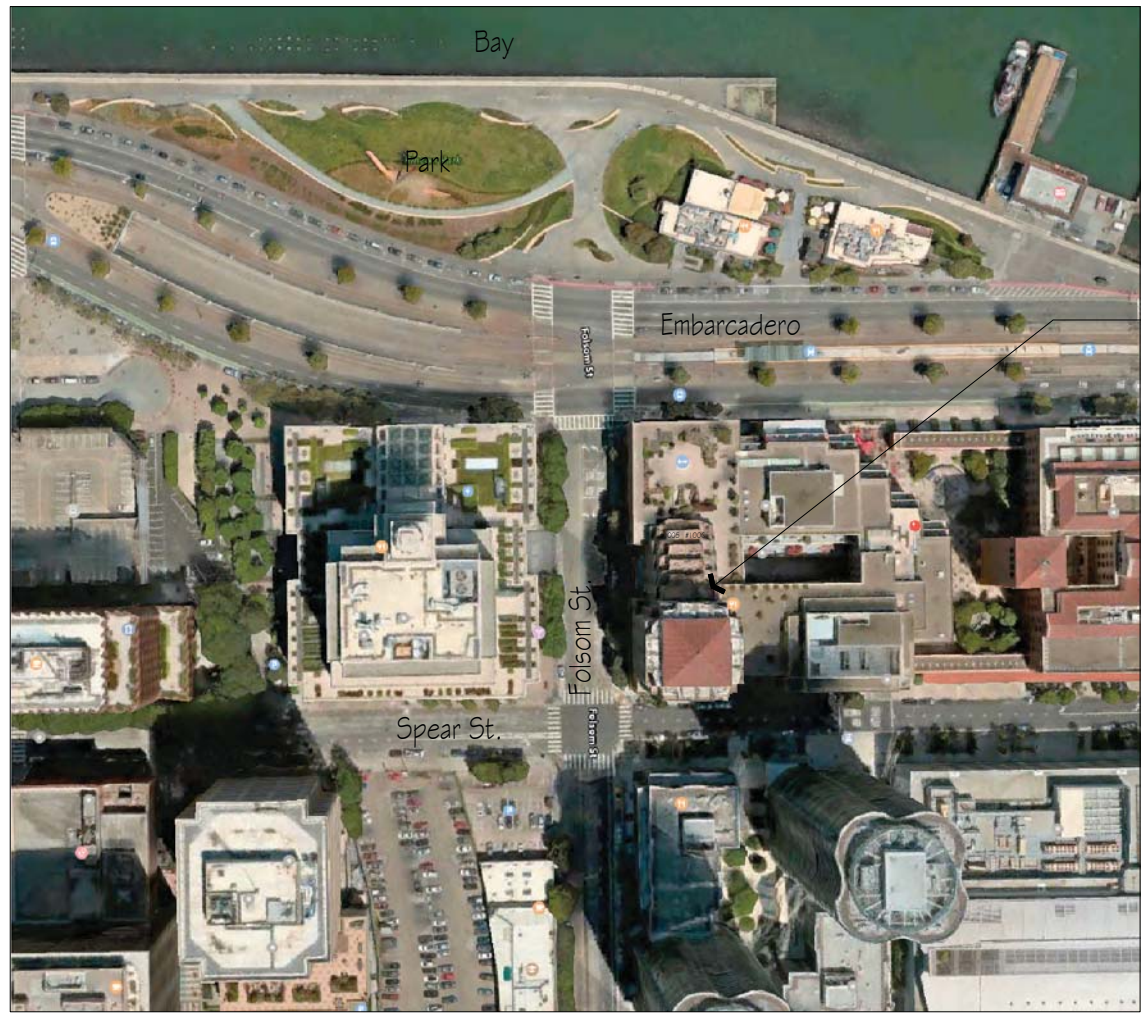
2 Proposed Plan Units 1005/1006 
Scale: 1/8" = 1'-0"



3 Existing Detail Plan 
Scale: 1/2" = 1'-0"



4 Proposed Detail Plan 
Scale: 1/2" = 1'-0"



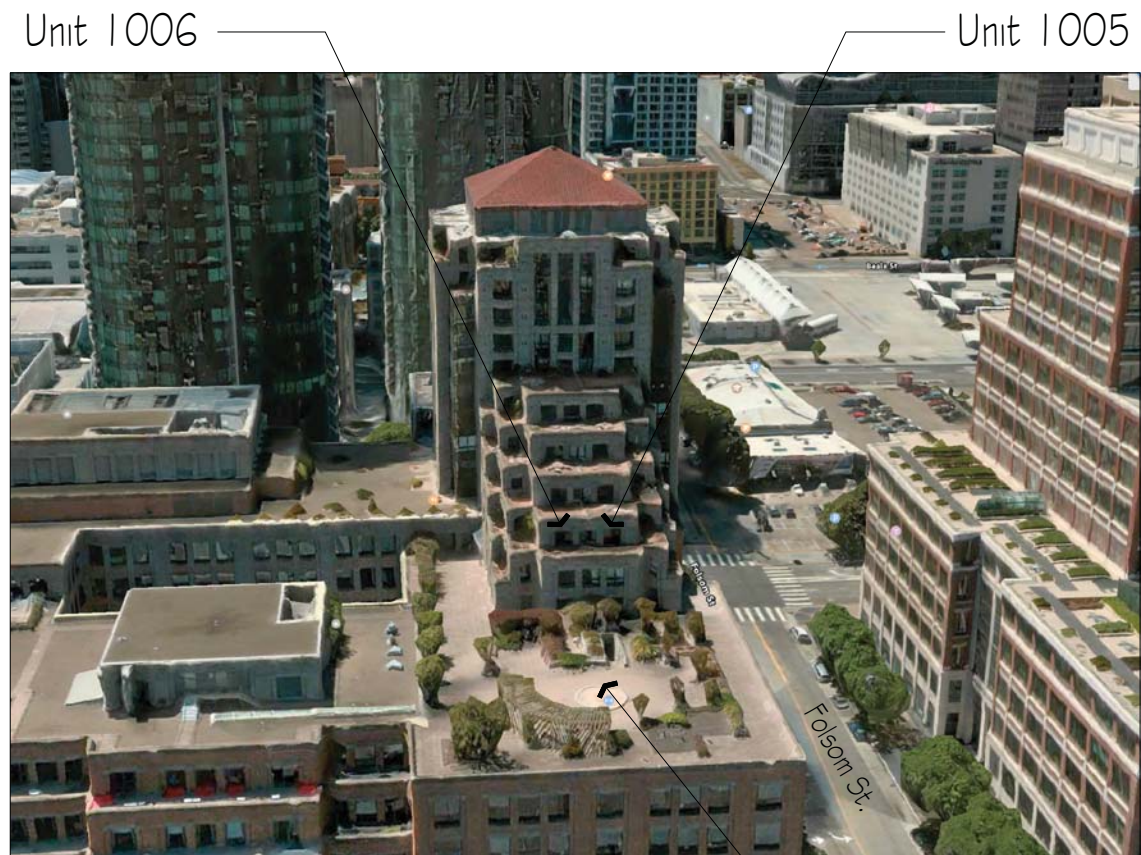
Subject Property



Unit 1005

Subject Property

Unit 1006



Unit 1006

Unit 1005

Subject Property



Unit 1006

Unit 1005

Subject Property

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Issue:	Date:
Permit	03.08.17

Plot Date:
August 31, 2017
Scale:
As shown

A3