Project Summary

USE:	Cannabis Retail Storefront
ADDRESS:	1685 Haight Street
APPLICANT:	Shawn Richard; Cole Ashbury Group, LLC
ZONING:	Haight Street NCD
APPROVAL TYPE:	Conditional Use Authorization

The Proposal:
Verified Equity Applicant proposes a medicinal and adult use cannabis retail storefront without onsite consumption in an existing 1,250+/- sq. ft. retail space in the Haight-Ashbury, which currently does not have a cannabis retailer. No structural changes required.

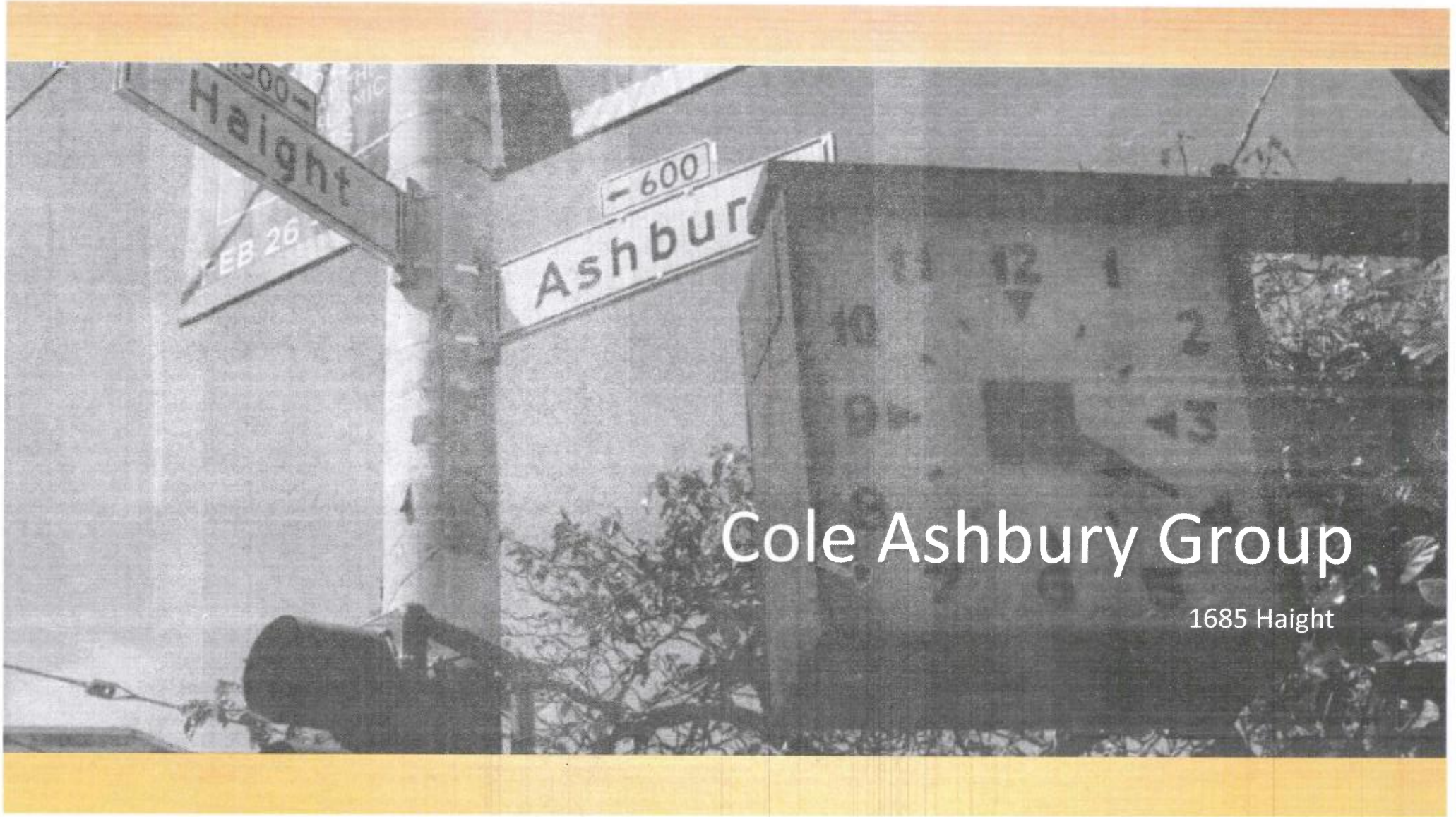
Mission:
Cole Ashbury Group aims to create an inviting, safe store that will be part of the fabric of the Haight-Ashbury and will support the community it serves.

Company History:
Project is 100% locally owned. Equity Applicant and CEO Shawn Richard is a former SF Juvenile Probation Commissioner and founder of the nonprofit Brothers Against Guns. Partner Conor Johnston is a former longtime aide to the then-Supervisor London Breed and serves on the board of City Youth Now and formerly served on the board of the Alice B. Toklas LGBT Democratic Club. Partner John Delaplane is an experienced medical cannabis and small business operator who lives in the North of Panhandle with his wife and children.

Community Outreach:
Project sponsors have walked the Stanyan, Haight, and Cole Valley merchant corridors and personally spoken with every available merchant. They distributed introductory fliers with contact information and have responded to all inquiries. They have presented at the Cole Valley Improvement Association (CVIA), the Haight Ashbury Neighborhood Council (HANC), the Haight Ashbury Improvement Association (HAIA), and Haight Ashbury Neighbors for Density (HAND). They have met with Haight Ashbury Merchant Association (HAMA) leaders. They have also met with SFPD Park Station Captain Bailey and District 5 Supervisor Vallie Brown. Sponsors sent invitations to every neighbor within a 500' radius (the requirement is only 300') for the Open House they held at 1685 Haight on November 15, 2018. A second open house was held on January 29, 2019.

Community Benefits:
All three partners are dedicated to community service in their personal and professional lives. Project will provide jobs and training for Equity Applicants, promote local goods and services, and provide direct support for community nonprofits like Larkin Street Youth and the Homeless Youth Alliance to help secure housing and employment for homeless youth in the Haight.

Compatibility & Desirability:
The Haight-Ashbury neighborhood voted for cannabis legalization in 2016 with 87.25% support but does not currently have a cannabis retailer. Store will be owned and operated by long-time members of the community and will reflect and protect the unique character of the Haight. Project will improve foot traffic for neighboring merchants; help decrease retail vacancies; increase lighting and safety on the corridor; serve residents, patients, and tourists; and operate in compliance with all Office of Cannabis regulations, Article 16 of the Police Code, and California law and regulations.



Cole Ashbury Group

1685 Haight

- Mediate gang issues
- Help people returning from jail
- School, jobs, housing for youth
- City's first gun buyback
- Jobs for gang members

Safety & Security

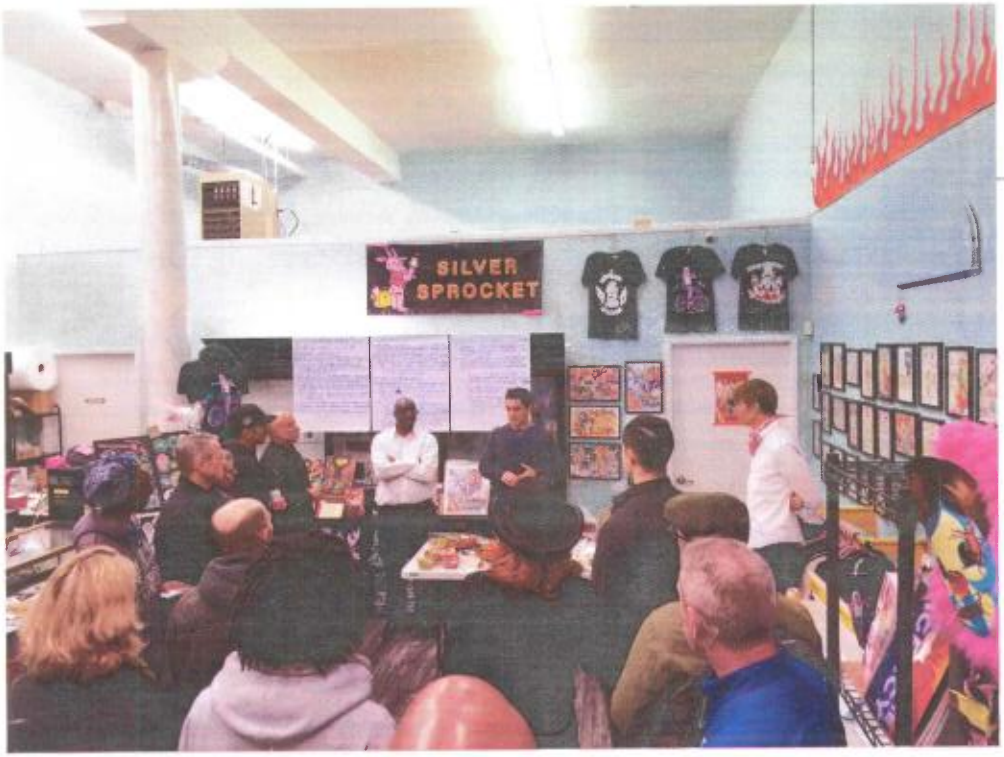
1. Guard at door checking ID
2. Cameras inside + 20' around exits 24/7
3. Alarm system with SFPD notification
4. Highly diligent inventory control
5. All products tested, taxed, tracked, & child-resistant
6. Valuables in safe

Goals for Legal Cannabis

1. Opportunities for POC and Social Equity suppliers
2. Boost neighborhood retail
3. Medicine to those in need
4. Support for neighborhood nonprofits, e.g. HYA and Larkin St.
5. Safety for customers, environment, & workers
6. Good neighbors!

Our Outreach

- Every merchant on Haight, Stanyan, & Cole Valley
- Two neighborhood meetings—1,000 invitations
- Every neighborhood and merchant association:
  HANC, HAMA, CVIA, HAIA, HAND, HASF
- D5 Supervisor and Office of Cannabis
- SFPD Park Station Captain Bailey
- Email, phone, questions, meetings, and more



open house 1, Nov. 7

neighbor feedback

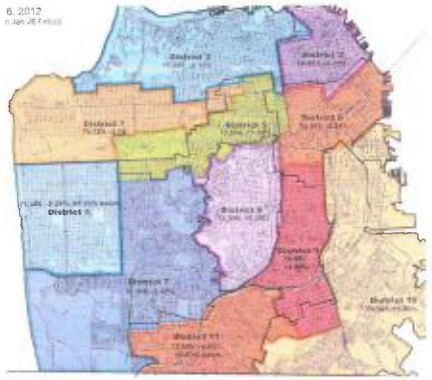
first half of invitations

Good Neighbor Policy

- Inviting, safe store
- Full-time community relations manager
- Work closely with groups + officials
- Contribute to youth-serving nonprofits
- Support Social Equity
- Hire from the community
- Secure the area within 50' of our door
- Keep the area clean and well lit
- No odors
- Prohibit double parking and public consumption
- Advocate for the Haight Ashbury

The Strongest Cannabis Support in the State.

San Francisco #1



District Five #1

Haight Ashbury #1

Our Supporters

- Neighbors in Haight, Panhandle, & Cole Valley
- Haight Ashbury Improvement Association
- SF Equity Group
- United Playaz
- California Music and Culture Association
- SF Cannabis Retailers Alliance
- Fillmore Merchants Association
- Silver Sprocket
- Fleuvog Shoes
- Sockshop
- Love on Haight
- Finnegan's Wake, Studio Evolve, & the Emporium
- And all these kind folks today...

Date	First	Last	Title	Business/Org	Contact Type
8/16/18	Vallie	Brown	Supervisor	D5	phone
8/16/18	Joe	Skiffer		Urban School	email
8/16/18	Alex	Mitra		St. Mary's Hospital	phone
9/14/18	**Haight + Stanyan merchants**				**in person**
9/14/18			Server	Parada 22	In person
9/14/18			Bartender	Murio's Trophy Room	In person
9/14/18			Greeter	Ameoba Music	In person
9/14/18			Staff	Free Gold Watch	In person
9/14/18			Front Desk	Stanyan Park Hotel	In person
9/14/18			Front Desk	Yoga Tree	In person
9/14/18			Groomer	Green Pawz	In person
9/14/18			Cashier	North Beach Pizza	In person
9/14/18			Cashiers	Goodwill	In person
9/14/18			Cashier	Happy Donuts	In person
9/14/18	David		Owner	Blade Runners Hair Studio	In person
9/14/18			Cashier	Citris Club	In person
9/14/18			Owners	Ploy II Thai Cuisine	In person
9/14/18			Employee	Reincarnation	In person
9/14/18			Cashiers	What the Cluck	In person
9/14/18			Sales Associate	New York Apparel	In person
9/14/18			Sales Associate	Static	In person
9/14/18			Cashier	Sunshine Wine and Liquor	In person
9/14/18			Sales Associate	RedwoodSF	In person
9/14/18			Sales Associate	Sockshop Haight Street	In person
9/14/18			Teller & Bank Manager	Wells Fargo Bank	In person
9/14/18			Baristas	Coffee Cantata	In person
9/14/18				San Francisco Mercantile	In person
9/14/18				OM Indian Cuisine	In person
9/14/18				Wasteland	In person
9/14/18	Sam		Owner	El Rancho Grande	In person
9/14/18	Christian	Evans	Owner	Booksmith	In person
9/14/18			Bartender	Sparrow Bar and Kitchen	In person
9/14/18			Sales Associate	Burton Flagship Store	In person
9/14/18			Owner	FTC Skateboarding	In person
9/14/18				X Generation	In person

9/14/18				Stuf	In person
9/14/18				Clobba	In person
9/14/18				Ideele	In person
9/14/18				Tibetan Gift Corner	In person
9/14/18				One Up Salon	In person
9/14/18				Diamond Supply Co.	In person
9/14/18			Owner & Sales Associate	Mendels	In person
9/14/18			Owner & Sales Associates	Haight Ashbury Music Center	In person
9/14/18			Sales Associates	Ashbury Tobacco Center	In person
9/14/18				Haight Street Market	In person
9/14/18				Woot Bear	In person
9/14/18				Nice Cuts	In person
9/14/18				Love Street Vintage	In person
9/14/18				Haight Ashbury T-Shirts	In person
9/14/18				Haight Jewlery	In person
9/14/18				Love on Haight	In person
9/15/18	Christin	Evans	President, Owner, VP	HAMA, Booksmith, HANC	email
9/20/18	Vallie, Derek	Brown, Remski	Supervisor, Aide	D5	in person
9/20/18	Denny		Manager	John Fluevog Shoes	email
9/20/18	Daniel	Serot	owner, attorney	Finnegan's Wake, Van De Poel, Levy, Arneal & Serot, LLP	email
9/20/18	Sunshine, Christin	Powers, Evans	Owners	Love + Haight, Booksmith/Alembic, HAMA	in person
9/21/18	Ed	Murrieta	reporter	Chronicle, Leafly	phone
9/27/18	**Cole Valley merchants--ALL but one**				in person
10/4/18	Ted	Loewenberg		HAIA	call
10/4/18	Bruce	Wolfe		HANC	call
10/10/18	Ted	Loewenberg		HAIA	call
10/10/18	Bruce	Wolfe	President	HANC	call
10/10/18	Karen + David	Crommie	Sec/Member	CVIA	call
10/10/18	Lena	Emmery	Vice President	CVIA	call
10/10/18	Cathy	Haller	President	CVIA	NA
10/10/18	Christin	Evans	President	HAMA	in person
10/11/18	HAMA/Christin			HAMA	email
10/11/18	Ted	Loewenberg		HAIA	call
10/11/18	**HANC**	membership			in person

10/15/18	Lena	Emmery			call
10/18/18	**HANC**	Board		HANC	in person
11/1/18	Lena	Emmery		CVIA	email
11/5/18	**CVIA**	membership		CVIA	in person
11/6/18	Neighbors within 500'				mail--open house invite
11/8/18	OoC Staff			OoC	email
11/8/18	Planning Staff			Planning Dept.	email
11/8/18	Seth	Pardo		Neighbor	email
11/9/18	Public invite to open house				facebook
11/9/18	Ted	Loewenberg		HAIA	email
11/9/18	Lena	Emmery		CVIA	email
11/9/18	Sup. Vallie	Brown + staff		D5 Supervisor	email
11/9/18	David	Driver		Neighbor	email
11/9/18	Les	Silverman		Neighbor	email
11/10/18	Sara	Macpherson		Neighbor	email
11/10/18	Stacy	Lynn		Neighbor	email
11/12/18	Sunshine	Powers		Love on Haight	email
11/13/18	Kitten	Calfee		Neighbor	email
11/15/18	**Community Open House I**			Neighbors + merchants	in person
11/16/18	Steven	Madrid		CVIA/neighbor	email
11/17/18	Michael	Job		Neighbor	email
11/17/18	Bram	Goodwin		Neighbor, SF Social Club	email
11/17/18	Vallie	Brown		Supervisor	call
11/22/18	Joe	Skiffer		Urban School	email
11/25/18	Michael	Xavier	President	Haight Ashbury Street Fair	
11/26/18	Phillip	Kobernick	founder	HAND	phone, email
11/27/18	Calvin	Welch	institution	HANC	email
11/28/18	Capt. Una	Bailey	Captain	SFPD Park Station	in person
11/29/18	Nicholas	Cartier			email
12/3/18	Michelle	Leighton		BVNA	phone
12/3/18	Kent	Uyehara	owner	FTC Skate	phone
12/3/18	Sherilyn	Adams		Larkin Street Youth	phone
12/3/18	Mary	Howe		HYA	phone
12/3/18	**Capt Bailey + Ofc. Wu**			SFPD Park Station	email
12/6/18	Sunshine	Powers	owner, VP	Love on Haight, HAMA	email
12/6/18	Kent	Uyehara	owner	FTC Skate	phone

12/10/18	Sherilyn	Adams		Larkin Street Youth	phone
12/10/18	Kent	Uyehara		FTC Skate	phone
12/10/18	Mary	Howe		HYA	email
12/10/18	Jeremy, David	Siegel, Bowman		Distractions	email
12/13/18	**HAIA**			HAIA	in person
12/17/18	Corey	Smith		HAND	text, email
1/4/19	Corey	Smith		HAND	phone
1/4/19	Audra		proprietor	Loved to Death	email
1/4/19	Lauren		proprietor	Sock Shop Haight	email
1/7/19	Danny	Marks	owner	Emporium	phone, email
1/7/19	100+ people			Neighbors, merchants, etc.	email--invite to open house II
1/8/19	Derek	Remski	aide	Sup. Brown	emailed
1/8/19	Ted	Loewenberg	president	HAIA	phone
1/10/19	Phillip, Corey	Kobernick, Smith	founders	HAND	email
1/10/19	Christin	Evans	president	HAMA	email
1/10/19	Kristen	Bailey	comms + marketing	Urban high school	phone
1/11/19	Alisha	Engel	owner	Studio Evolve	in person
1/19/19	Rodney	Fong	commissioner	Planning	in person
1/22/19	Rodney	Fong	commissioner	Planning	text
1/22/19	Joel	Koppel	commissioner	Planning	text
1/22/19	Myrna	Melgar	commissioner	Planning	text
1/22/19	Rich	Hillis	commissioner	Planning	text
1/23/19	Dennis	Richards	commissioner	Planning	text
1/24/19	Milicent	Johnson	commissioner	Planning	email
1/28/19	Katherin	Moore	commissioner	Planning	email
1/29/19	**Community Open House II**			Neighbors + merchants	in person
1/30/19	Rodney	Fong	commissioner	Planning	in person--site tour
1/30/19	**HAND**			HAND	in person
2/1/19	Dennis	Richards	commissioner	Planning	text
2/11/19	Myrna, Joel	Melgar, Koppel	commissioner	Planning	in person--site tour (scheduled)

Cole Ashbury Group
1685 HAIGHT ST.

DRAFT GOOD NEIGHBOR POLICY:

The Cole Ashbury Group team at 1685 Haight Street is committed to being the best neighbors we can be. We will:

(Community Connections)

1. Create an inviting, safe store that will be part of the fabric of the Haight-Ashbury community.
2. Have a full-time manager responsible for community relations whom residents and merchants can contact anytime: Shawn Richard, CEO, HaightCannabis@gmail.com. (Cell # forthcoming.)
3. Work closely with all neighborhood and merchants groups, community members, SFPD Park Station, and City officials, and be responsive to their questions and concerns.
4. Contribute a significant portion of our net revenue to the community, including homeless and youth-serving nonprofits.
5. Hire members of, source products from, and support the cannabis Equity community, and provide retail space for their products whenever possible.
6. Hire from the Haight-Ashbury community whenever possible.
7. Patronize local service providers, suppliers, and artists whenever possible.
8. Advocate for the Haight-Ashbury community—its residents, merchants, and organizations.

(Safety)

9. Maintain high-quality security cameras inside and outside the store and friendly, professional security guards on staff.
10. Secure the premises within 50 feet of the door.
11. Provide outside lighting that illuminates the street and sidewalk areas and adjacent street parking spaces, without disrupting residential neighbors.
12. Discourage the sales of unregulated, untested street cannabis and continue advocating for legalization and regulation.

(Access & Cleanliness)

13. Ensure no noxious or bothersome odors are emitted from our store.

14. Maintain our store, entryway, and adjacent sidewalk in good condition at all times.

15. Prohibit double parking outside the store and ensure customers, contractors, and staff do not obstruct transportation on Haight Street.

16. Prohibit loitering and public consumption of cannabis products in or around the premises.

17. Prohibit littering in or around the premises and actively clean any litter that we do see.

18. Post clear, well-lit, and prominently-displayed notices at the public entrance to and exit from the store that:

    - Direct patrons to leave the establishment and neighborhood peaceful and in an orderly fashion.

    - Direct patrons to not litter or block driveways.

    - Advise individuals of the prohibition on loitering.

    - Advise individuals that smoking of cannabis is prohibited in public places.

Avi Ehrlich
Owner, Silver Sprocket
1685 Haight St.
avi@silversprocket.net

Dear City Officials,

I own Silver Sprocket, the business currently occupying 1685 Haight Street. We sell comics, art, and clothing designed by local artists. Our store probably could not afford market rent on Haight Street, but **we have been able to stay open for the last year because of the support of the Cole Ashbury Group partners.** They have been the leaseholders on the space since January of 2018, and they've allowed us to stay and continue displaying and selling art at a dramatically reduced rent.

Johnny, Quentin, Conor, and Shawn have always been very open with us and supportive of our business. They are absolutely not displacing us, in fact we probably would not have been here without them. And they have even offered to work with us to find a new space.

We support the Cole Ashbury Group's application for a cannabis store 100% and hope that you will approve it. This is a good team of owners who have clearly shown their support for the community and for us.

Please feel free to reach out anytime.

Sincerely,

Avi Ehrlich
Silver Sprocket

HAIGHT ASHBURY IMPROVEMENT ASSOCIATION

Ted Loewenberg, President
415 522-1560
tedlsf@sbcglobal.net

San Francisco Planning Commission
San Francisco, CA

9 January 2019

Sirs:

On behalf of the Haight Ashbury Improvement Association (HAIA), I write to announce our support for the Cole Ashbury Group's venture to open a cannabis dispensary at 1685 Haight St.

Our meeting with the entrepreneurs convinced us that the proprietors know they can only be successful if they manage the business in a manner not disruptive to the community. They have pledged a rigorous array of activities and monitoring to ensure a safe, secure and lawful operation. HAIA believes they are committed to this plan, and will be thorough in their follow-through.

Equally important, the members of the Group are all local persons who have extensive contacts in the neighborhood. This is exactly the kind of relationship we believe to be critical to the successful operation of such a business on Haight St. We know them, and we can comfortably work with them to resolve any issues that might arise, over time.

Therefore, HAIA asks that you approve the permits, etc., needed for the Cole Ashbury Group to move ahead with their venture. We think this is the best way for addressing the needs of the community while meeting the objectives of the Group.

Please let me know if you have any questions for us on this matter.

Sincerely,

T. C. Loewenberg

Ted Loewenberg

Naomi M. Kelly
City Administrator

SAN FRANCISCO
OFFICE OF CANNABIS
Nicole Elliott, Director

February 14, 2019

San Francisco Planning Commissioners
c/o San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103-2414

Re: Response to February 13, 2019 letter From Mr. Betz regarding the Cannabis Business Permit application process

Dear Commissioners,

Please find attached a letter issued to Mr. Betz on November 20, 2018, responding to the allegations brought forth in the (similarly attached) October 16, 2018 letter. The allegations outlined in the October 16, 2018 letter mirror those submitted in the letter to you on February 13, 2019.

To-date Mr. Betz and his client has not accepted the Office of Cannabis' invitation to discuss any lack of clarity in the process for the benefit of future applicants, nor has there been any further response from Mr. Betz and his client to the letter issued on November 20, 2018.

I encourage the Commission to review the project before you on its merits.

Thank you,

Nicole Elliott
Director, San Francisco Office of Cannabis

Naomi M. Kelly
City Administrator

SAN FRANCISCO
OFFICE OF CANNABIS
Nicole Elliott, Director

November 20, 2018

Michael Betz
Allen Matkins Leck Gamble Mallory & Natsis LLP
Attorneys at Law
Three Embarcadero Center, 12th Floor
San Francisco, CA 94111

Re: Response to your letter regarding the Cannabis Business Permit application process

Dear Mr. Betz:

Thank you for your letter dated October 16, 2018, regarding the Cannabis Business Permit application process.

I write in response to this letter, to describe to you the intent behind the development of the application system, the goals associated with the rollout of the application on May 22, 2018, and to clarify inaccurate statements made in your letter.

First, your assertion that the Office of Cannabis shepherded politically connected individuals through the application process is false.

On the contrary, the Office worked diligently to communicate the requirements of the Part 1 Cannabis Business Permit application process to *all* applicants, on an equal basis. A complete list of information that would be requested during that application process was made publicly available on May 17th, before it became possible for applicants to complete or submit that application. Applicants were notified of this information via email. Further, the Office took the additional step of calling applicants who received the email if they did not open the email, to make sure they received and reviewed the information. Finally, this information was posted prominently on the Office's website.

The City's Digital Services team did user-test a prototype of the application form with numerous individuals. The City works diligently to ensure that its programs, services, and activities are accessible to all segments of the public, and such user-testing is an important tool to ensure that the Cannabis Business Permit application, like other City services, is accessible and user-friendly.

This user-testing process, however, did not provide an unfair advantage to any applicant. As noted above, a complete list of the contents of the application was made available to *all* prospective applicants, whether or not they participated in user-testing. And, beyond this publicly-available information, the user-testing process did not provide participants with any other advantage: user testers could not draft or submit an application form during user-testing, and the actual application format was modified after user-testing was completed (underscoring the necessity of the user-testing process). Individuals who participated in user-testing had no access to the application after it was revised, except on the same terms as other members of the public. In fact, in the one instance in which a test user sought to review the revised application before its public release, the Office denied that request—precisely to avoid the kinds of concerns you raise in your letter.

Moreover, and again, individuals who participated in user-testing were not selected on the basis of their political connections or any other unfair or inappropriate criteria. However, in acknowledgement of your concern and feedback, the Office of Cannabis will work with the Digital

Services team to ensure that all stakeholders are made aware of the opportunity to user test the application moving forward.

Second, there is no merit to your contention that the City's online application process unlawfully discriminates within the meaning of the Americans with Disabilities Act (ADA) or related California laws. (Any suggestion that the application process violates the Fourteenth Amendment's Equal Protection Clause is, as I am sure you aware, completely baseless.) The City takes its obligations under the ADA and related state laws very seriously. In developing the application form, the Digital Services team complied with ADA standards and the City's best practices to ensure accessibility.[1] For example, the application avoided images, gave contextual guidance, contained short sentences, and made pages easy for screen readers to understand—including, for example, by making the content accessible to individuals with a 7th grade reading level.

The City routinely undertakes reasonable modifications in its programs, services, and activities to ensure that those programs, services, and activities are accessible. To date, my office has received no request for a reasonable modification to Cannabis Business Permit application process. Based on your letter, it does not appear that your client has sought such a modification—and, indeed, it is unclear whether your client is an individual with disabilities, or otherwise purports to have suffered any individualized injury based on the allegedly discriminatory nature of the City's online application process. If I have misunderstood your client's situation, please notify me.

Finally, I wish to stress that the Office of Cannabis is committed to ensuring that all applicants and prospective applicants, and other members of the public, receive clear and helpful information, on an equal-opportunity basis, concerning the operations of the Office and the City's regulation of cannabis businesses. To that end, my office would be interested in hearing from your client regarding what was confusing related to the 600 Foot Rule and the Application Requirements. While every individual has the opportunity to weigh in on rulemaking through the rulemaking process and the application process, respectively, the Office remains open to all feedback regularly as this feedback is a valuable resource for adjusting and clarifying any relevant rules and materials for the benefit of your client and future applicants.

The Office of Cannabis takes seriously its responsibility to ensure a fair and equal process for all applicants. Should you require further clarification of our code or should you have recommendations for how we can improve this process we invite you to provide us with the opportunity to facilitate the discussions necessary to accomplish this. I can be reached at my office and in person (City Hall, Room 018), by email (officeofcannabis@sfgov.org) or by phone (415-554-4420).

Thank you, and I look forward to a productive discussion on these matters moving forward.

Sincerely,

Nicole Elliott
Director, San Francisco Office of Cannabis

Cc: Naomi Kelly, City Administrator, City & County of San Francisco

[1] http://sfaccessibility.com/how.html

Allen Matkins

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Michael J. Betz
E-mail: mbetz@allenmatkins.com
Direct Dial: 415.273.7453 File Number: 378306-00001/SF1104137.01

Via Messenger

February 13, 2019

San Francisco Planning Commissioners
c/o San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103-2414

Re: Conditional Use Authorization for 1685 Haight Street (Cannabis Retail Use) – February 14, 2019 San Francisco Planning Commission Hearing, Item No. 19

Ladies and Gentlemen:

Please allow me to introduce myself: my name is Michael Betz, head of Allen Matkins' Jury Trials practice group. We write on behalf of our client, Haight Partners, Inc. ("Haight Partners"), to oppose approval of the Conditional Use Authorization for a cannabis retail use proposed by Cole Ashbury Group, LLC ("Cole Ashbury Group") at 1685 Haight Street. Based on information and documents disclosed by the City pursuant to a California Public Records Act request, we learned that the City – through the actions of the Office of Cannabis ("OOC") – conferred an unfair advantage on a member of the Cole Ashbury Group by allowing him to participate in the pre-launch testing of the online Cannabis Business Permit Application form. This early access allowed Cole Ashbury Group to submit their application considerably more quickly than other applications on the May 22, 2018 online application opening date and due to the City's first come, first served policy for processing applications and the 600-foot rule for cannabis retail uses, allowed Cole Ashbury Group to unfairly jump ahead of other applicants seeking to establish cannabis retail uses, including Haight Partners.

The City's actions tainted the application process and violated Haight Partners' right to due process and equal protection under the California Constitution and the United States Constitution. Since the City's actions facilitated processing of the 1685 Haight Street application and resulted in a hold on processing of applications in the surrounding area, including Haight Partners' application, the Planning Commission's approval of the Conditional Use Authorization for 1685 Haight Street would be predicated on a tainted process and would also violate Haight Partners' rights to equal protection and due process.

Background

As you know, the City's Cannabis Business Permit Application was launched and made available online to the public at 10 A.M. on May 22, 2018. The application instructions provided by the OOC stated that two hours should be allotted to complete the application. Haight Partners was one of three parties to submit an application for a cannabis retail use on Haight Street. It took Haight Partners nearly two hours to complete the application and the City time stamped the application as submitted at 11:57 A.M. on May 22, 2018.

Cole Ashbury Group submitted an application for a location at 1685 Haight Street, which was located within 600 feet of Haight Partners' proposed location at 1673 Haight Street. Through a California Public Records Act request, we learned that Cole Ashbury Group's application for 1685 Haight Street was submitted just eight minutes after the application launch at 10 A.M. The City time stamped the 1685 Haight Street application as submitted at 10:08 A.M. on May 22, 2018. Promotional materials for the 1685 Haight Street recreational cannabis use identify Shawn M. Richard, Conor Johnston, and John Deplane as the members of Cole Ashbury Group. The City has informed Haight Partners that Conor Johnston was one of the individuals selected by the City to test the City's online Cannabis Business Permit Application prior to its May 22, 2018 launch. In this role, Mr. Johnston would have become aware of the maneuvers necessary to quickly submit an application and have it accepted.

Given that Cole Ashbury Group was able to submit its application in just eight minutes when the OOC estimated that the application process would take two hours and that one of Cole Ashbury Group's members was involved in testing the application software prior to its launch, it is clear that Mr. Johnston's participation in pre-launch testing of the application gave an unfair advantage to Cole Ashbury Group. Mr. Johnston's early access to the online application either gave him a chance to prepare responses prior to the application's official launch at 10 A.M. on May 22, 2018 or otherwise gave him insight into how to "game" the application by providing the minimum information necessary to get the application accepted and receive a submission time stamp, even if the application would ultimately deemed incomplete based on the initial May 22nd submission. Under the City's rules, the time stamp is what gave Cole Ashbury Group first position and resulted in Haight Partners and others' applications for locations on Haight Street being put "on hold" pending consideration of Cole Ashbury Group's 1685 Haight Street application.

Mr. Johnston's ability to gain this unfair advantage by "gaming" the application process highlights a significant flaw in the City's application process, which should have been addressed before the City launched the application. That Cole Ashbury Group was able to file and have its application accepted within eight minutes of the application launch when the OOC indicated the application would take two hours to complete reveals that priority under the City's first come, first

served policy was based not on submission of a complete application but on being the first person to click "Submit" after entering the minimum information necessary to get the application accepted and receive a submission time stamp.[1]

It was unclear to permit applicants (except perhaps Mr. Johnston and others who were part of the pre-launch application testing group) whether or not an applicant who initially submitted an online application that was not fully complete would be given an opportunity to cure and submit the additional information required for the City to deem the application complete. However, given what is now understood about the process, Mr. Johnston (or anyone who understood this process due to their role as a pre-launch tester) would have been able to game the application by submitting the minimum information necessary to get the application accepted and receive a submission time stamp. Indeed, it is our understanding that though Cole Ashbury Group's online application was accepted and given a submission time stamp of 10:08 A.M. on May 22, 2018, the application was ultimately deemed to be incomplete and the City gave Cole Ashbury Group additional time to submit the information and documentation required for the application to be deemed complete while maintaining its "first filer" status.

Instead of addressing this potential loophole to ensure the Cannabis Business Permit Application process was fair, the City hastily launched the application. During a prior public hearing, a member of the Board of Supervisors reprimanded OOC for "for building a plane while its flying," underscoring his belief that OOC was acting hastily in accepting applications before a comprehensive application process was in place.

The City's Action Violated Rights to Due Process and Equal Protection under the Law

The 14th Amendment to the United States Constitution and Article 1, Section 7 of the California Constitution mandate equal protection of the laws to all persons, as well as procedural and substantive rights to due process. The City's action of allowing a future cannabis retail use permit applicant to participate in pre-launch review of online Cannabis Business Permit Application form violates those constitutional rights and is arbitrary and capricious and denies the citizens of San Francisco, including Haight Partners and other applicants for retail cannabis use permits, rights protected under state and federal law.

The City's actions also demonstrate that certain politically connected individuals were given priority over Haight Partners and others. While Haight Partners and others received confusing information regarding the application process that delayed their applications, we have learned that others received assistance from the OOC in the weeks and days leading up to May 22, 2018 (as detailed above), ensuring that those politically connected individuals would secure permits as the

[1] Another application was submitted and accepted less than an hour after launch of the application.

"first" to file. The result is that the City has discriminated against its citizens in favor of those applicants who are better-connected at City Hall. The persons the City has advantaged will now reap a windfall re-selling the marijuana dispensary permits that they unfairly obtained.

Conclusion

Given the City's failure to provide equal protection and due process to Haight Partners and other applicants for retail cannabis use permits with respect to permits on Haight Street, we urge you to deny the Conditional Use Authorization for a cannabis retail use at 1685 Haight Street.

Thank you.

Very truly yours,

Michael J. Betz

MJB:cad

cc: Michael Musleh, Haight Partners

Allen Matkins

Allen Matkins Leck Gamble Mallory & Natsis LLP
Attorneys at Law
Three Embarcadero Center, 12th Floor | San Francisco, CA 94111-4074
Telephone: 415.837.1515 | Facsimile: 415.837.1516
www.allenmatkins.com

Michael J. Betz
E-mail: mbetz@allenmatkins.com
Direct Dial: 415.273.7453 File Number: 378306-00001/SF1104137.01

Via Messenger

February 13, 2019

San Francisco Planning Commissioners
c/o San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103-2414

Re: Conditional Use Authorization for 1685 Haight Street (Cannabis Retail Use) – February 14, 2019 San Francisco Planning Commission Hearing, Item No. 19

Ladies and Gentlemen:

Please allow me to introduce myself: my name is Michael Betz, head of Allen Matkins' Jury Trials practice group. We write on behalf of our client, Haight Partners, Inc. ("Haight Partners"), to oppose approval of the Conditional Use Authorization for a cannabis retail use proposed by Cole Ashbury Group, LLC ("Cole Ashbury Group") at 1685 Haight Street. Based on information and documents disclosed by the City pursuant to a California Public Records Act request, we learned that the City – through the actions of the Office of Cannabis ("OOC") – conferred an unfair advantage on a member of the Cole Ashbury Group by allowing him to participate in the pre-launch testing of the online Cannabis Business Permit Application form. This early access allowed Cole Ashbury Group to submit their application considerably more quickly than other applications on the May 22, 2018 online application opening date and due to the City's first come, first served policy for processing applications and the 600-foot rule for cannabis retail uses, allowed Cole Ashbury Group to unfairly jump ahead of other applicants seeking to establish cannabis retail uses, including Haight Partners.

The City's actions tainted the application process and violated Haight Partners' right to due process and equal protection under the California Constitution and the United States Constitution. Since the City's actions facilitated processing of the 1685 Haight Street application and resulted in a hold on processing of applications in the surrounding area, including Haight Partners' application, the Planning Commission's approval of the Conditional Use Authorization for 1685 Haight Street would be predicated on a tainted process and would also violate Haight Partners' rights to equal protection and due process.

Background

As you know, the City's Cannabis Business Permit Application was launched and made available online to the public at 10 A.M. on May 22, 2018. The application instructions provided by the OOC stated that two hours should be allotted to complete the application. Haight Partners was one of three parties to submit an application for a cannabis retail use on Haight Street. It took Haight Partners nearly two hours to complete the application and the City time stamped the application as submitted at 11:57 A.M. on May 22, 2018.

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Conclusion

Given the City's failure to provide equal protection and due process to Haight Partners and other applicants for retail cannabis use permits with respect to permits on Haight Street, we urge you to deny the Conditional Use Authorization for a cannabis retail use at 1685 Haight Street.

Thank you.

Very truly yours,

Michael J. Betz

MJB:cad

cc: Michael Musleh, Haight Partners

Received at CPC Hearing 2/14/19
L. Ajello

February 13, 2019

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

Record No. 2018-0007049CUA
Project Address: 3378 Sacramento Street

Dear Commissioners,

I would like to voice opposition to the proposed Conditional Use Authorization to establish a Health Services Use (dental/orthodontics office) at 3378 Sacramento Street.

This is the second attempt to circumvent the zoning laws established to protect the existing neighborhood-serving ground story retail, good and services use within the Sacramento Street Neighborhood Commercial District (NCD). Medical use on the street front has been prohibited within this District.

Dr. Yan Kalika purchased 3378 Sacramento Street when it was open as a Retail-based Art Gallery, the Paul Madher Gallery. On February 4, 2015, Dr. Kalika received an over-the-counter building permit to start construction. In his application to receive the building permit, Dr Kalika stated that the prior use was a "Health Care Management Office", not a retail based art gallery. Upon realizing that the CUP process was skipped over and there was no process involved, the PHAN President at the time, Bill Hudson,former PHAN President Charles Ferguson and myself Traci Teraoka, representing the Sacramento Street Merchants, attended the hearing and voiced our strong opposition.

On March 17, 2015, the Zoning Administrator revoked the building permit because the conversion of an art gallery space to a dental office is not permitted by the Planning Code (**Attachment A**). **On May 13, 2015, the Board of Appeals voted unanimously in support of the Zoning Administrator in denying the building permit (Appeal No. 15-054). I have attached the neighborhood opposition documentation from both the Presidio Heights Association of Neighbors and the Sacramento Street Merchants Association at that time (Attachment B). The opposition to a Health Services Use at 3378 Sacramento Street has not changed.**

On June 30, 2016, The Planning Commission granted Dr. Kalika's CUP to allow a "Business or Professional Service Use" at 3378 Sacramento (2016-001075CUA). Our good faith agreement at that time was that the office would be open to the general public with set hours. My hope was that Dr. Kalika would find suitable tenants and at least comply with this rule so he could lease the space.

I was asked to write an email in support of a financial services office that would meet the zoning criteria. I made it very clear that an office must have stated hours and be open to the public and that we, the Sacramento Street Merchant's would welcome that use. During the time in which the offices were set up, I only saw messy cubicles that were sometimes occupied with a person at a computer. The offices were not set up to receive or welcome clients. There were no stated hours and the doors were never open. It clearly was used as private offices for several very small business entities. My letter specifically stated that the intended use of the office must be in compliance with our NCD rules-for the benefit of the general public and that if the use wasn't met it could not flip into medical use. We knew in advance that this could be a tactic since Dr. Kalika's first attempt at jumping over the CUP process involved using the scenario of 'office-use' knowing that it could be flipped into medical use by zoning standards. (**Attachment C**).

I believe Dr. Kalika is attempting to circumvent the process once more. Interestingly, there is a different name attached to the application yet with the same desired outcome - medical use. The Conditional Use Authorization to convert the space from "Business or Professional Service Use" to "Health Services Use" is a purposeful circumvention of the process after our good faith agreement that he would bring a professional office with services open to the general public. I am sorely disappointed by this action.

The 3300 block is hard hit with zoning infractions that I am trying to remedy with the support of PHAN and Supervisor Stefani. I find myself challenged every year with small businesses bending the rules to suit their needs slipping in offices that are filled with hard working employees sitting in front of computers. While yes they are working they are not adding to the vibrancy that a NCD needs and requires to sustain itself. I've begun a process of challenging several addresses to help them understand that they need to comply and its not simply a matter of preference. Our local zoning needs are getting misused by people who simply want the value of a Sacramento Street address for their business at their businesss neighbors expense. We are currently addressing an area that covers a three block span, beginning with the 3300 block through the 3500 block. In early 2018, we began to report businesses addresses that were not in compliance. It is my understanding that the businesses have all had follow up with deadlines to comply or be fined. I don't know if the timing of this application is related to our reporting businesses -I do understand that if they didn't comply there would either be fines assessed or they would need to apply for a CUP to become zoned "office use"

Allowing Dr. Kalika to convert this former retail space to a dental/orthodontic office will set a precedent that zoning laws are irrelevant in Neighborhood Commercial Districts and that anyone can find a way to procure medical use at ground level on Sacramento Street.I would ask that you reconsider this application and help strengthen the Sacramento Street NCD.

Traci Teraoka
President, Sacramento Street Merchant's Association

ATTACHMENT A

SAN FRANCISCO
PLANNING DEPARTMENT

Revocation Request

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

March 17, 2015

Tom Hui, CBO, SE
Director
Department of Building Inspection
1660 Mission Street
San Francisco, CA 94103

BOARD OF APPEALS
MAR 30 2015
APPEAL # 15-054

Building Application No.:	**2015.01.02.4850**
Property Address:	**3378 Sacramento Street**
Block and Lot	**1008/049**
Zoning District:	**Sacramento Street NCD**
Staff Contact:	**David Lindsay – (415) 558-6393**
	david.lindsay@sfgov.org

Dear Mr. Hui,

This letter is to request that the Department of Building Inspection (DBI) revoke **Building Permit Application Number 2015.01.02.4850** for the property at 3378 Sacramento Street.

The subject permit was issued by the Department of Building Inspection after being approved over-the-counter in error by the Planning Department. The scope of work includes tenant improvements to convert a vacant art gallery space to a dental office. It should be noted that the stated scope of work appears to be inconsistent with the descriptions listed for existing and proposed uses, which stated that the existing use was an office use.

In the Sacramento Street Neighborhood Commercial District (NCD), new medical service uses, which include dental offices, are generally not permitted. Planning Code Section 724.51, allows a new medical service use only in the case where the space to be occupied by the medical service use was last occupied by a "business or professional service," use as defined in Planning Code Section 790.108. Pursuant to Planning Code Section 790.102(j), an art gallery is considered to be an "other retail sales and services" use and cannot therefore be considered to be a "business or professional service" use. The conversion of an art gallery space to a dental office is not permitted by the Planning Code.

In light of these facts, the Planning Department requests that DBI take action to revoke **Building Permit Application No. 2015.01.02.4850** under Building Code Sections 106A.4.3, 106A.4.5[1] or other appropriate provision because the permit was issued in error.

[1] It is my understanding that Building Code Sections 106A.4.3 and 106A.4.5 allow the Director of DBI to revoke a permit issued in error.

Tom Hui, Director DBI
Revocation Request
3378 Sacramento Street
March 17, 2015

APPEAL: Any aggrieved person may appeal this letter to the Board of Appeals within fifteen (15) days after the date of the issuance of this letter. For further information, please contact the Board of Appeals in person at 1650 Mission Street, Room 304, or call 575-6880.

Sincerely,

Scott F. Sanchez
Zoning Administrator

CC: Yan Kalika Family Trust, 3378 Sacramento Street, SF 94118
Heston Chau, Architect, 1832 Buchanan Street, #206, SF 94115
Supervisor Mark Farrell, City Hall, Room 244
Daniel Lowrey, Deputy Director, Department of Building Inspection
David Lindsay, Planning Department
Aaron Starr, Planning Department

BOARD OF APPEALS
MAR 30 2015
APPEAL # 15-054

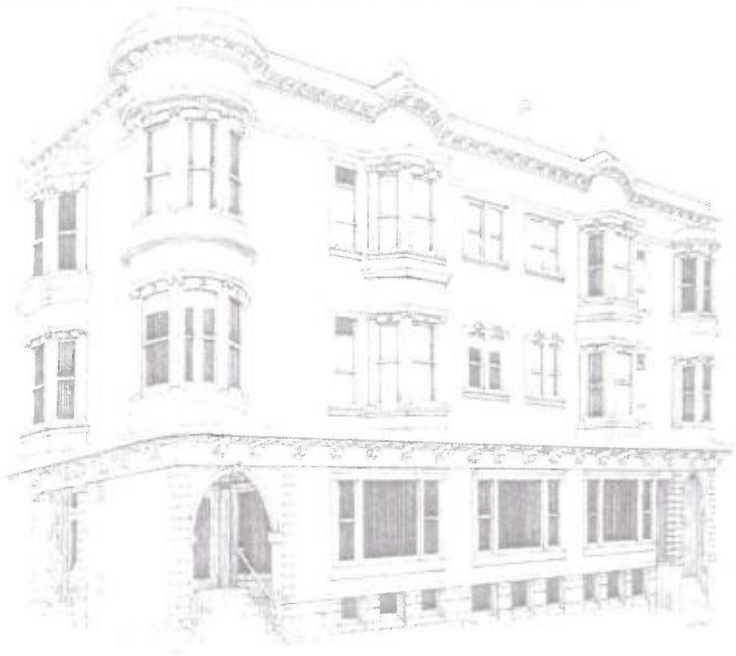
Home
Ian's Listings
SF listings
Rentals
Architecture
About SF
About Ian
Ian's List
Film Reviews
Stone Books
Legal & Privacy

Contact
tel 415.921.7300
cell 415.860.2777
ian@ianberke.com
www.ianberke.com

DRE #444020

Sacramento Street Commercial Condominium

3378 Sacramento Street (NE corner of Walnut)



Summary

Ground floor office space in a 6-unit condominium building. Bright and open, fully carpeted, 9 ft. ceilings. Many possible uses. 2072 square feet (tax records). Lot size: 27.7 x 87.5 Zoning: Sacramento St NCD.

Price: $1,150,000.

Photos

See **photos.**

Description

This handsome Classical Revival corner building (ca. 1906) contains six condominiums: two commercial condos on the ground and first floor and four residential condos on the upper two floors. This commercial condo is on the ground floor and has been used as an office, but is now vacant. The main entry is three steps below the street, onto a handsome tiled landing with large glass doors. The space itself is very bright and open, with nine large south facing clerestory windows, fully carpeted concrete, and 9 ft ceilings. There are four offices, open workspace, and a bathroom. This space could easily be reconfigured.
The space is easily adaptable to many uses such as retail, office space, salons, etc. Located within the Sacramento Street NCD area which contains use restrictions to preserve neighborhood character and encourage retail use. However other uses, such as professional offices (but not medical) may be permitted subject to obtaining a Conditional Use. The CC&R's of this building prohibit restaurant or food service uses. HOA dues: $284 per month. Note: This property is co-listed with Mike & Lea Ann Fleming, McGuire Real Estate; 351-4663.

Neighborhood

The Sacramento Street shopping area in Presidio Heights is well known for its many upper end retail shops and restaurants. It is adjacent to an expensive, highly desirable residential area containing large homes, and one block from the Laurel Shopping Center on California Street. The synergy of these two shopping areas has made this a destination shopping area with high rents. The new Jewish Community Center, also one block from this property, has contributed greatly to the foot traffic on the street.

Map

APPROVED
Dept. of Building Insp.

FEB 04 2015

Capacity Charges
Water:
Wastewater:
1/12/15

Tom C. Hui
TOM C. HUI, S.E.
DIRECTOR
DEPT. OF BUILDING INSPECTION

N/V

EXH - A
(1)

APPROVED FOR ISSUANCE
FEB 04 2015

BLDG. FORM 3/8

APPLICATION NUMBER

OSHA APPROVAL REQ'D ☐
APPROVAL NUMBER

APPLICATION FOR BUILDING PERMIT ADDITIONS, ALTERATIONS OR REPAIRS

FORM 3 ☐ OTHER AGENCIES REVIEW REQUIRED

FORM 8 ☒ OVER-THE-COUNTER ISSUANCE

2 NUMBER OF PLAN SETS

CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF BUILDING INSPECTION

APPLICATION IS HEREBY MADE TO THE DEPARTMENT OF BUILDING INSPECTION OF SAN FRANCISCO FOR PERMISSION TO BUILD IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS SUBMITTED HEREWITH AND ACCORDING TO THE DESCRIPTION AND FOR THE PURPOSE HEREINAFTER SET FORTH.

▼ DO NOT WRITE ABOVE THIS LINE ▼

DATE FILED	FILING FEE RECEIPT NO.	(1) STREET ADDRESS OF JOB	BLOCK & LOT
2/4/15		3378 SACRAMENTO	1008/049
PERMIT NO.	**ISSUED**	**(2A) ESTIMATED COST OF JOB**	**(2B) REVISED COST:**
1348043	2/4/15	$80,000	$ 97,950 BY: D.Y. DATE: 1/12/15

INFORMATION TO BE FURNISHED BY ALL APPLICANTS

LEGAL DESCRIPTION OF EXISTING BUILDING

(4A) TYPE OF CONSTR.	(5A) NO. OF STORIES OF OCCUPANCY:	(6A) NO. OF BASEMENTS AND CELLARS:	(7A) PRESENT USE:	(8A) OCCUP. CLASS (10)	(9A) NO. OF DWELLING UNITS:
V, 1HR	4	1	HEALTH CARE MANAGEMENT OFFICE / APTS	B/R2	4

DESCRIPTION OF BUILDING AFTER PROPOSED ALTERATION

(4) TYPE OF CONSTR.	(5) NO. OF STORIES OF OCCUPANCY:	(6) NO. OF BASEMENTS AND CELLARS:	(7) PROPOSED USE (LEGAL USE)	(8) OCCUP. CLASS (67)	(9) NO. OF DWELLING UNITS:
V, 1HR	4	1	DENTAL OFFICE / APTS	B/R2	4

(10) IS AUTO RUNWAY TO BE CONSTRUCTED OR ALTERED?	(11) WILL STREET SPACE BE USED DURING CONSTRUCTION?	(12) ELECTRICAL WORK TO BE PERFORMED?	(13) PLUMBING WORK TO BE PERFORMED?
YES ☐ NO ☒	YES ☐ NO ☒	YES ☒ NO ☐	YES ☒ NO ☐

(14) GENERAL CONTRACTOR	ADDRESS	ZIP	PHONE	CALIF. LIC. NO.	EXPIRATION DATE
TO ~~BE SELECTED~~ Owner Build					

(15) OWNER - ~~LESSEE~~ (CROSS OUT ONE)	ADDRESS	ZIP	BTRC#	PHONE (FOR CONTACT BY DEPT.)
YAN KALIKA	3412 GEARY, SF	94118		752-0654

(16) WRITE IN DESCRIPTION OF ALL WORK TO BE PERFORMED UNDER THIS APPLICATION (REFERENCE TO PLANS IS NOT SUFFICIENT)

T.I. TO TURN A HEALTH CARE MANAGEMENT OFFICE INTO A DENTAL OFFICE

ADDITIONAL INFORMATION

(17) DOES THIS ALTERATION CREATE ADDITIONAL HEIGHT OR STORY TO BUILDING?	(18) IF (17) IS YES, STATE NEW HEIGHT AT CENTER LINE OF FRONT	(19) DOES THIS ALTERATION CREATE DECK OR HORIZ. EXTENSION TO BUILDING?	(20) IF (19) IS YES, STATE NEW GROUND FLOOR AREA
YES ☐ NO ☒		YES ☐ NO ☒	SQ. FT.

(21) WILL SIDEWALK OVER SUB-SIDEWALK SPACE BE REPAIRED OR ALTERED?	(22) WILL BUILDING EXTEND BEYOND PROPERTY LINE?	(23) ANY OTHER EXISTING BLDG. ON LOT? (IF YES, SHOW ON PLOT PLAN)	(24) DOES THIS ALTERATION CONSTITUTE A CHANGE OF OCCUPANCY?
YES ☐ NO ☒	YES ☐ NO ☒	YES ☐ NO ☒	YES ☐ NO ☒

(25) ARCHITECT OR ENGINEER (DESIGN ☒ CONSTRUCTION ☐)	ADDRESS	CALIF. CERTIFICATE NO.
HESTON CHAU ARCHITECT	1832 BUCHANAN #206 SF 94115	C-10870

(26) CONSTRUCTION LENDER (ENTER NAME AND BRANCH DESIGNATION IF ANY. IF THERE IS NO KNOWN CONSTRUCTION LENDER, ENTER "UNKNOWN") N/A ADDRESS

IMPORTANT NOTICES

No change shall be made in the character of the occupancy or use without first obtaining a Building Permit authorizing such change. See San Francisco Building Code and San Francisco Housing Code.

No portion of building or structure or scaffolding used during construction is to be closer than 6'0" to any wire containing more than 750 volts. See Sec 385, California Penal Code.

Pursuant to San Francisco Building Code, the building permit shall be posted on the job. The owner is responsible for approved plans and application being kept at building site.

Grade lines as shown on drawings accompanying this application are assumed to be correct. If actual grade lines are not the same as shown, revised drawings showing correct grade lines, cuts and fills, and complete details of retaining walls and wall footings must be submitted to this department for approval.

NOTICE TO APPLICANT

HOLD HARMLESS CLAUSE. The permittee(s) by acceptance of the permit, agree(s) to indemnify and hold harmless the City and County of San Francisco from and against any and all claims, demands and actions for damages resulting from operations under this permit, regardless of negligence of the City and County of San Francisco, and to assume the defense of the City and County of San Francisco against all such claims, demands or actions.

In conformity with the provisions of Section 3800 of the Labor Code of the State of California, the applicant shall have worker's compensation coverage under (I) or (II) designated below, or shall indicate item (III), (IV), or (V), whichever is applicable. If however Item (V) is checked, Item (IV) must be checked as well. Mark the appropriate method of compliance below.

ATTACHMENT B

H D 5/18/15

May 1, 2015

BOARD OF APPEALS
MAY 07 2015
APPEAL # 15-054

Board of Appeals

City and County of San Francisco

Appeal No. 15-054; 3378 Sacramento Street

To Whom it May Concern,

Strict zoning laws are in place to preserve the residential neighborhood and charm of the street. Being able to convert space retail/ business space for medical use has always been prohibited. Sacramento Street has recently gotten publicity in San Francisco as a street with a wave of new merchants creating sophisticated, elegant, contemporary and stores brining in design, apparel, and style to the neighborhood. More retail space is needed to help preserve this.

The Presidio Heights Neighborhood and Sacramento Street Merchants want to support new retail business that promote adequate growth opportunities for development and that is compatible with the surrounding low-density residential neighborhood.

Parking is a regular complaint in the Presidio Heights neighborhood. It is becoming harder and harder for people who want to shop in the retail spaces to find parking.

Orthodontic offices are not like other medical practices as they see 70-100 patients a day and have a large staff taking up a lot of parking. Parking is already very difficult in the neighborhood. Presently there are already so many medical offices. There is also another orthodontic practice 1 block away and 3 blocks away from 3378 Sacramento Street. The medical building 399 Laurel/Sacramento was also repurchased recently by 2 orthodontists.

It is not fair that the buyer/owner of 3378 Sacramento Street should be able to convert his property for medical use. It was made very clear when the property was for sale that it could not be used for medical. His motive was to purchase the space and convert this space for his medical. Allowing him to do so will set precedence that zoning laws in the neighborhood are irrelevant and can be ignored.

Thank you for your time.

Sincerely,

	Name	Address/Store	Signature
1.	MARY TILDEN	3863 Jackson St	Mary Tilden
2.	Traci Terracke	3461 Sacramento St	Traci Terracke
3.	William Hudson	7 Presidio Ave.	Bill Hudson
4.	Miyo OTA	3314 SACRAMENTO St	Miyo Ota
5.	Sarah Pollak	3385 Sacramento St.	
6.	Ellen Callies	344 Presidio Ave	E. Callies
7.	Nongnee Anon	3480 Sacramento	Nongnee Anon
8.	Galit Chay	3369 Sacramento	
9.	Paulette Knight	3695 Sacramento	Paulette Knight
10.	Annemarie Sica	414 Spruce St	Annemarie Sica

11. Lauren Sherman 400 Locust St. #2 L. Sherman
12. MICHAEL SABINO / BUTTON DOWN INC. / 3415 SACRAMENTO ST / M. Sabino
13. Linda Philpot / GoodBuyes / 3464 Sacramento St / L. Philpot
14. Richard Regnier / Paul Mahler 3424 Sacramento St

H O 5/13/15

BOARD OF APPEALS
MAY 07 2015
#15-054

May 7, 2015

Board of Appeals
Dept of Building Inspection
1650 Mission St.
San Francisco,CA 94103

APPEAL CASE 15-054
Appeal Title: Fallay vs ZA
Subject Property 3378 Sacramento St, 94118

The case will be heard May 13, 2015 at 5pm.

I have included 11 copies of documentation in support of the decision to revoke Building Permit Application 2015.01.02.4850.

An over the counter approval was issued by mistake in early January to convert a retail/ service based use to medical which violated a zoning law in place within our NCD. I'm not sure how that was possible but clearly there was a very big mistake made that will negatively affect our business district and the tight zoning controls to protect the commercial district were overlooked.

In no way should such a conversion be possible in San Francisco when both the business district and residential board it affects had no notification, or way to respond to the request for change of use that violated our specific NCD zoning law prohibiting medical use directly on Sacramento St.

If you need any follow up information prior to the meeting please contact me.

Traci Teraoka,

Traci Teraoka

Property owner at 3463 Sacramento St,
Poetica Art & Antiques, Owner 3461 Sacramento St.
Sacramento Street Merchants Assoc. President

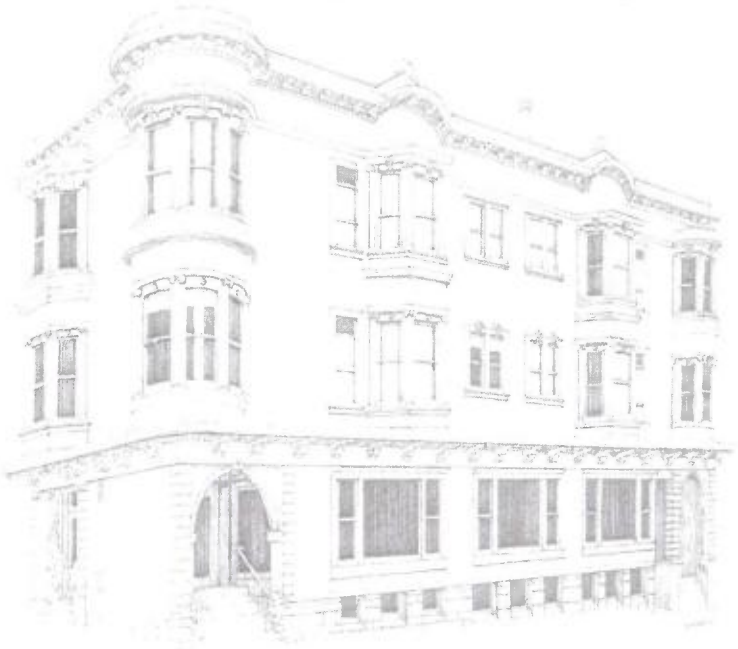
Home
Ian's Listings
SF listings
Rentals
Architecture
About SF
About Ian
Ian's List
Film Reviews
Stone Books
Legal & Privacy

Contact
tel 415.921.7300
cell 415.860.2777
ian@ianberke.com
www.ianberke.com

DRE #444020

Sacramento Street Commercial Condominium

3378 Sacramento Street (NE corner of Walnut)



Summary

Ground floor office space in a 6-unit condominium building. Bright and open, fully carpeted, 9 ft. ceilings. Many possible uses. 2072 square feet (tax records). Lot size: 27.7 x 87.5 Zoning: Sacramento St NCD.

Price: $1,150,000.

Photos

See **photos.**

Description

This handsome Classical Revival corner building (ca. 1906) contains six condominiums: two commercial condos on the ground and first floor and four residential condos on the upper two floors. This commercial condo is on the ground floor and has been used as an office, but is now vacant. The main entry is three steps below the street, onto a handsome tiled landing with large glass doors. The space itself is very bright and open, with nine large south facing clerestory windows, fully carpeted concrete, and 9 ft ceilings. There are four offices, open workspace, and a bathroom. This space could easily be reconfigured.
The space is easily adaptable to many uses such as retail, office space, salons, etc. Located within the Sacramento Street NCD area which contains use restrictions to preserve neighborhood character and encourage retail use. However other uses, such as professional offices (but not medical) may be permitted subject to obtaining a Conditional Use. The CC&R's of this building prohibit restaurant or food service uses. HOA dues: $284 per month.
Note: This property is co-listed with Mike & Lea Ann Fleming, McGuire Real Estate; 351-4663.

Neighborhood

The Sacramento Street shopping area in Presidio Heights is well known for its many upper end retail shops and restaurants. It is adjacent to an expensive, highly desirable residential area containing large homes, and one block from the Laurel Shopping Center on California Street. The synergy of these two shopping areas has made this a destination shopping area with high rents. The new Jewish Community Center, also one block from this property, has contributed greatly to the foot traffic on the street.

Map

HD 5/13/15

15-054

Emails stating that the Real Estate Agent had asked if the 3378 could be converted to a dental office and the office and the response from David Lindsay. This Orthodontist knew before that 3378 Sacramento Street could not be converted for medical use before he purchased the property. Nevertheless, he still went ahead and purchased the property and kicked the art gallery out and started build out in hopes that the zoning laws would be applicable for him.

No. They would not be able to do that. The Planning Department has stated that they see no avenue to get a medical use in that location.

Thanks!

Catherine Stefani

Legislative Aide
Office of Supervisor Mark E. Farrell
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Phone: (415) 554-7752
Fax: (415)554-7843

To: Stefani, Catherine
Subject: Re: 3378 Sacramento Street

Thank you Catherine for the quick response!

It seems with this law, you can kick the tenant out and make it a professional use space and then convert it medical later....Could you do that with the space?

On Monday, August 18, 2014 2:52 PM, "Stefani, Catherine" <catherine.stefani@sfgov.org> wrote:

Here is the correspondence from me and David Lindsay regarding this property from earlier this year. This confirms that the art gallery cannot be converted to a medical use. Please let me know if you have any questions.

Thanks!

Catherine Stefani
Legislative Aide
Office of Supervisor Mark E. Farrell
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Phone: (415) 554-7752
Fax: (415)554-7843

From: Lindsay, David (CPC)
Sent: Monday, August 18, 2014 2:47 PM
To: Stefani, Catherine
Cc: Sanchez, Scott (CPC); Rodgers, AnMarie (CPC); Starr, Aaron (CPC)
Subject: FW: 3378 Sacramento Street

Catherine – here's the email correspondence from late 2013/early 2014 re. 3378 Sacramento

David Lindsay
Senior Planner, Northwest Quadrant, Current Planning

Planning Department | City and County of San Francisco
1650 Mission Street, Suite 400, San Francisco, CA 94103
Direct: 415.558.6393 | Fax: 415.558.6409
Email: david.lindsay@sfgov.org
Web: www.sfplanning.org

From: Rodgers, AnMarie
Sent: Thursday, January 02, 2014 12:47 PM
To: Stefani, Catherine; Lindsay, David
Cc: Teague, Corey
Subject: RE: 3378 Sacramento Street

Hi Catherine,

No, per Supe. Farrell's law, only a business/professional service use can be converted to medical service. An art gallery cannot be converted to a medical service use under this law. Further, even if the art gallery use were abandoned (typically by being left vacant for three plus years), there would still be no legal business/professional use and therefore no ability to convert to medical service. If the owner of the property believes they have a mechanism to establish a medical use, they should confirm this belief by requesting a "Letter of Determination" from the Zoning Administrator. This would allow them to present the full facts for our verification and we would do complete research on the property; resulting in a definitive answer from the zoning administrator. More on ZA Letter of Determination below. Meanwhile, based upon what I've been told about this property, I see no avenue for a medical service use to be established here.

http://www.sf-planning.org/index.aspx?page=2581

Zoning Administrator Determinations

The Zoning Administrator issues determination letters resulting from requests by property owners, developers, architects, and land use attorneys inquire about the zoning regulations applicable to specific development proposals. These letters offer guidance to requesting parties as to whether a proposed project, such as a new building, an addition to an existing building, or a use change, conform to the Planning Code (sometimes referred to as the Zoning Code). Once these letters are issued, applicants still must obtain all applicable required building permits and/or certificates before a use can commence or a building can be built.

AnMarie Rodgers, Manager
Legislative Affairs

Planning Department | City and County of San Francisco
1650 Mission Street, Suite 400, San Francisco, CA 94103
Direct: 415.558.6395 | Fax: 415.558.6409
Email: anmarie@sfgov.org
Web: http://www.sf-planning.org/Legislative.Affairs
Property Info Map: http://propertymap.sfplanning.org/

From: Stefani, Catherine
Sent: Thursday, January 02, 2014 12:35 PM
To: Rodgers, AnMarie; Lindsay, David
Cc: Teague, Corey
Subject: RE: 3378 Sacramento Street

One more follow-up question – if at the end of Paul Madher's lease, the new owner raises the rent such that Paul Madher can't pay the rent, will this prohibition always prevent him from putting a medical use in that space or can he wait it out somehow (which is what they seem to be telling Mr. Madher).

Thanks! Happy New Year!

Catherine Stefani
Legislative Aide
Office of Supervisor Mark E. Farrell
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Phone: (415) 554-7752
Fax: (415)554-7843

From: Rodgers, AnMarie
Sent: Friday, December 20, 2013 8:44 AM
To: Lindsay, David
Cc: Teague, Corey; Stefani, Catherine
Subject: Re: 3378 Sacramento Street

Many thanks, David. Very reassuring.

AnMarie

Please excuse the brevity of this response and any typos therein. This note was sent from a phone.

On Dec 20, 2013, at 7:58 AM, "Lindsay, David" <david.lindsay@sfgov.org> wrote:

AnMarie – I located the email that I sent to the real estate agent about this zoning provision – I was very careful in what I wrote – he left me a message yesterday about converting an art gallery use to a dental office & I will call him back today to let him know that an art gallery would not fall within the definition of a "business or professional service" and thus, a dental office would not be permitted to go into the space

From: Lindsay, David
Sent: Wednesday, November 20, 2013 7:15 AM
To: Dave Cauchi (dcauchi@apr.com)

Cc: Burns, Kanishka
Subject: 3378 Sacramento Street

Mr. Cauchi – Ms. Burns forwarded your request for written verification of the zoning as it affects this property. The site is in the Sacramento Street Neighborhood Commercial District. Planning Code Section 724.51 allows Medical Services, as defined in Planning Code Section 790.114, in this district in the following situation:

Boundaries: Sacramento Street Neighborhood Commercial District
Controls: A business or professional service use may be converted to a medical service use on the first story or below if no residential use or active street frontage is lost.

If the space you are representing is legally a "business or professional service" (as defined in Planning Code Section 790.108) and is located on the first story or below, and if the conversion would result in no loss of residential use or active street frontage (as defined in Planning Code Section 145.1), then such space can be converted to a medical service use. A building permit application would need to be submitted to document the conversion of use, and for any tenant improvements requiring Department of Building Inspection review.

The San Francisco Planning Code is available on the Planning Department website for your reference.

David Lindsay

ATTACHMENT C

From: Heston Chau
To: Ajello, Laura (CPC)
Subject: Fwd: Neighborhood confirmations
Date: Thursday, March 03, 2016 10:55:28 AM

Hello, Laura:

Thanks for meeting with me the other day on 3378 Sacramento Street CU hearing.
This is the support email from the neighborhood merchants' group.
Please confirm your receipt of this and I shall email you the site plan, revised pages of our application forms later today or tomorrow.
Thank you for your help.

Heston

HESTON CHAU ARCHITECT
1832 Buchanan Street Suite 206
San Francisco, CA 94115-3252
415-567-8800(O)415-567-8900(C)

-----Original Message-----
From: Charlie Benziger <charlesbenziger@hotmail.com>
To: hestonchau <hestonchau@aol.com>; drkalika <drkalika@imageorthodontics.com>
Cc: ckawaja <ckawaja@gmail.com>; brad.rohal <brad.rohal@yahoo.com>
Sent: Mon, Feb 29, 2016 10:38 am
Subject: Neighborhood confirmations

Heston:
Per your request, attached here is the approval from the PHAN board and the Sacramento Merchants board.
Charlie

---------- Forwarded message ----------
From: **Traci Teraoka**
<traciteraoka@mac.com>
Date: Tue, Oct 13, 2015 at 6:00 PM
Subject: Re: Confirmed?
To: Chris Kawaja <ckawaja@gmail.com>

Hi Chris,

I'm happy to report that both the Presidio Heights Assoc. of Neighbors board (P.H.A.N.) and the Sacramento St. Merchants approve your use of the 3378 rental space as your

'business service' offering 'wealth management services' to your clients and the general public. As we discussed last Friday in order to help meet the NCD requirements and help stabilize your block you will need to post your hours, participate in the merchants assoc. and help foster community by helping your fellow businesses with annual events, block parties and other special occasions as we calendar them. We are actively and successfully building a business watch, branding our street for locals and tourists while maintaining the charm and sophistication of the Sacramento St. shopping corridor.

In order to help make this request of usage meet the City zoning controls for the Sac. St NCD we have requested assistance from our District 2 Supervisor, Mark Farrell in the form of a conditional use permit that states what is being allowed for the space. There will be some conditions around the CUP (conditional use permit) namely that you may use the rental under your intended use as a business service and then afterwards it would return to a 'general retail or business service space' for a future tenant. We reached out today and haven't heard back from one of Supervisor Farrell's legislative aides, Catherine Stefani just yet. As soon as I hear back from Catherine I'll provide more information. I should know more tomorrow or by Thursday.

The shop will be closed this weekend. Friday - Sunday as I am attending my nephew's wedding out of state. I can still be reached by email -unless of course wedding festivities are going on.

Thanks for reaching out and a pleasure to meet you!
Traci Teraoka
Sac. St. Merchants Assoc.
Poetica Art & Antiques
415-637-5837

Walnut Associates – Tenant Profile

Walnut Associates ("WA" – this is a registered LLC in the state of California) provides a unique wealth management model for individuals and small businesses.

The problem with most wealth management models is the anonymity of the entities that invest one's money, which leads to lack of trust, increased turnover and volatility, and decreased transparency.

WA aims to bridge this gap, creating trust between the client, wealth management advisor, and ultimate investing entities. WAA brings together a unique collection of businesses under one roof, including:

Parkside Advisors, a registered wealth manager
Paladin Investment Management, a registered wealth manager
Valley Investment Management, a money management firm
Snowcreek Capital, a money management firm
Catarina Ranch Investments, a real estate investment entity
Seal Rock Investments, a real estate investment entity
and Stovell Research, an investment research firm

Clients are not obligated to invest in any particular entity.

All members of WA have worked in the same office for a minimum of 3-7 years. We look forward to bringing WA to Sacramento Street, which will increase our ability to access the targeted investment base vs. our current secured access site.

Hours: 7:00AM – 4:00PM, M-Th; 7:30AM – 3:00PM, Fri. Saturdays, Sundays, and evenings by appointment only.

EXHIBIT B

SAN FRANCISCO
PLANNING DEPARTMENT

Executive Summary
Conditional Use

HEARING DATE: JUNE 30, 2016

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Date:	June 20, 2016
Case No.:	**2016-001075CUA**
Project Address:	**3378 Sacramento Street**
Zoning:	Sacramento Street Neighborhood Commercial District 40-X Height and Bulk District
Block/Lot:	1008/049
Project Sponsor:	Heston Chau, Architect 1832 Buchanan Street, #206 San Francisco, CA 94115
Staff Contact:	Laura Ajello – (415) 575-9142 *laura.ajello@sfgov.org*
Recommendation:	**Approval with Conditions**

PROJECT DESCRIPTION

The project sponsor seeks Conditional Use Authorization pursuant to Planning Code Sections 303, 724.53, and 790.108 to establish a Business or Professional Service use that provides wealth management services (d.b.a. Walnut Associates) at the basement level of a mixed-use building. The existing tenant space measures approximately 2,072 square feet and was last occupied by an art gallery and framing business. The project includes interior tenant improvements with no exterior changes proposed.

The Planning Code defines various office uses in Sections 790.106 through 790.116. Business or Professional Service, as defined in Section 790.108, is defined as "a retail use which provides to the general public, general business or professional services, including but not limited to, architectural, management, clerical, accounting, legal, consulting, insurance, real estate brokerage, and travel services." Wealth management services would fall within the definition of Business or Professional Service.

Walnut Associates, the proposed wealth management business, has no other existing offices. Proposed hours of operation are Monday through Thursday from 7 AM to 4 PM, Friday 7:30 AM to 3:00 PM, and weekends and evenings by appointment only.

SITE DESCRIPTION AND PRESENT USE

The project site is located at 3378 Sacramento Street, on the northeast corner of Sacramento and Walnut Streets on Assessor's Block 1008, Lot 049. The project site is centrally located within the Sacramento Street Neighborhood Commercial District (NCD), 40-X Height and Bulk District. The parcel measures approximately 2,422 square feet in total area (approximately 87.5 feet wide by 27.7 feet deep). The existing three-story over basement mixed-use building has one other commercial tenant fronting on Sacramento Street (d.b.a. Marilyn Jaeger Skincare) and four dwellings that are entered from Walnut

SAN FRANCISCO
PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ☐ Affordable Housing (Sec. 415)
- ☐ Jobs Housing Linkage Program (Sec. 413)
- ☐ Downtown Park Fee (Sec. 412)
- ☐ First Source Hiring (Admin. Code)
- ☐ Child Care Requirement (Sec. 414)
- ☐ Other

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Draft Motion

HEARING DATE: JUNE 30, 2016

Date:	June 20, 2016
Case No.:	**2016-001075CUA**
Project Address:	**3378 Sacramento Street**
Zoning:	Sacramento Street Neighborhood Commercial District 40-X Height and Bulk District
Block/Lot:	1008/049
Project Sponsor:	Heston Chau, Architect 1832 Buchanan Street, #206 San Francisco, CA 94115
Staff Contact:	Laura Ajello – (415) 575-9142 *laura.ajello@sfgov.org*

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 303, 724.53 and 790.108 OF THE PLANNING CODE TO ALLOW A BUSINESS OR PROFESSIONAL SERVICE USE (D.B.A. WALNUT ASSOCIATES) WITHIN THE SACRAMENTO STREET NEIGHBORHOOD COMMERCIAL DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On January 20, 2016 Heston Chau (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Sections, 724.53 and 790.108 to establish a Business or Professional Service use (d.b.a. Walnut Associates) within the Sacramento Street Neighborhood Commercial District and a 40-X Height and Bulk District.

On June 30, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2016-001075CUA.

the general public, general business or professional services, including but not limited to, architectural, management, clerical, accounting, legal, consulting, insurance, real estate brokerage, and travel services." Wealth management services would fall within the definition of Business or Professional Service.

Walnut Associates, the proposed wealth management business, has no other existing offices. Proposed hours of operation are Monday through Thursday from 7 AM to 4 PM, Friday 7:30 AM to 3:00 PM, and weekends and evenings by appointment only.

5. **Public Comment.** To date, the Department has received one joint communication from the Presidio Heights Association of Neighbors (PHAN) board and the Sacramento Merchants board. These neighborhood groups support the proposed use as a business service that is open to the public upon the condition that future uses be restricted to business service or retail use (see Exhibits). Such a condition on future uses cannot be imposed and is not included on the Draft Motion. The Department is not aware of any opposition to the project.

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. **Planning Code Section 724.53** states that a Conditional Use Authorization is required for Business or Professional Service use, as defined by Planning Code Section 790.108.

The Business or Professional Service use at the basement level of the building would consist of an office for a wealth management business. The office use would be restricted to Business or Professional Service uses only, which by definition would provide services to the general public.

B. **Street Frontage in Neighborhood Commercial Districts.** Section 145.1 of the Planning Code requires that within NC Districts space for active uses shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. In addition, the floors of street-fronting interior spaces housing non-residential active uses and lobbies shall be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces. Frontages with active uses that must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Any decorative railings or grillwork, other than wire mesh, which is placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular view. Rolling or sliding security gates shall consist of open grillwork rather than solid material, so as to provide visual interest to pedestrians when the gates are closed, and to permit light to pass through mostly unobstructed. Gates, when both open and folded or rolled as well as the gate mechanism, shall be recessed within, or laid flush with, the building facade.

The Project would occupy an existing basement-level commercial space where existing fenestration consists of unobstructed glazing that is located below eye-level. The basement-level space is not considered an active storefront; because it is below grade. Additionally, the storefront window visibility zone for active uses is located between four feet to eight feet above grade. The subject commercial space has approximately 87 feet of frontage on Sacramento Street with approximately 41

STREETSBLOG

Hearst Corp Seeks to Rip Out Annie Alley Plaza to Make Room for Cars

By Aaron Bialick Jan 9, 2015 20

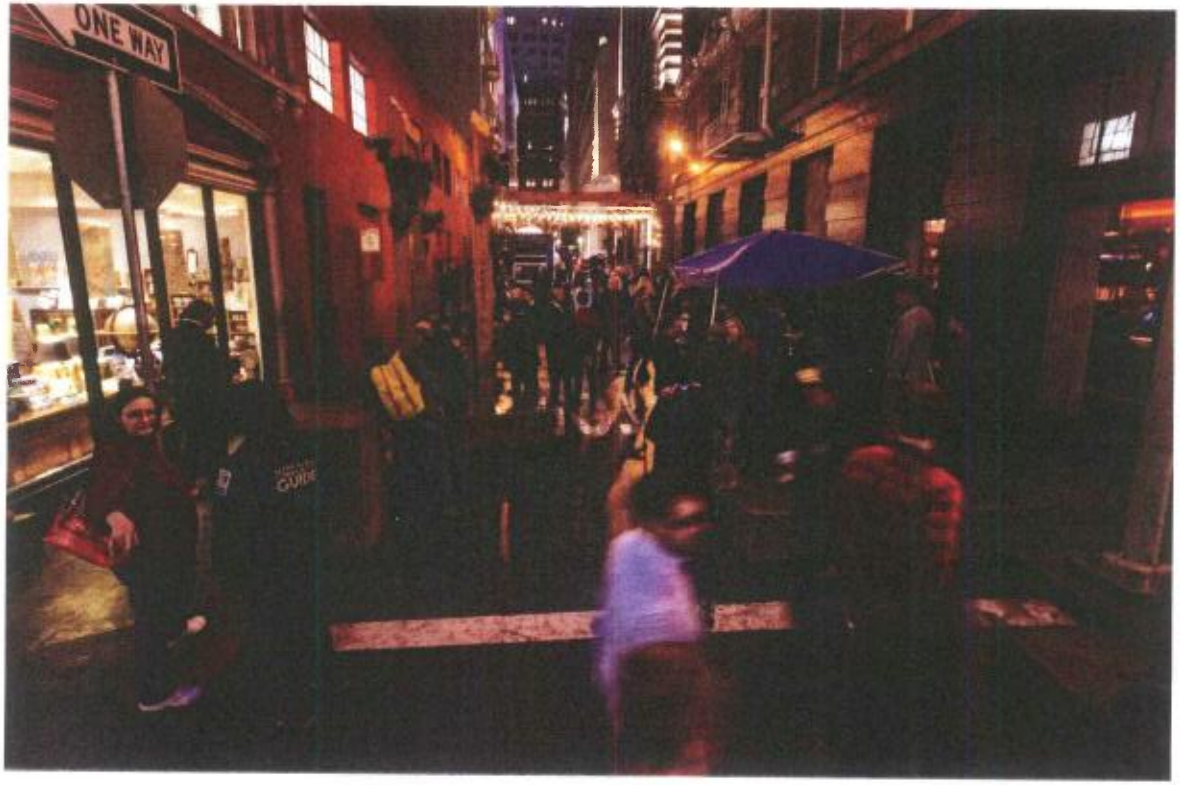
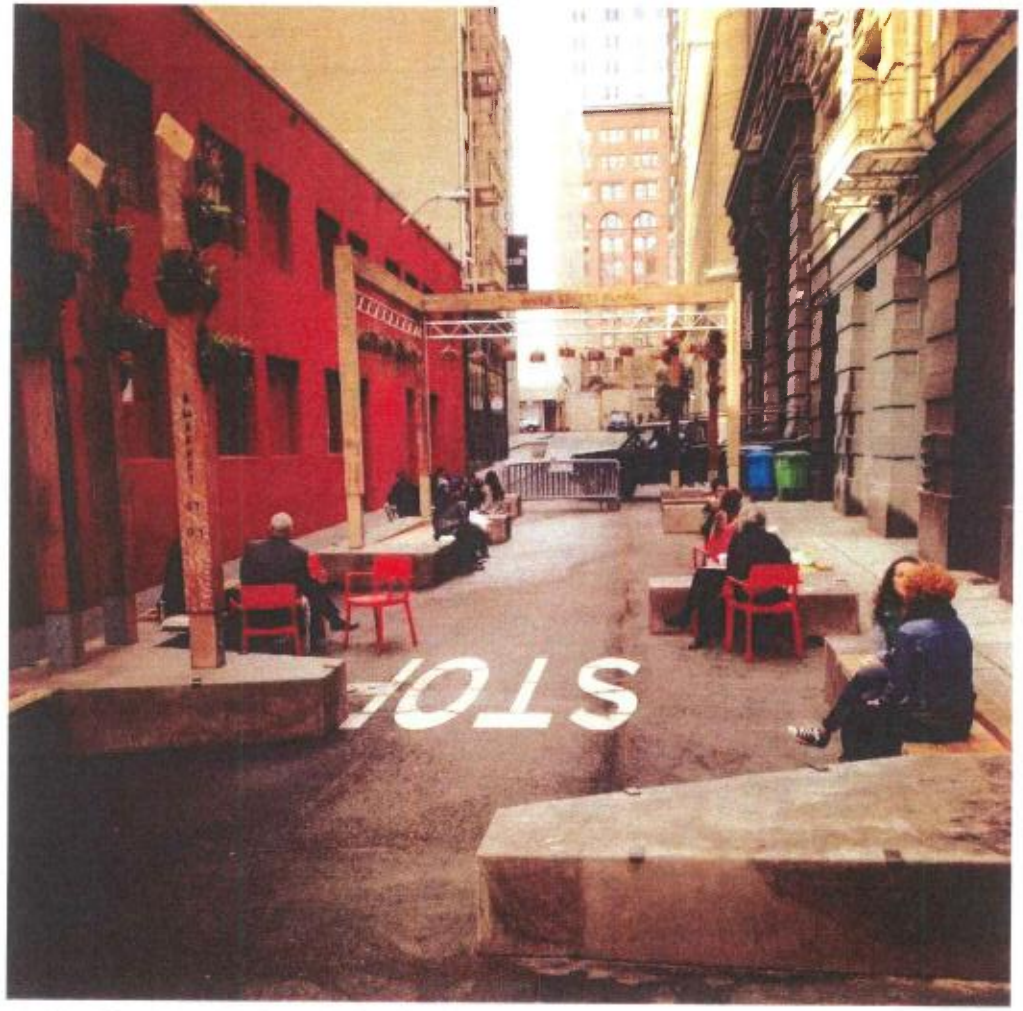


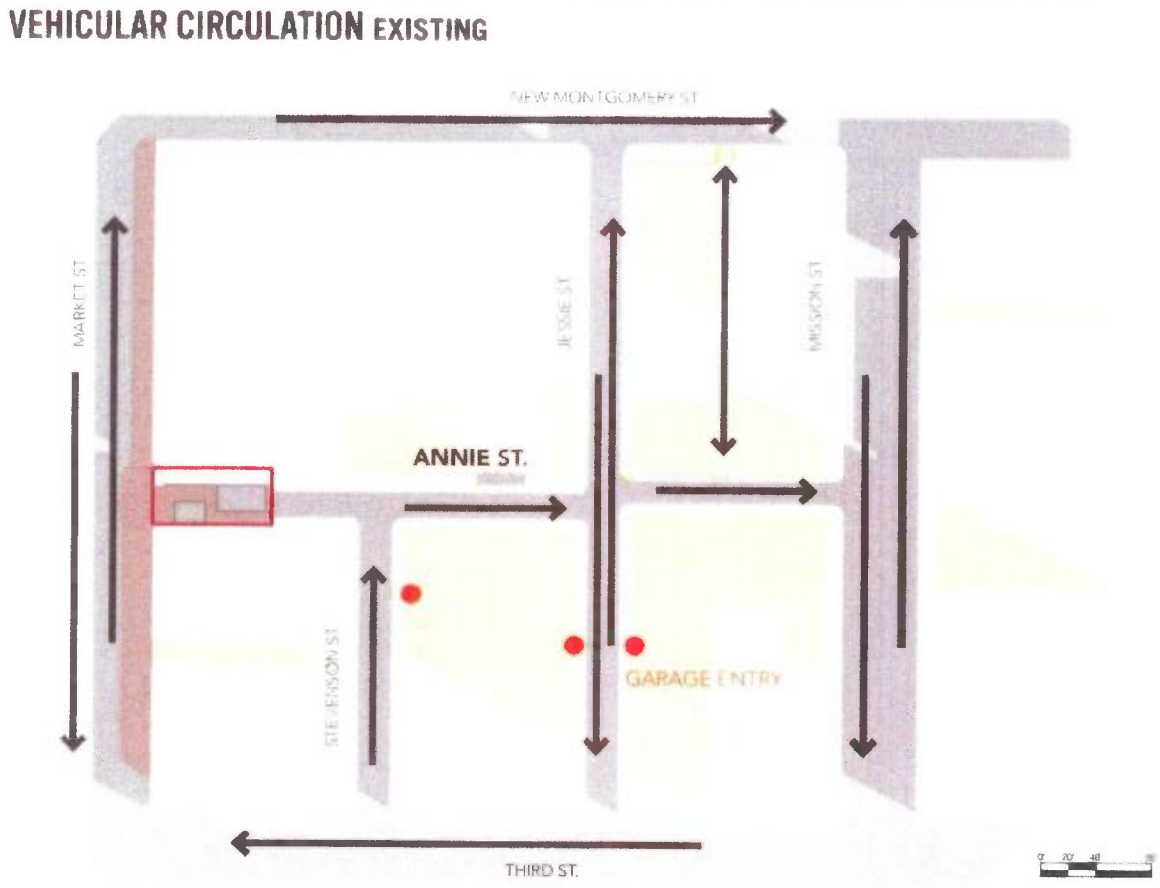
Photo: SPUR/Flickr



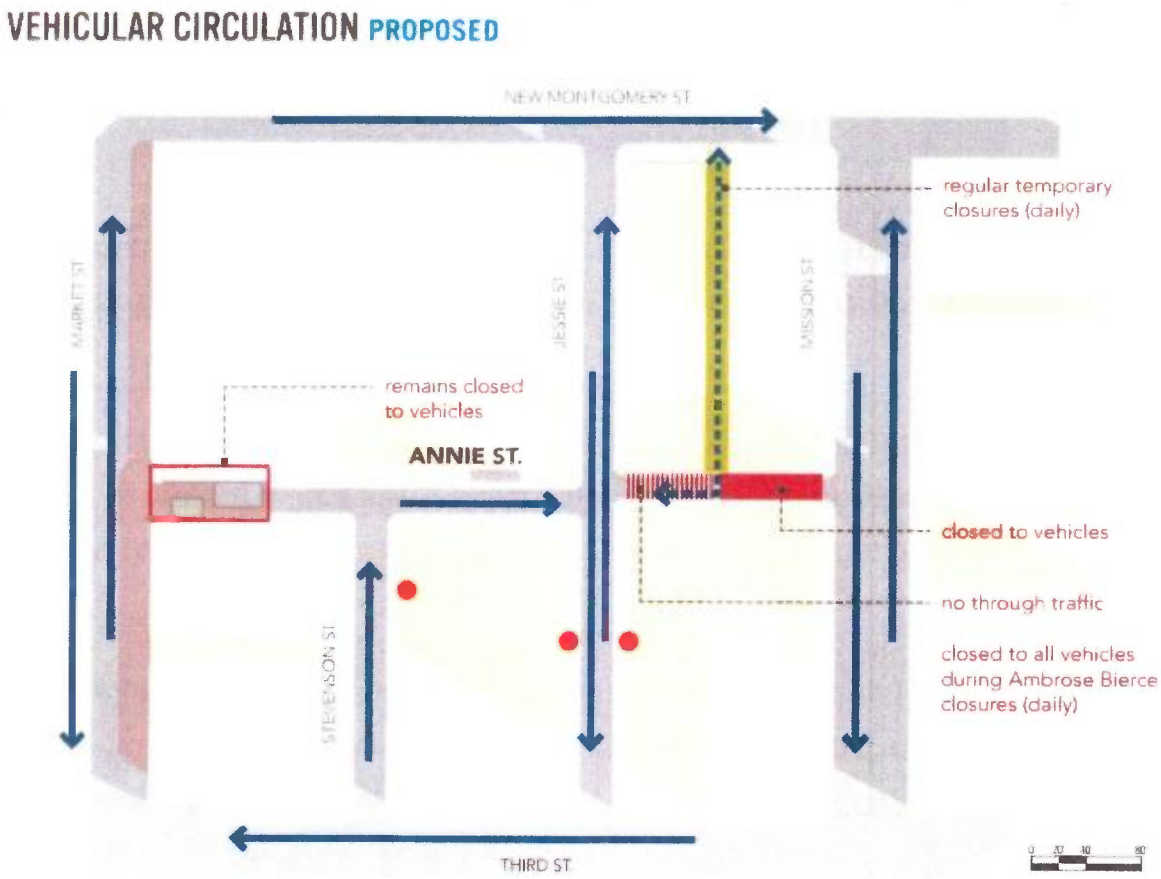
Annie Alley plaza during a Friday lunch in November. Photo: Annie Street Plaza/Facebook

What's clear is that the alley now serves as a popular public space in a dense downtown neighborhood. Even the Hearst-owned SF Chronicle stated in its headline on a column from John King: "SF's newest public space provides invitation to sit, linger."

"The community fought for every last inch of public open space in this district which has so litte," said D6 Supervisor Jane Kim, who recently filmed a PSA for the Pavement to Parks program on Annie Alley plaza. "It's amazing seeing the community realize a project that will hopefully be a model for the rest of the city."



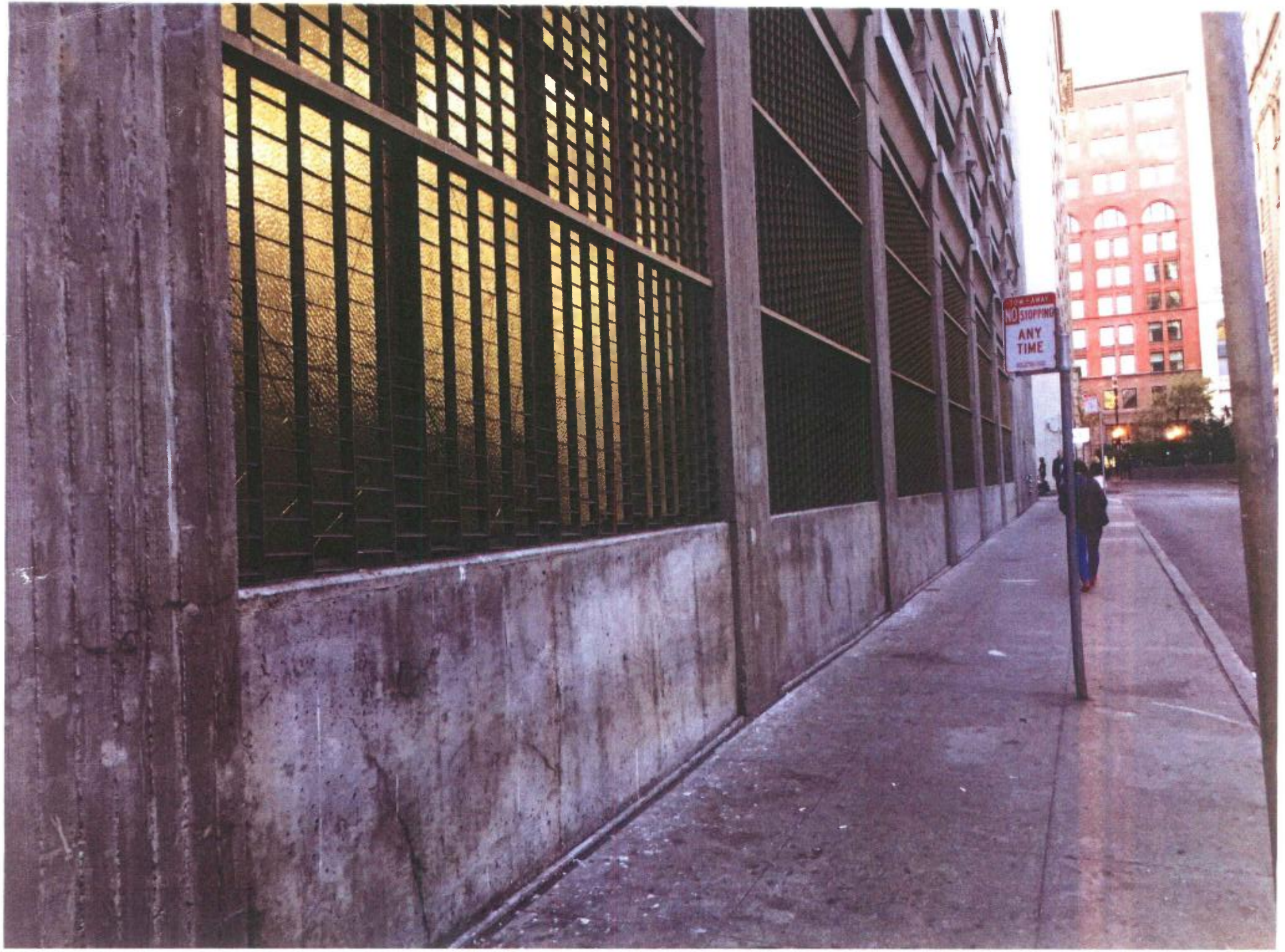
Before the plaza went in, drivers leaving the Hearst garage on Jessie could use Annie Street to get to Mission Street. Image: SF Planning



With the plaza in place, drivers must stay on Jessie to reach Third or New Montgomery Streets. Image: SF Planning

So how many more cars were on Jessie when drivers had to travel another half-block instead of turning on Annie? According to a memo on the study [PDF], the evening rush hour saw one additional westbound vehicle per minute on Jessie, and one additional eastbound vehicle every four minutes.

But Hearst's appeal [PDF] insists that "vehicles routinely line up bumper-to-bumper on Jessie Street" since "Annie Street is no longer available as an escape valve." In an SF Weekly article, reporter Joe Eskenazi described watching a driver take 90 seconds to exit the alley.


NO STOPPING
ANY
TIME


STOP


165
JESSIE
165
JESSIE


LOVE
OVER
RULES

5 THIRD STREET MITIGATED NEGATIVE DECLARATION APPEAL

CASE #2016-007303ENV

PLANNING COMMISSION HEARING

SAN FRANCISCO
PLANNING DEPARTMENT

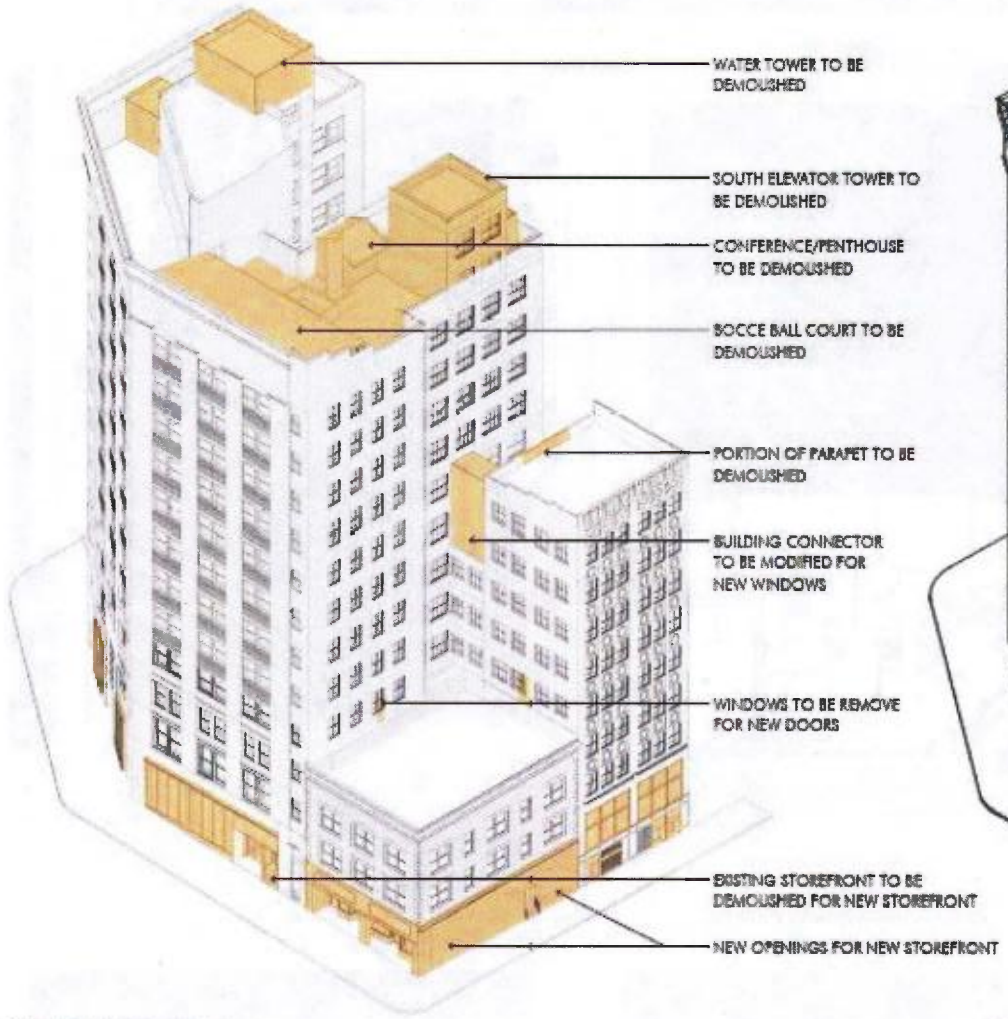
Josh Pollak, Senior Environmental Planner
Planning Department Staff Presentation/February 14, 2019

Presentation Overview

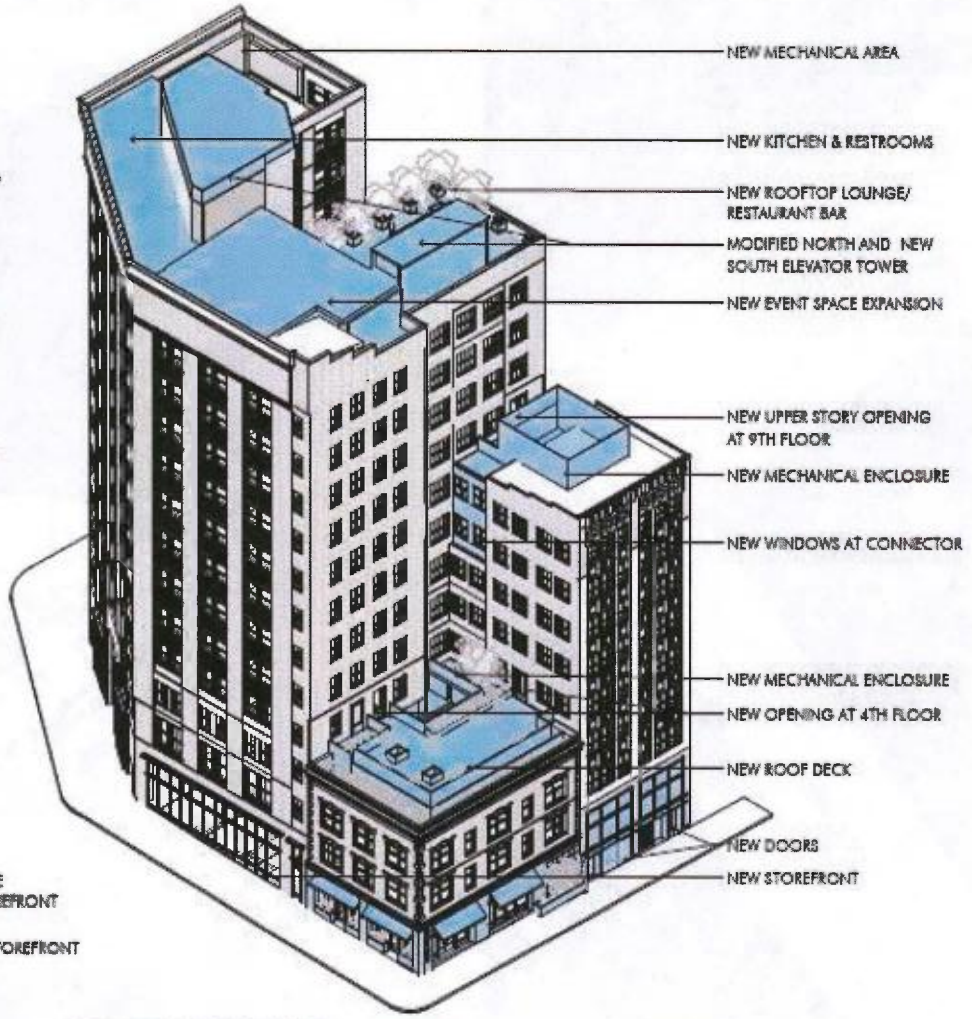
- Purpose: describe adequacy of environmental review and address appellants' concerns
- Project location and overview
- Summary of significant impacts and mitigation measures
- Concerns raised in appeals and Planning Department's responses
- Next steps
- Recommendation: Adopt the motion to uphold the MND

Project Location and Site Overview

Project Overview



1 EXISTING HEARST BUILDING



2 PROPOSED HEARST BUILDING

FORGE | BESPOKE HOSPITALITY

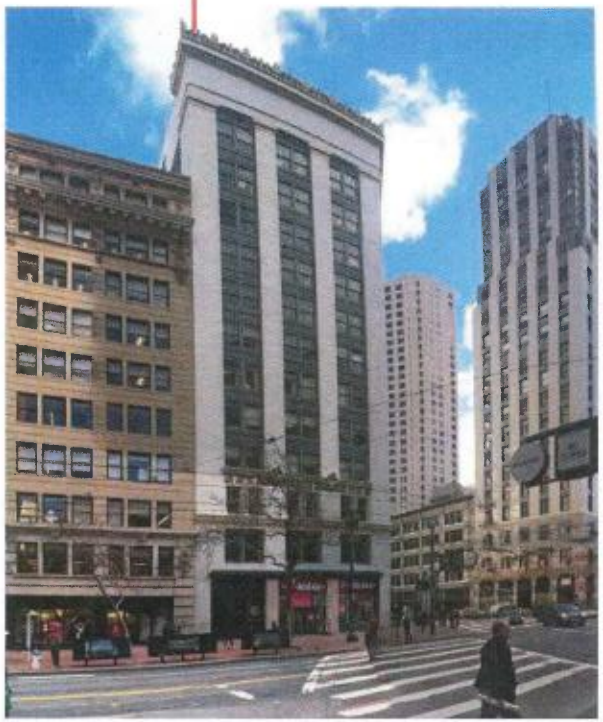
Timeline

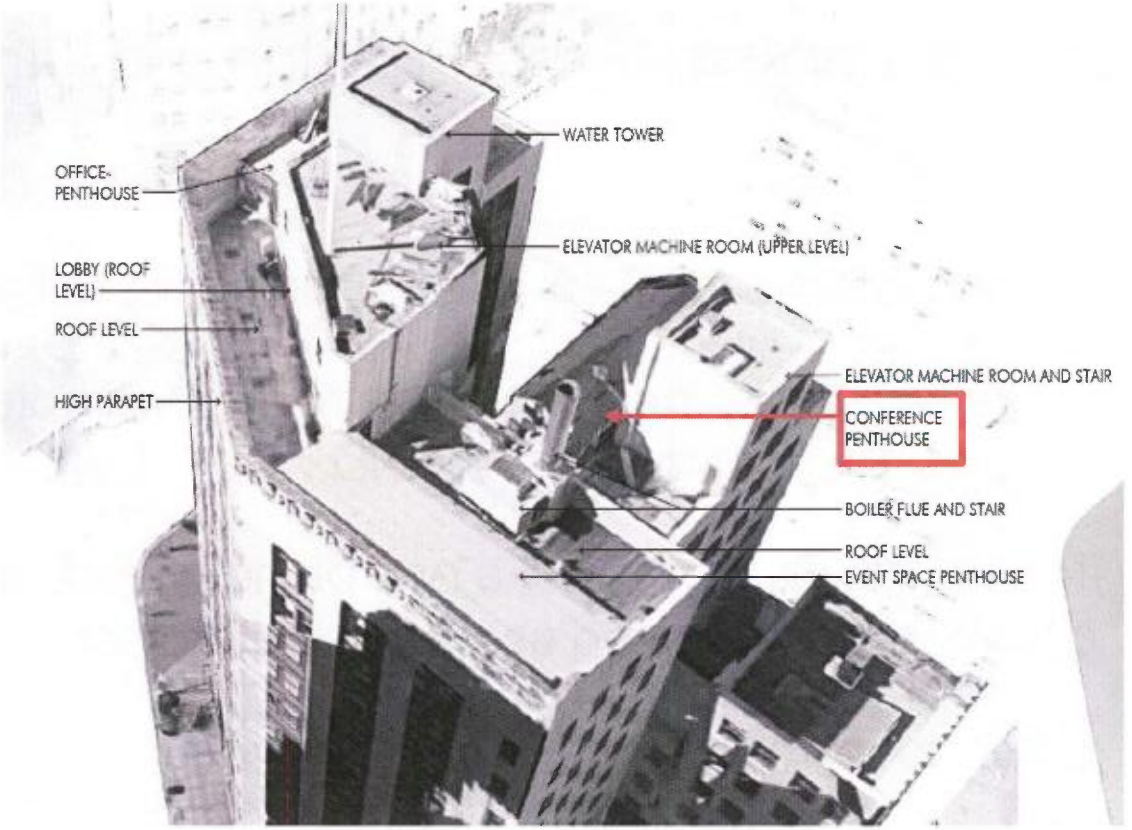
- Preliminary MND published August 22, 2018
  - Public comment period August 23, 2018 to September 11, 2018
- Two appeal letters timely filed on September 11, 2018
  - Friends of the Hearst Building
  - Yasin Salma
- Appeal hearing on November 15, 2018 continued to today to allow Department time to review and consider SHPO comments, and project sponsor to revise project to address concerns
- Proposed project and PMND revised in response to SHPO comments

Potential Significant Impacts and Mitigation Measures

Topic	Potential Significant Impact	Mitigation Measures to Reduce Impact to Less Than Significant
Cultural Resources	Potential to encounter archeological resources	Archeological testing
Cultural Resources	Potential to affect buried tribal cultural resources	Tribal cultural resources interpretive program
Noise	Stationary noise sources	Outdoor fixed noise minimization (HVAC equipment)
Noise	4th floor terrace noise	Compliance with noise limit
Noise	Rooftop deck noise	Compliance with noise limit
Air Quality	Construction air quality emissions	Use cleaner construction equipment
Air Quality	Stationary source emissions from generators	Best Available Control Technology for new diesel generators

Appellant Concern: Cultural Resources, Gable/Flat Roofed Penthouse





- Modified project meets the Secretary of Interior's Standards for Rehabilitation
- Project would not materially impair the resource
- Therefore, it would not result in a significant impact

Other Appellant Concerns: Hazardous Materials, BART Tunnel Impacts, Parking, Noise, Pollution and Others

- Parking is not a CEQA impact for infill sites in transit priority areas
- Noise, air quality, hazardous materials, and potential BART tunnel impacts are analyzed in the MND
- The Hearst Garage is not a part of the project site, and no physical changes are proposed as part of the project.
- Other concerns change of use from retail

Next Steps

- If the PMND is upheld today, the following hearings would occur:
  - Historic Preservation Commission hearing (March 20th):
    - Major Permit to Alter
    - Recommendation to the Board of Supervisors regarding amendment to Planning Code Section 188(g)
  - Planning Commission hearing (March 21st):
    - Conditional use authorization
    - Downtown authorization
    - Recommendation to Board of Supervisors regarding an amendment to Planning Code Section 188(g)
  - Board of Supervisors consideration of an amendment to Planning Code Section 188(g); date to be determined

RECOMMENDATION

- Adopt the motion to uphold the MND

THANK YOU

Josh Pollak
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San Francisco Planning

San Francisco Planning

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SAN FRANCISCO
PLANNING DEPARTMENT

Executive Directive: Keeping Up the Pace of Housing Production

San Francisco Planning

Summary and Status of Planning Department Process Improvements Plan, January 2019

A Application and Intake Procedures

	TASK	STATUS
A.1	Streamline Preliminary Project Assessment (PPA)	*Effective April 2018*
A.2	Consolidate environmental and project review via Project Application	*Effective June 2018*
A.3	Revise plan submittal and intake requirements	*Effective June 2018*
A.4	Uniform public notification procedures	
	» Consistent mailing and poster requirements; Online Notice	*Effective Jan. 2019 (BF 180423)*[1]
	» Apply uniform requirements to 311/312 building permit notices	*TBD (not in BF 180423)*[1]
	» Notification materials redesign and streamlining	*Planned for summer 2019*

B Routine Projects and Permits

	TASK	STATUS
B.1	Enhance capacity for Over-the-Counter (OTC) approvals at PIC counter	
	» Expand or add dedicated PIC shifts for: Preservation, Design, ADUs	*Effective April 2018, ongoing*
	» Streamline CEQA Categorical Exemption process for OTC approvals	*Effective January 2018*
	» Improve public information materials	*Ongoing*
B.2	Expand permits that can be approved same-day at PIC counter	
	» Minor alterations to Historic structures	*Effective Aug. 2018 (BF 180423)*[1]
	» Limited Rear Yard Additions, and related minor alterations	*TBD (not in BF 180423)*[1]
B.3	Accessory Dwelling Units and Unit Legalization approvals	
	» Assign ADU core staff at key agencies (DBI, SFFD, Public Works, Planning, SFPUC)	*Effective October 2018*
	» Offer combined interagency Pre-Application meetings	*Effective September 2018*
	» Expedited plan review, preliminary approval OTC by appointment	*Effective August 2018*
	» Provide interagency plan review and combined Plan Check Letter	*Effective October 2018*
	» Provide parallel processing with DBI and Planning for ADU permits	*Effective August 2018*

C Environmental Planning, Historic Preservation, and Design Review

	TASK	STATUS
Environmental Review		
C.1.1	Standard Conditions of Approval for selected CEQA topics	*Spring/Summer 2019*
C.1.2	Streamline review process for selected CEQA topics:	
	» Two-tier transportation review: streamlined review for most projects	*Effective August 2018*
	» Launch web-based travel demand tool	*Launch in February 2019*
	» Streamline wind and shadow review	*TBD*
C.1.3	Streamline use of technical studies and environmental consultants	*Effective July 2018*
C.1.4	Expand and streamline environmental review exemptions	
	» Replace narrative "certificate" documents with checklists for Categorical Exemptions and Infill Exemptions.	*Effective January 2018*

Historic Preservation Review		
C.2.1	Revise Preservation review procedures:	
	» Historic Resource Assessment (HRA) for pre-project determination	*Effective Jan. 2019 (pilot)*
	» Revise Preservation Bulletin No. 16	*TBD*
C.2.2	Complete a citywide historic preservation survey	*Ongoing*
C.2.3	Reassess Historic Preservation staffing at PIC counter:	
	» Enhanced service hours by Preservation specialists	*Effective April 2018*
	» Revise PIC review procedures for non-Preservation specialists	*Summer 2019*
Design Review		
C.3.1	Identify Design Guidelines to be codified or standardized	*TBD*
C.3.2	Enhance staffing of Design Advisory teams, add Design staff at PIC	*Effective June 2018*
C.3.3	Adopt Urban Design Guidelines (UDGs) and develop UDGs matrix	*Effective May 2018*
C.3.4	Streamline Residential Design Guidelines (RDGs) with RDGs matrix	*Effective June 2018*
C.3.5	Update Residential Design Guidelines (RDGs) ,develop an RDGs matrix	*Effective Aug. 2018*

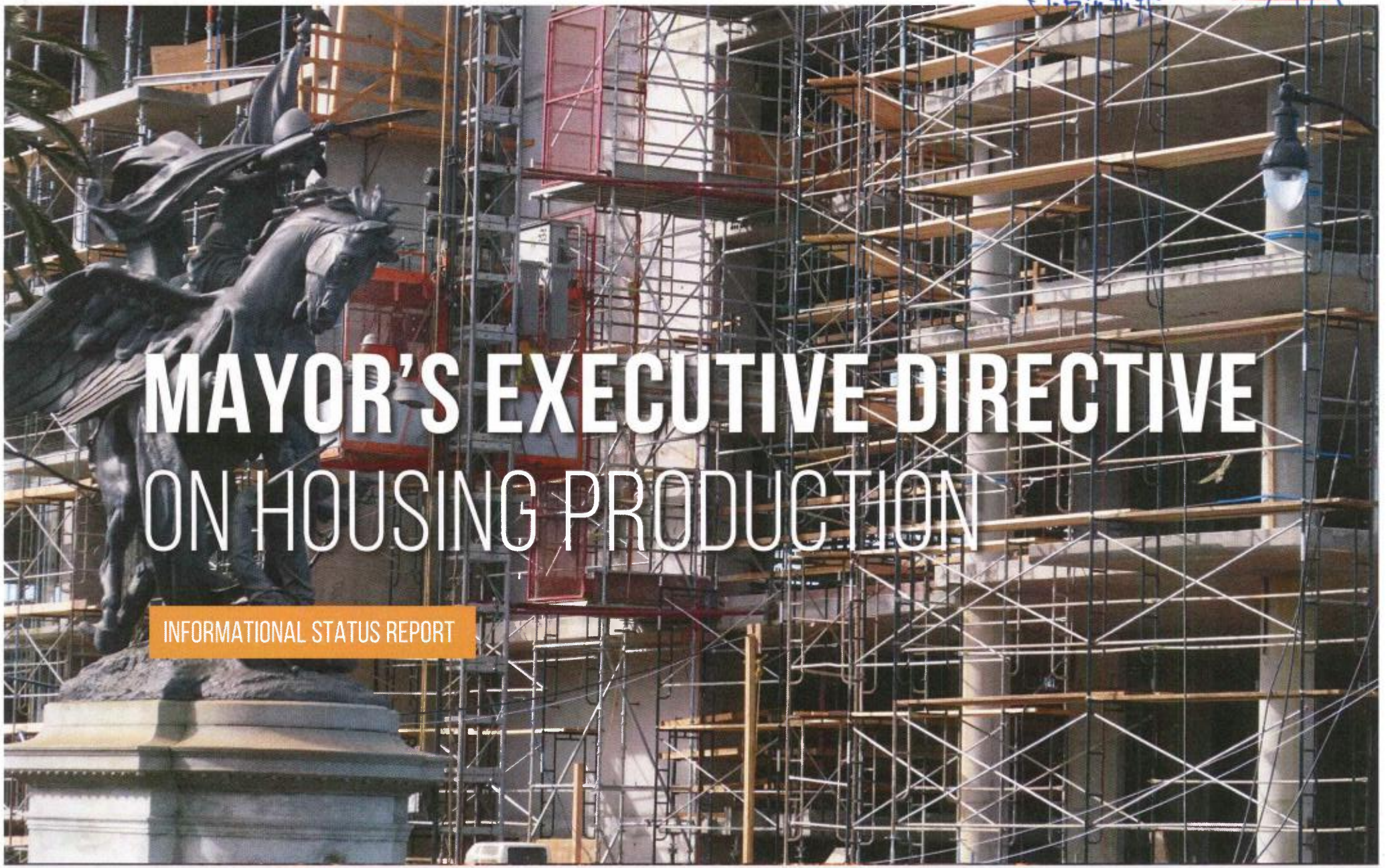
D Planning Code and Commission Policies

	TASK	STATUS
D.1	Advanced Planning Commission scheduling for housing projects	*Launch February 2019*
D.2	Streamline staffing and timeframe for Discretionary Review (DR) cases	*Effective June 2018*
D.3	Reduce requirements for Conditional Use and other entitlement hearings	
	» Eliminate Commission hearings for 100% Affordable Housing Bonus	*Effective Aug. 2018 (BF 180423)*[1]
	» Replace CU hearing for HOME-SF with a design review hearing	*Effective Mar. 2019 (BF 180456)*[2]
	» Identify additional approvals to be consolidated or eliminated	*TBD*
D.4.1	Update the Planning Code for consistent definitions and procedures	*Ongoing*
D.4.2	Ongoing Planning Code reorganization; Article 8 (Mixed Use Districts)	*Planned for summer 2019*
D.5	Planning Code revisions to streamline housing review	
	» Eliminate "Costa-Hawkins letters" for Inclusionary projects	*Effective Mar. 2018 (BF 171193)*[3]
	» Reduce the need for Variances for large downtown projects	*Effective Aug. 2018 (BF 180423)*[1]
	» Expand administrative approval for 100% Affordable projects	*Effective Aug. 2018 (BF 180423)*[1]
	» Expand approval options for ADUs in buildable area	*Effective Sept. 2018 (BF 180268)*[4]
	» Provide administrative approval of "no waiver" ADUs	*Pending BF 181156 (Safai)*[5]

E Administration and Technology

	TASK	STATUS
E.1.1	Online submittal and payment for all development application types	*Launch in Spring 2019*
E.1.2	Electronic Document Review (EDR) for Planning review	*Launch in Spring 2019*
E.1.3	Electronic Document Management System (EDMS)	*Effective Summer 2017*
E.1.4	Develop a web-based Impact Fee Calculator for staff	*Launch in Spring 2019*
E.1.5	In-House processing of public notification mailing lists	*Effective April 2018*
E.1.6	Property Information Map (PIM) enhancements	*Redesigned Dec. 2018*

NOTES:
(1) BF 180423: Mayor's Process Improvements Ordinance (Mayor Breed), approved July 2018
(2) BF 180456: HOME-SF and 100% Affordable Housing Bonus Program (Tang, Safai), approved August 2018
(3) BF 171193: Inclusionary Affordable Housing Program (Peskin, Kim), approved February 2018
(4) BF 180268: Accessory Dwelling Units (Tang, Kim, Brown), approved August 2018
(5) BF 181156: Accessory Dwelling Units in New Construction (Safai), introduced November 2018



MAYOR'S EXECUTIVE DIRECTIVE ON HOUSING PRODUCTION

INFORMATIONAL STATUS REPORT

San Francisco Planning Commission | February 14, 2019

San Francisco Planning

EXECUTIVE DIRECTIVE 17-02 ON HOUSING PRODUCTION

Mayor's Executive Directive 17-02 on Housing Production

1. Approval Deadlines [pre-entitlement]

Months from stable project to entitlement :

6 | no CEQA project
9 | CEQA exemptions
12 | ND, MND, CPE
18 | EIR
22 | complex EIR

2. Approval Deadlines [post-entitlement]

ONE YEAR from complete phase application to construction permits

3. Accountability

/ Hearings scheduled within timeframes

/ Senior manager

/ Regular reporting


SAN FRANCISCO
PLANNING DEPARTMENT
MEMO

4. Improvement Plans

PRE-Entitlement Plan [Planning + DBI]

POST-Entitlement Plan [Planning, DBI, MOD, SFMTA, Public Works, PUC, SFFD, RPD]

Baseline Approval Timeframes (pre-Executive Directive projects)

Executive Directive Target Approval Timeframes	Average Approval Timeframe	Number of Projects (total units)
CEQA exemption projects (9 months)	18 months	22 (966)
Non-exempt projects, no EIR (12 months)	20 months	60 (6,764)
EIR projects (18 months)	30 months	4 (1,362)
"Complex" EIR projects (22 months)	60 months	4 (1,834)



Note: Data represent residential projects of 10+ units approved by Planning Commission in 2016-2018.
This is a total of 93 projects comprising about 11,000 units.

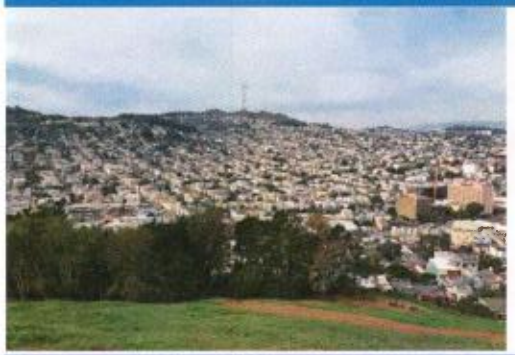
PROCESS IMPROVEMENTS: 2017 PLAN

Process Improvements Plan

APPLICATION INTAKE AND REVIEW

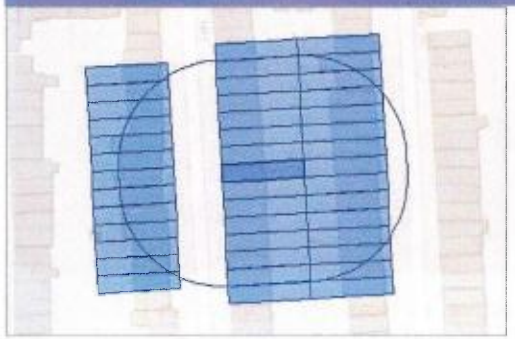
The application process should be the foundation of sponsor, staff, and public understanding of project details and review timeframes.

ENVIRONMENTAL AND DESIGN REVIEW



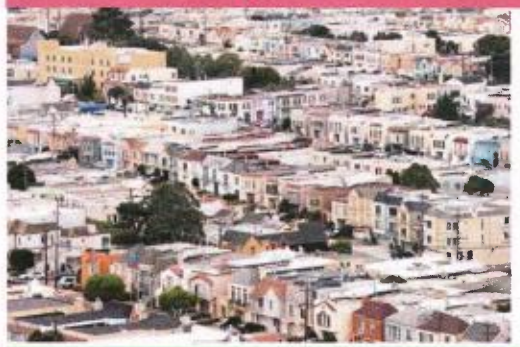
Successful mitigations and design can be applied broadly, reserving more complex analysis for when it's needed most.

ADMINISTRATION AND TECHNOLOGY



By continually updating our systems and tools, we can serve the public better and keep growing our capacity.

ROUTINE PROJECT AND PERMITS



Over-the-counter and administrative approvals reduce backlog and leave more time for priority projects.

PLANNING CODE AND COMMISSION POLICIES

A clear Planning Code reduces room for delay. Focusing Commission review on the projects that need it most maximizes the value of public discussion.

PROCESS IMPROVEMENTS: 2018 STATUS REPORT

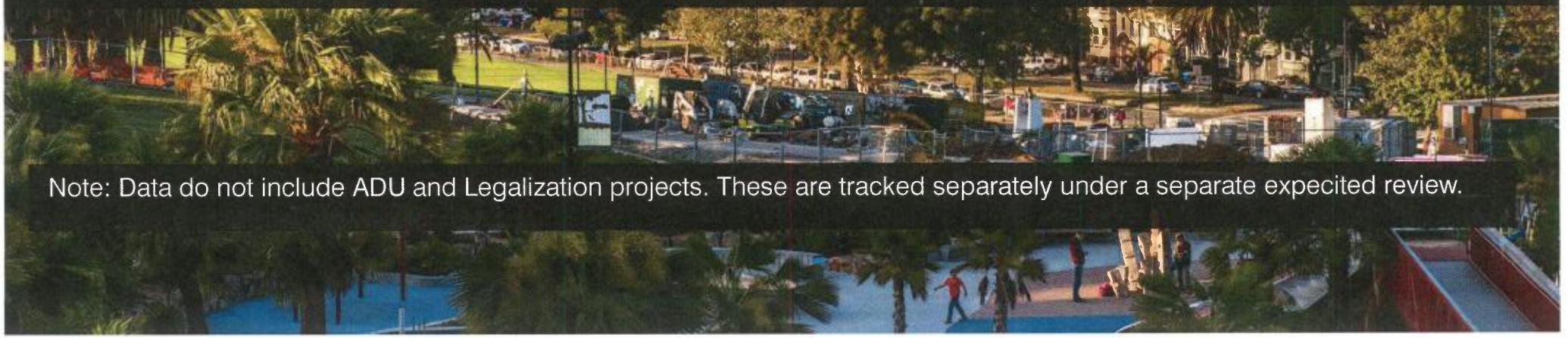
Project Application: Consolidated project review

- Combined Planning comments
  (Environmental, Planning Code, Design, Streetscape)

1. Preliminary Project Application (PPA): 60 days
2. Project Application for all types of review
3. Notice of Incomplete Application (NIA): 30 days
4. Plan Check Letter (PCL): 90 days
5. Target Hearing Date: 6 to 22 months in advance

Project Review Timeframes: June – December 2018

Review Milestone	Performance Target	Average Performance	Percent Meeting Target	Number of Projects (total units)
Preliminary Project Application (PPA)	Issue PPA in **60 days**	63 days	68% of projects	22 (2,556)
Notice of Incomplete Application (NIA)	Issue first NIA or mark Accepted in **30 days**	17 days	79% of projects	42 (1,240)
Plan Check Letter (PCL)	Issue first PCL in **90 days**	80 days	48% of projects	23 (422)

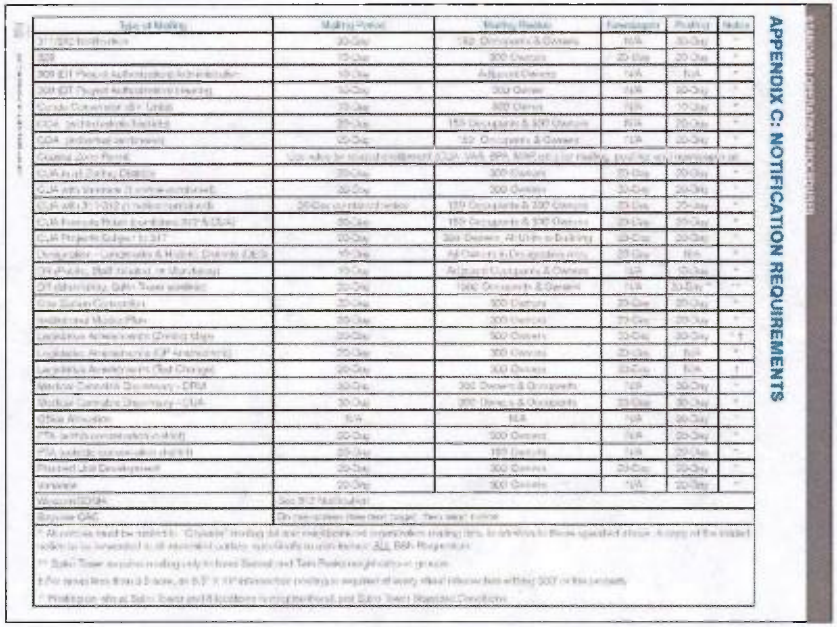


Note: Data do not include ADU and Legalization projects. These are tracked separately under a separate expecited review.

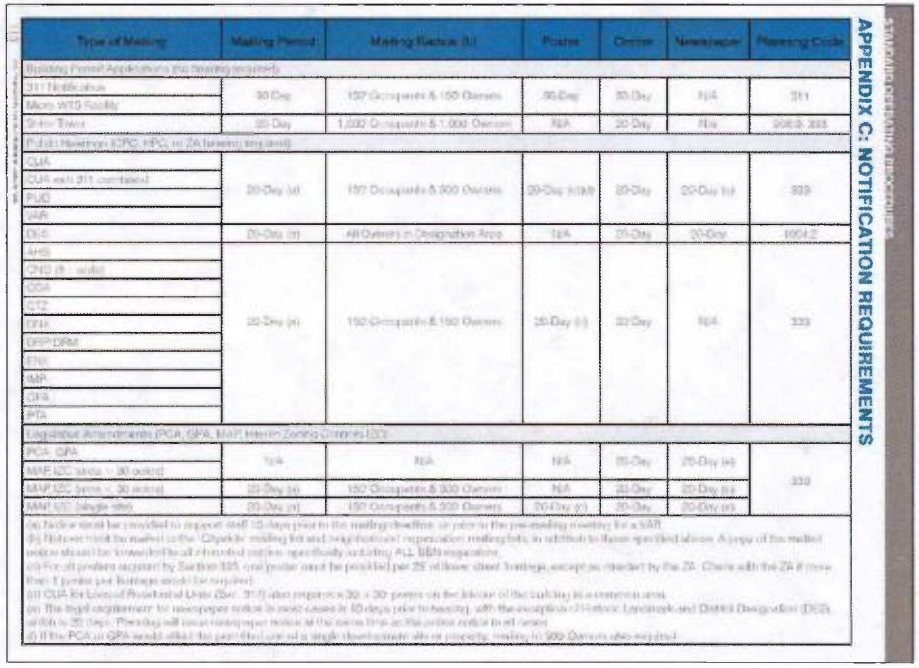
APPLICATION INTAKE AND REVIEW

Public Notification streamlining and modernization

- Consolidated 30 requirements into 6
- Online Notice for all forms of notice
- Mailing to tenants for all forms of notice
- Improving materials for clarity and accessibility

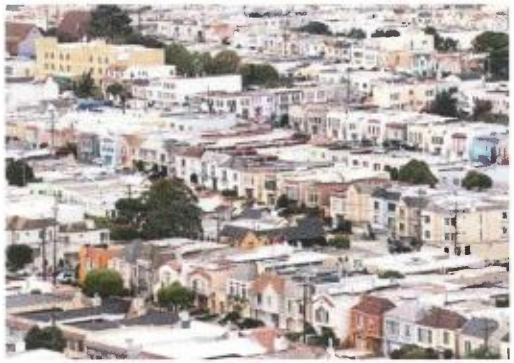


APPENDIX C: NOTIFICATION REQUIREMENTS



APPENDIX C: NOTIFICATION REQUIREMENTS

ROUTINE PERMITS AND APPROVALS



Planning Information Center (PIC)

- Revised staffing for general PIC shifts
- Dedicated PIC shifts: ADUs, Design, Preservation
- Continually improving public materials

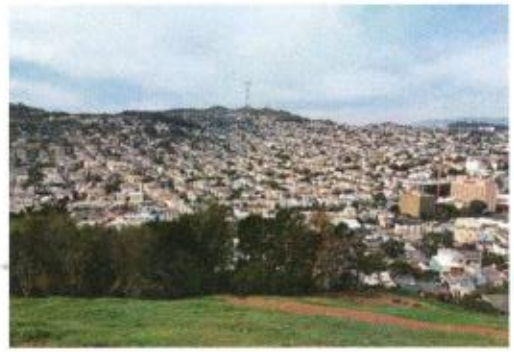
Accessory Dwelling Unit (ADU) and Legalizations

- ADU counter at DBI for appointment-based review
- Expedited interagency plan review and comments

Historic Resource Assessment (HRA) Pilot

- Pre-project historic resource screening
- Provides greater certainty, earlier

ENVIRONMENTAL AND DESIGN REVIEW



Expedited Transportation Review

- Transportation Impact Study not required for most projects
- Updated Transportation Impact Analysis Guidelines

Streamlined Use of CEQA Exemptions

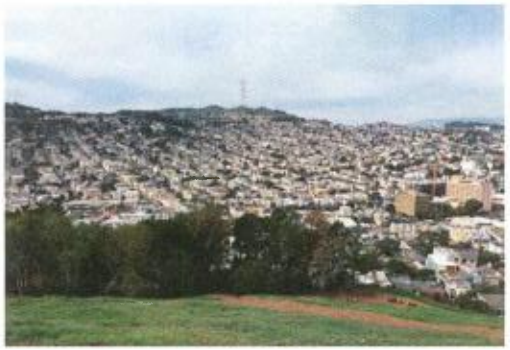
- Categorial Exemption (CatEx) Checklist in Accela
- Replaced Exemption Certificate documents

Concurrent Review of Technical Studies

- Consultant studies integrated directly in CEQA documents
- Review results of analysis in parallel, not sequentially
- Time savings in drafting and review of CEQA documents

ENVIRONMENTAL AND DESIGN REVIEW

Standard Conditions of Approval for CEQA topics



- Replace case-by-case review with a package of standard mitigation measures for certain topics, as appropriate:
  - Air Quality, Biological Resources, Historic Resources, Noise, Paleontology, Transportation
- Precedents:
  - Maher Ordinance, Dust Control Ordinance
  - City of Oakland Standard Conditions package (2008)
- Benefits:
  - More transparent and predictable mitigation requirements
  - Reduce the level of CEQA review for some projects, while applying "best practice" mitigation requirements more broadly

PLANNING CODE AND COMMISSION POLICIES

Streamline Staffing for Discretionary Review cases

- Automatic scheduling for DR hearing (10-12 weeks)
- Assigned to RDAT manager, time savings for planners
- Stronger tie between DR cases and design guidelines

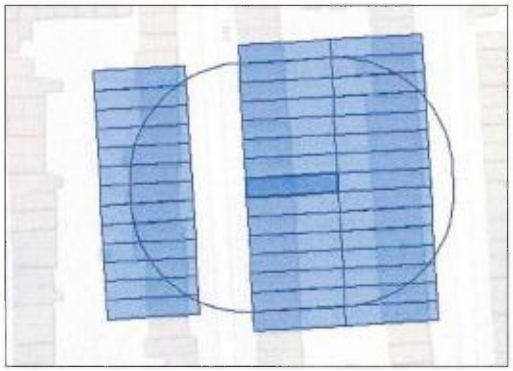
Administrative Approval for 100% Affordable Housing

- Expanded modifications allowed for 100% Affordable
- Administrative approvals for Affordable Housing Bonus

Advance Scheduling for Housing Projects

- Calendar projects to meet Target Approval Timeframes
- Report reasons for delay to Planning Commission

ADMINISTRATION AND TECHNOLOGY

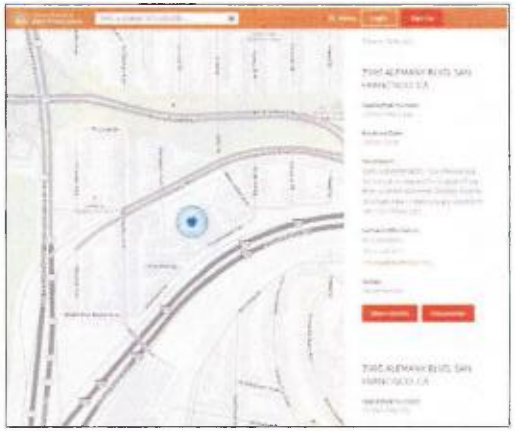


Internal Mailing Lists for Neighborhood Notice

- Reduces review time by weeks for routine projects
- More staff time for planning review

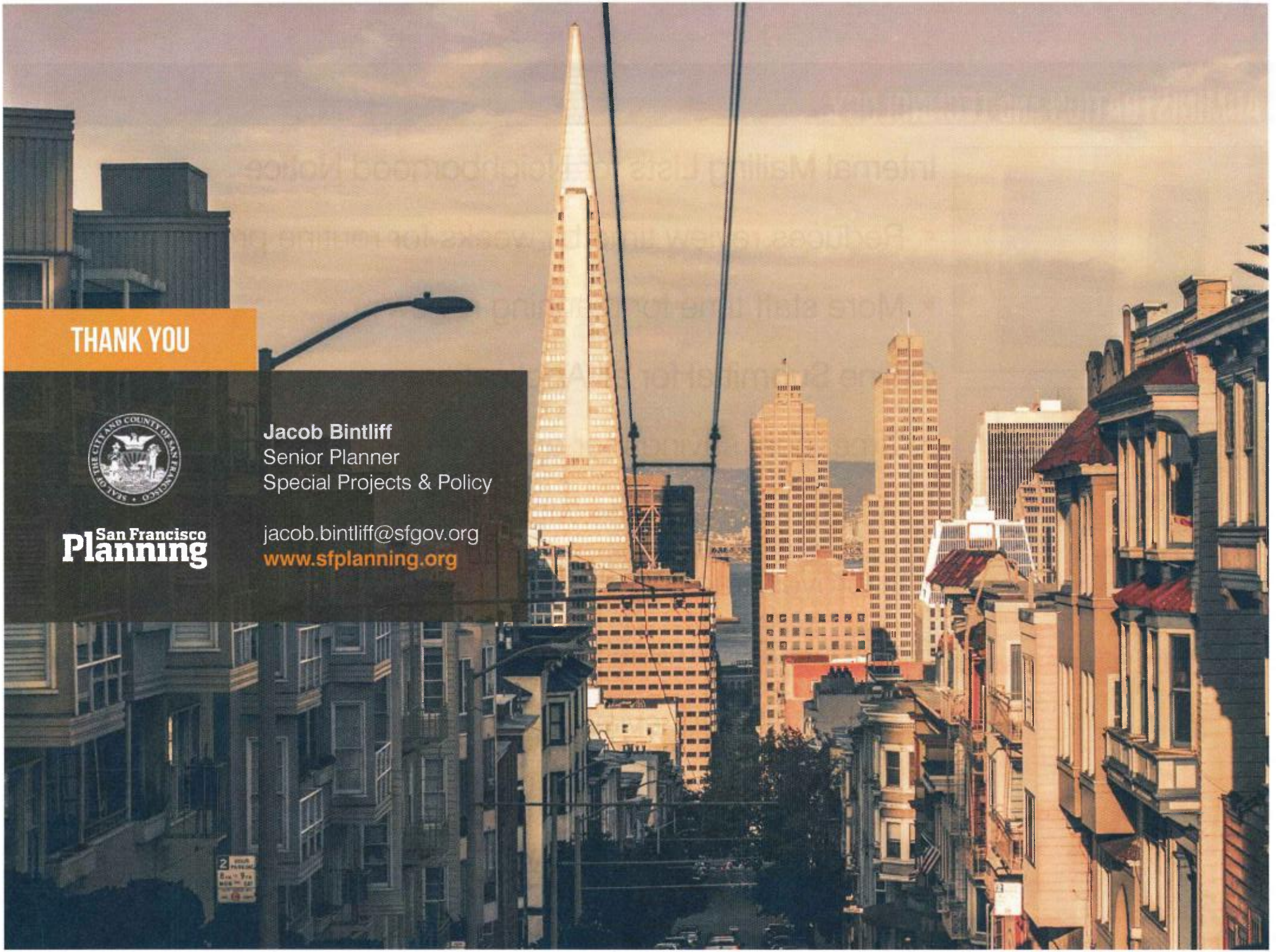
Online Submittal for all Applications

- Time, cost savings for applicants
- Increase compliance with consolidated review process
- Improved tracking and reporting



Electronic Document Review (EDR)

- Expedites plan review and revisions
- Increases transparency
- Supports interagency review



THANK YOU

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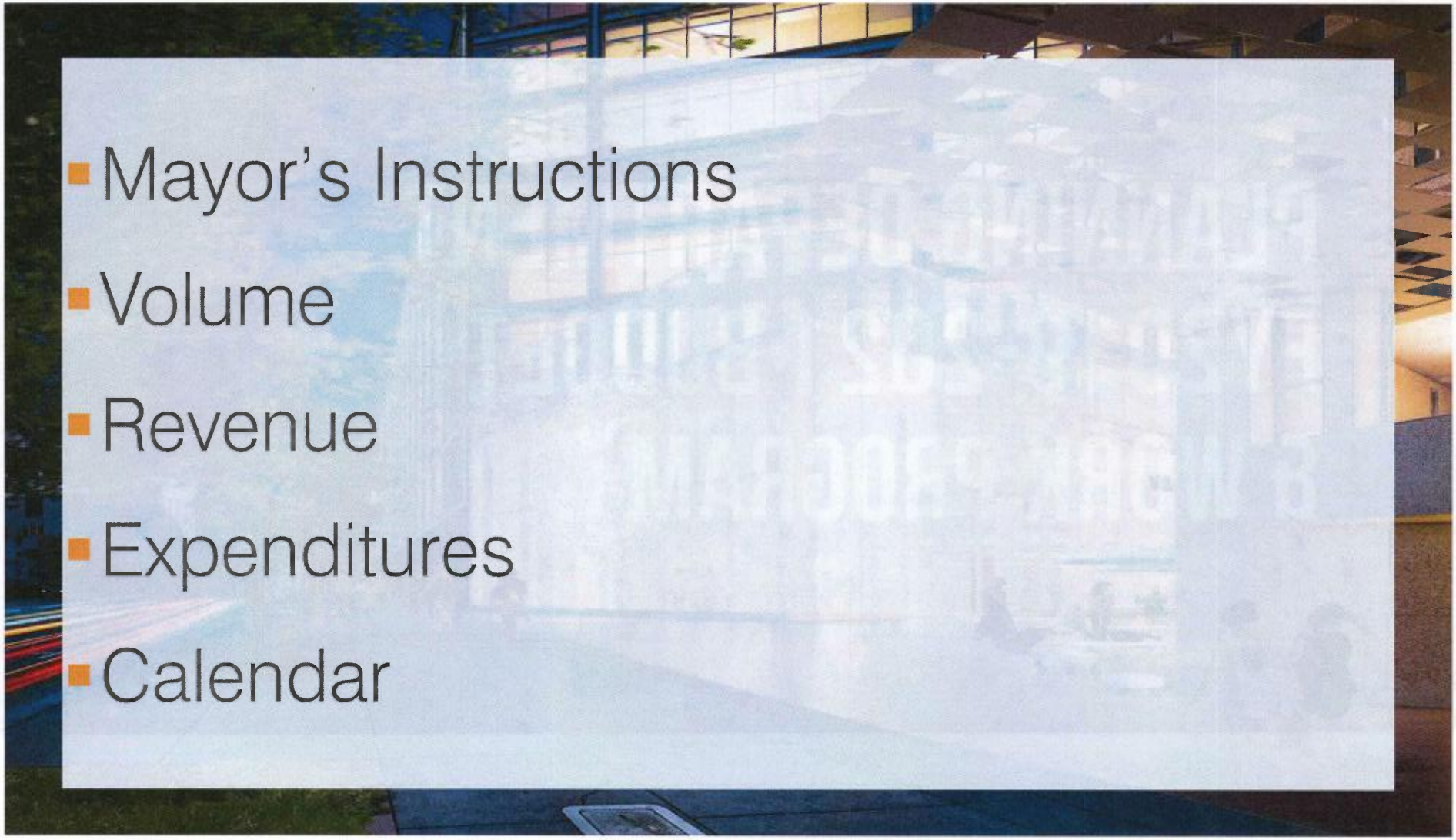
San Francisco Planning

PLANNING DEPARTMENT FY2019-2021 BUDGET & WORK PROGRAM

Deborah Landis
Deputy Director of Administration, February 14, 2019

San Francisco Planning

FY19-21 Budget Overview



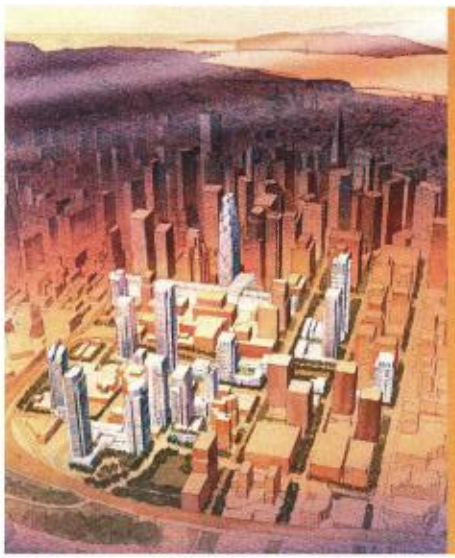
- Mayor's Instructions
- Volume
- Revenue
- Expenditures
- Calendar

Mayor's Office Budget Instructions

Budgetary Focus

Accountability and equitable outcomes

Reprioritize funding and positions for maximum effectiveness

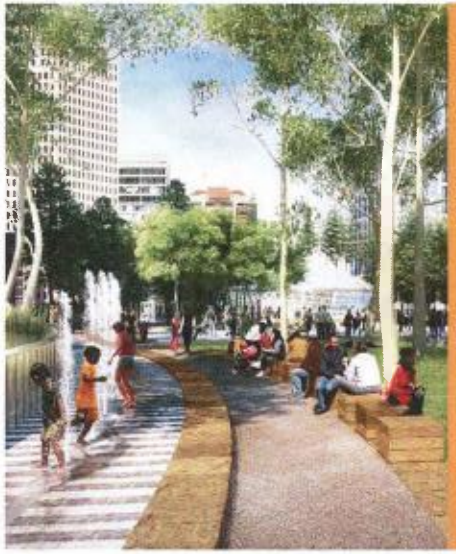


Mayoral Priorities

- Build more housing
- Reduce homelessness
- Create equitable opportunities for everyone
- Make government more accountable

No New Positions

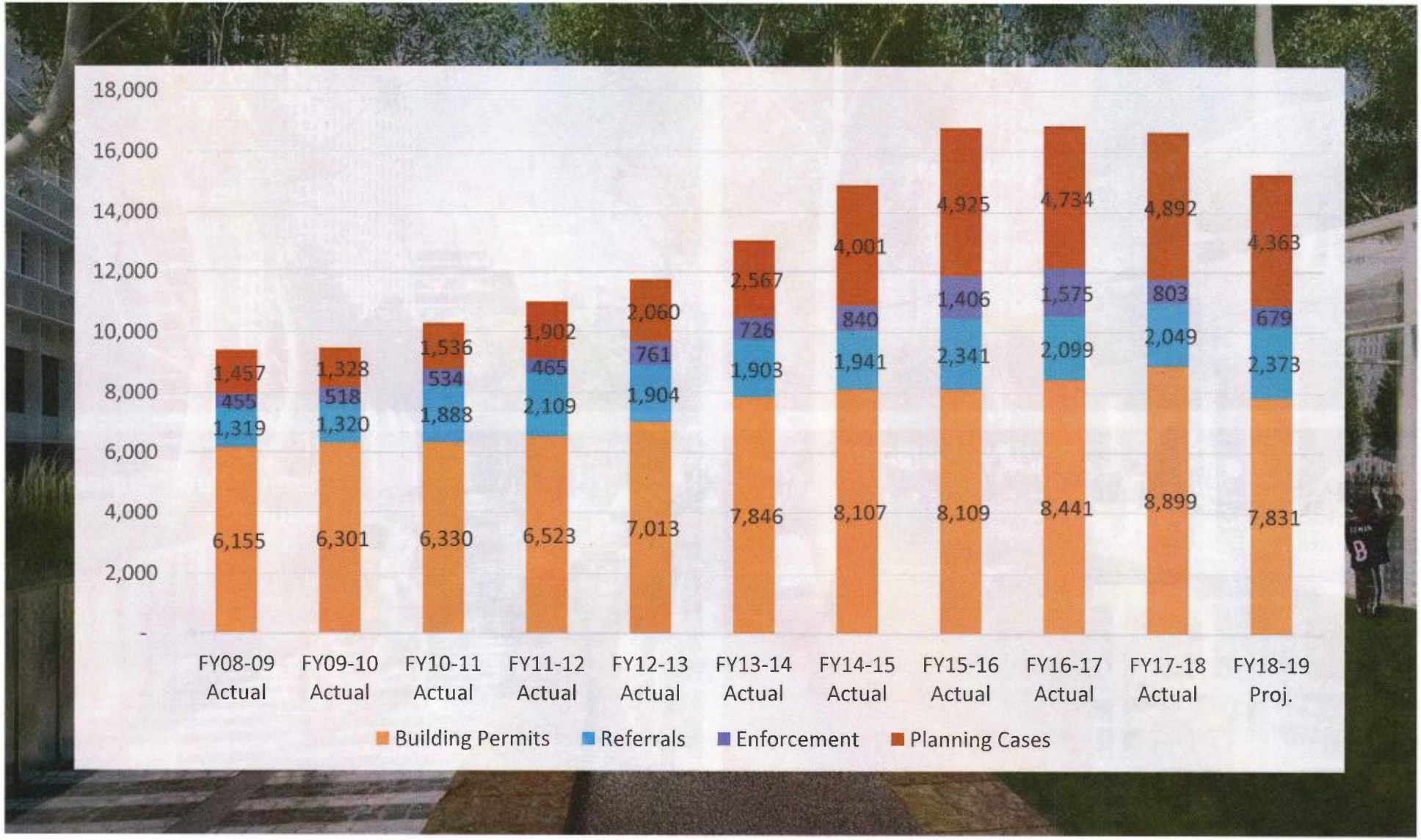
Departments to submit any requests to Mayor's Office after Feb. 21



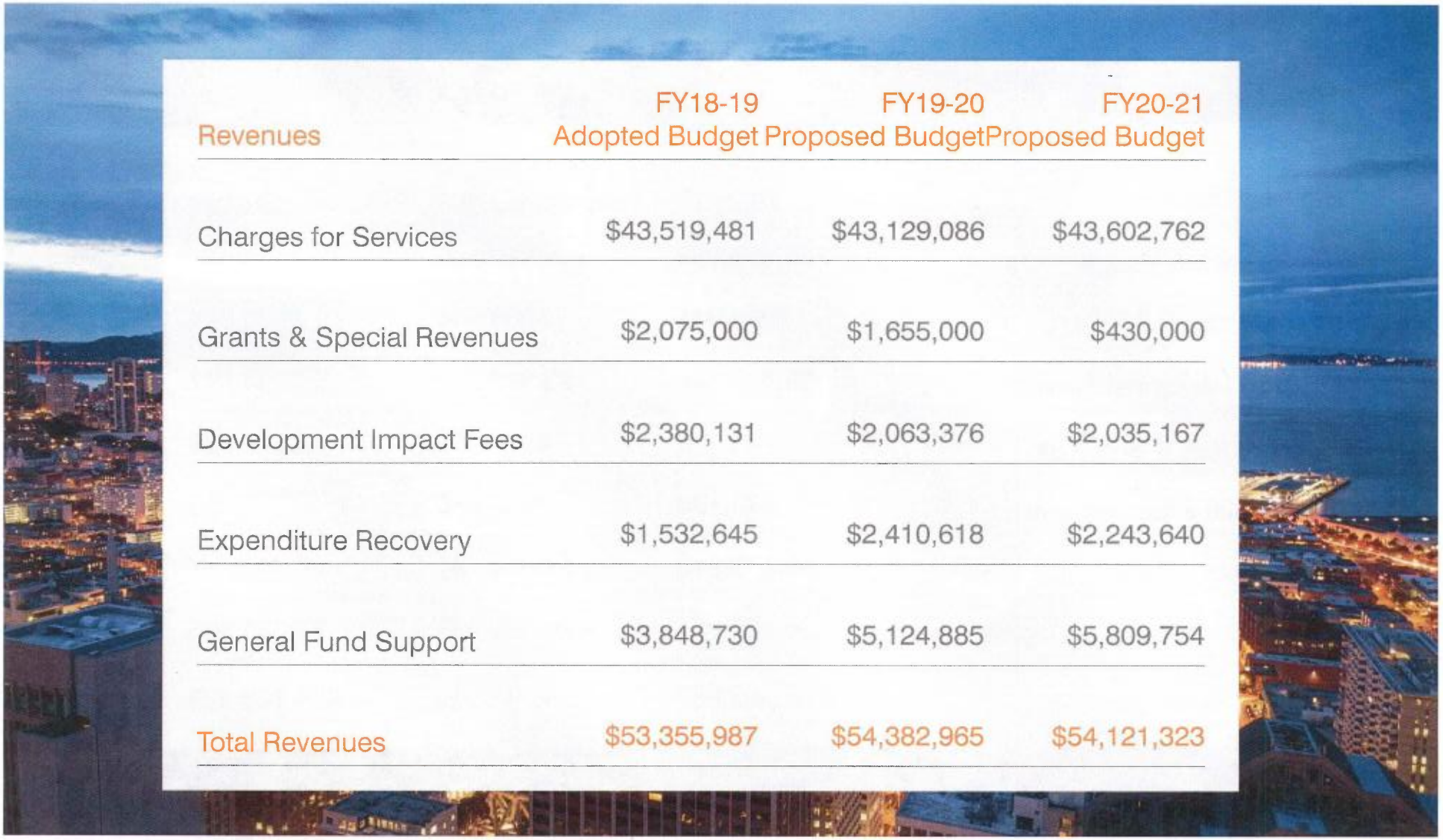
General Fund Support Reduction

(2%) reduction in adjusted General Fund Support in each budget year

10 Year Volume & Current Year Projection

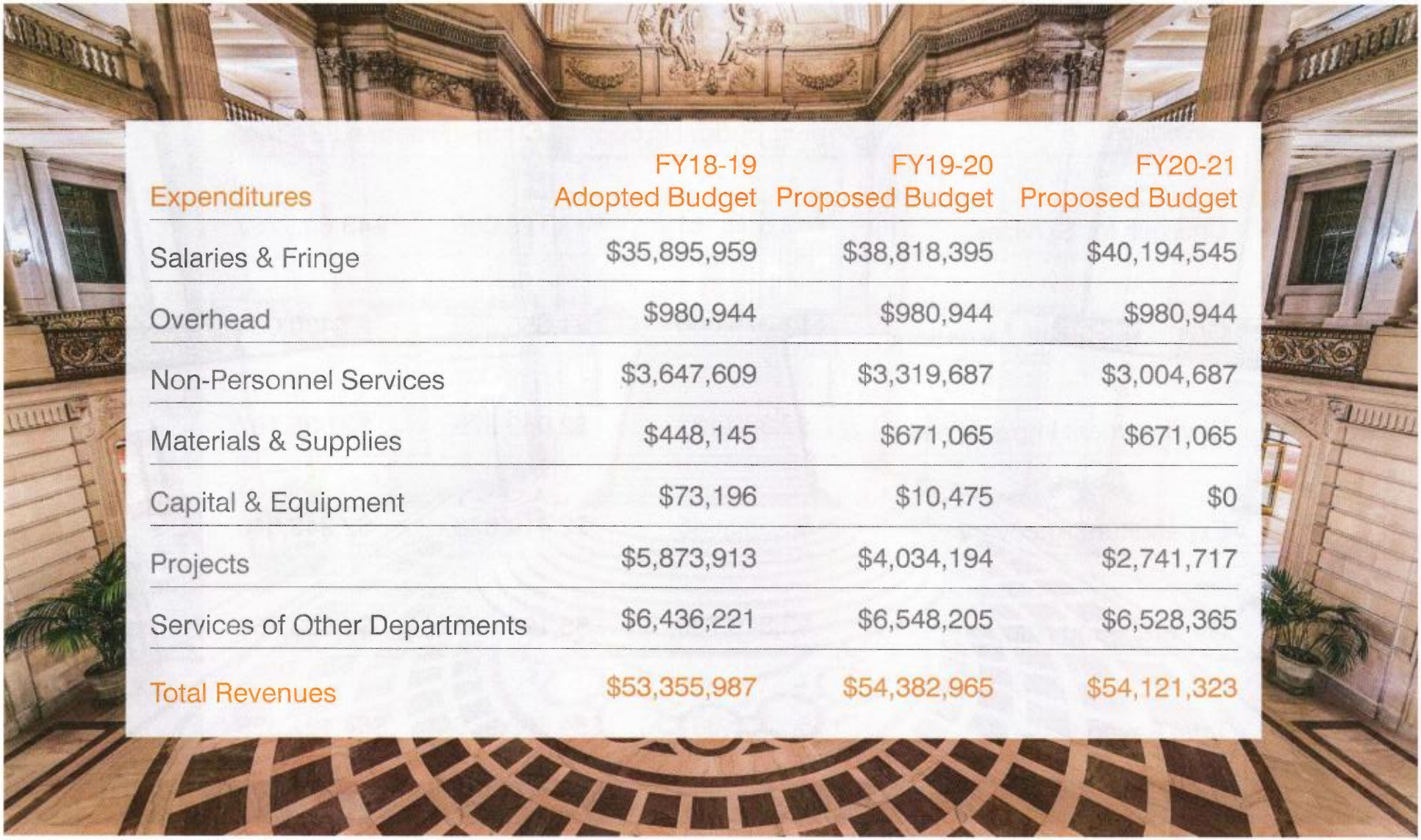


Revenue Budget FY19-21



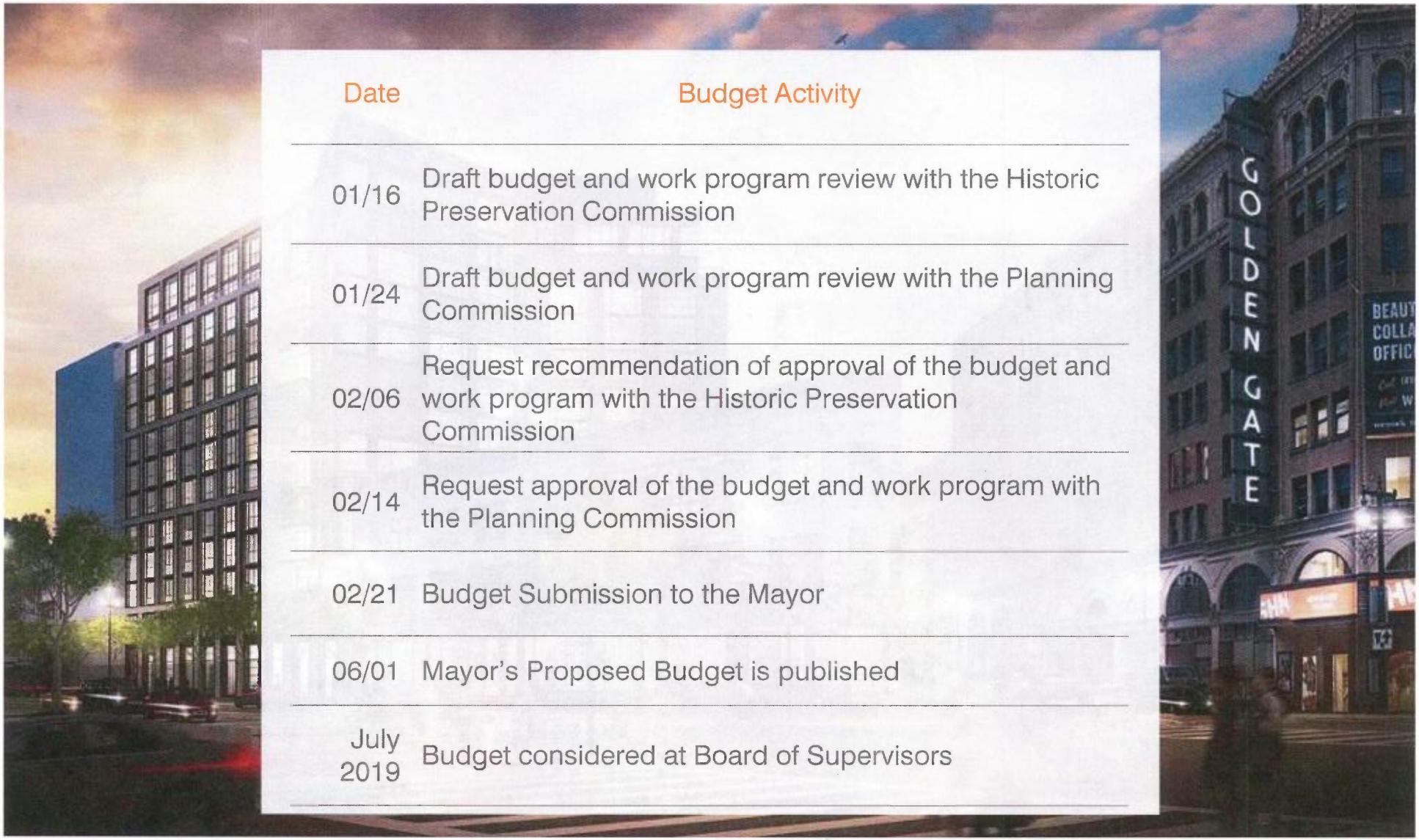
Revenues	FY18-19 Adopted Budget	FY19-20 Proposed Budget	FY20-21 Proposed Budget
Charges for Services	$43,519,481	$43,129,086	$43,602,762
Grants & Special Revenues	$2,075,000	$1,655,000	$430,000
Development Impact Fees	$2,380,131	$2,063,376	$2,035,167
Expenditure Recovery	$1,532,645	$2,410,618	$2,243,640
General Fund Support	$3,848,730	$5,124,885	$5,809,754
Total Revenues	$53,355,987	$54,382,965	$54,121,323

Expenditure Budget FY19-21



Expenditures	FY18-19 Adopted Budget	FY19-20 Proposed Budget	FY20-21 Proposed Budget
Salaries & Fringe	$35,895,959	$38,818,395	$40,194,545
Overhead	$980,944	$980,944	$980,944
Non-Personnel Services	$3,647,609	$3,319,687	$3,004,687
Materials & Supplies	$448,145	$671,065	$671,065
Capital & Equipment	$73,196	$10,475	$0
Projects	$5,873,913	$4,034,194	$2,741,717
Services of Other Departments	$6,436,221	$6,548,205	$6,528,365
Total Revenues	$53,355,987	$54,382,965	$54,121,323

Budget Calendar FY19-21



Date	Budget Activity
01/16	Draft budget and work program review with the Historic Preservation Commission
01/24	Draft budget and work program review with the Planning Commission
02/06	Request recommendation of approval of the budget and work program with the Historic Preservation Commission
02/14	Request approval of the budget and work program with the Planning Commission
02/21	Budget Submission to the Mayor
06/01	Mayor's Proposed Budget is published
July 2019	Budget considered at Board of Supervisors


THANK YOU
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San Francisco
Planning