File No. 120358 Committee Item No. 3
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Economic Development **Date** July 9, 2012

Board of Supervisors Meeting **Date** _____

Cmte	Board	
☐	☐	**Motion**
☐	☐	**Resolution**
☒	☐	**Ordinance**
☒	☐	**Legislative Digest**
☐	☐	**Budget and Legislative Analyst Report**
☐	☐	**Legislative Analyst Report**
☐	☐	**Youth Commission Report**
☐	☐	**Introduction Form (for hearings)**
* ☒	☐	**Department/Agency Cover Letter and/or Report**
☐	☐	**MOU**
☐	☐	**Grant Information Form**
☐	☐	**Grant Budget**
☐	☐	**Subcontract Budget**
☐	☐	**Contract/Agreement**
☐	☐	**Form 126 – Ethics Commission**
☐	☐	**Award Letter**
☐	☐	**Application**
☐	☐	**Public Correspondence**

OTHER **(Use back side if additional space is needed)**

☒	☐	Planning Commission Resolution No. 18593
* ☒	☐	Planning Commission Motion No. 18592
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	

Completed by: Alisa Miller **Date** July 3, 2012
Completed by: _____ **Date** _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

[Planning Code - Increase Maximum Permitted Floor Area Ratio and Establish the Cesar Chavez/Valencia Streets Medical Use Special Use District - California Pacific Medical Center: St. Luke's Campus]

Ordinance amending the San Francisco Planning Code by: 1) adding Section 124(k) to allow a floor area ratio of 2.5 to 1 in the Cesar Chavez/Valencia Streets Medical Use Special Use District; 2) adding Section 249.68 to establish the Cesar Chavez/Valencia Streets Medical Use Special Use District; and 3) adopting findings, including environmental findings, Planning Code Section 302 findings, and findings of consistency with the General Plan and the priority policies of Planning Code Section 101.1.

NOTE: Additions are *single-underline italics Times New Roman*; deletions are ~~*strike-through italics Times New Roman*~~. Board amendment additions are double-underlined; Board amendment deletions are ~~strikethrough normal~~.

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

Section 1. Findings. The Board of Supervisors of the City and County of San Francisco hereby finds and determines that:

(a) On April 26, 2012, by Motion No. 18588, the Planning Commission certified as adequate, accurate and complete the Final Environmental Impact Report ("FEIR") for the California Pacific Medical Center Long-Range Development Plan. A copy of Planning Commission Motion No. 18588 is on file with the Clerk of the Board of Supervisors in File No. 120357. In accordance with the actions contemplated herein, this Board has reviewed the FEIR and adopts and incorporates by reference as though fully set forth herein the findings, including a statement of overriding considerations and the mitigation monitoring and reporting program, pursuant to the California Environmental

Quality Act (California Public Resources Code section 21000 et seq.), adopted by the Planning Commission on April 26, 2012 in Motion No. 18589. Said Motion is on file with the Clerk of the Board of Supervisors in File No. 120357.

(b) On April 26, 2012, the Planning Commission conducted a duly noticed public hearing on the proposed Planning Code amendments and, by Resolution No. 18593, recommended them for approval. The Planning Commission found that the proposed Planning Code amendments were, on balance, consistent with the City's General Plan, as it is proposed for amendment, and with Planning Code Section 101.1(b). A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 120358 and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 18593 and the Board incorporates such reasons herein by reference. A copy of Planning Commission Resolution No. 18593 is on file with the Clerk of the Board of Supervisors in File No. 120358.

(d) The Board finds that these Planning Code amendments are on balance consistent with the San Francisco General Plan, as it is proposed to be amended, and with the priority policies of Planning Code Section 101.1 for the reasons set forth in Planning Commission ~~Resolution~~ Motion No. 18592 and the Board hereby incorporates such reasons herein by reference.

Section 2. The San Francisco Planning Code is hereby amended by amending Planning Code Section 124, to read as follows:

(a) Except as provided in Subsections (b), (c) and (e) of this Section, the basic floor area ratio limits specified in the following table shall apply to each building or development in the districts indicated.

[TABLE 124 omitted; no changes to table]

(b) In R, NC, and Mixed Use Districts, the above floor area ratio limits shall not apply to dwellings or to other residential uses. In Chinatown Mixed Use Districts, the above floor area ratio limits shall not apply to institutions, and mezzanine commercial space shall not be calculated as part of the floor area ratio.

(c) In a C-2 District the basic floor area ratio limit shall be 4.8 to 1 for a lot which is nearer to an RM-4 or RC-4 District than to any other R District, and 10.0 to 1 for a lot which is nearer to a C-3 District than to any R District. The distance to the nearest R District or C-3 District shall be measured from the midpoint of the front line, or from a point directly across the street therefrom, whichever gives the greatest ratio.

(d) In the Van Ness Special Use District, as described in Section 243 of this Code, the basic floor area ratio limit shall be 7.0 to 1 where the height limit is 130 feet and 4.8 to 1 where the height limit is 80 feet.

(e) In the Waterfront Special Use Districts, as described in Sections 240 through 240.3 of this Code, the basic floor area ratio limit in any C District shall be 5.0 to 1.

(f) For buildings in C-3-G and C-3-S Districts other than those designated as Significant or Contributory pursuant to Article 11 of this Code, additional square footage above that permitted by the base floor area ratio limits set forth above may be approved for construction of dwellings on the site of the building affordable for 20 years to households whose incomes are within 150 percent of the median income as defined herein, in accordance with the conditional use procedures and criteria as provided in Section 303 of this Code. For buildings in the C-3-G District designated as Significant or Contributory pursuant to Article 11

of this Code, additional square footage above that permitted by the base floor area ratio limits set forth above up to the gross floor area of the existing building may be approved, in accordance with the conditional use procedures and criteria as provided in Section 303 of this Code, where: (i) TDRs (as defined by Section 128(a)(5)) were transferred from the lot containing the Significant or Contributory building prior to the effective date of the amendment to Section 124(f) adding this paragraph when the floor area transferred was occupied by a non-profit corporation or institution meeting the requirements for exclusion from gross floor area calculation under Section 102.9(b)(15) of this Code; (ii) the additional square footage includes only the amount necessary to accommodate dwelling units and/or group housing units that are affordable for not less than 50 years to households whose incomes are within 60 percent of the median income as defined herein together with any social, educational, and health service space accessory to such units; and (iii) the proposed change in use to dwelling units and accessory space and any construction associated therewith, if it requires any alternation to the exterior or other character defining features of the Significant or Contributory Building, is undertaken pursuant to the duly approved Permit to Alter, pursuant to Section 1110; provided, however, that the procedures otherwise required for a Major Alteration as set forth in sections 1111.2 - 1111.6 shall be deemed applicable to any such Permit to Alter.

(1) Any dwelling approved for construction under this provision shall be deemed a "designated unit" as defined below. Prior to the issuance by the Director of the Department of Building Inspection ("Director of Building Inspection") of a site or building permit to construct any designated unit subject to this Section, the permit applicant shall notify the Director of Planning and the Director of Property in writing whether the unit will be an owned or rental unit as defined in Section 401 of this Code.

(2) Within 60 days after the issuance by the Director of Building Inspection of a site or building permit for construction of any unit intended to be an owned unit, the Director

of Planning shall notify the City Engineer in writing identifying the intended owned unit, and the Director of Property shall appraise the fair market value of such unit as of the date of the appraisal, applying accepted valuation methods, and deliver a written appraisal of the unit to the Director of Planning and the permit applicant. The permit applicant shall supply all information to the Director of Property necessary to appraise the unit, including all plans and specifications.

(3) Each designated unit shall be subject to the provisions of Section 413 of this Code. For purposes of this Subsection and the application of Section 413 of this Code to designated units constructed pursuant to this Subsection, the definitions set forth in Section 401 of this Code shall apply, with the exception of the following definitions, which shall supersede the definitions of the terms set forth in Section 401:

(A) "Base price" shall mean 3.25 times the median income for a family of four persons for the County of San Francisco as set forth in California Administrative Code Section 6932 on the date on which a housing unit is sold.

(B) "Base rent" shall mean .45 times the median income for the County of San Francisco as set forth in California Administrative Code Section 6932 for a family of a size equivalent to the number of persons residing in a household renting a designated unit.

(C) "Designated unit" shall mean a housing unit identified and reported to the Director by the sponsor of an office development project subject to this Subsection as a unit that shall be affordable to households of low or moderate income for 20 years.

(D) "Household of low or moderate income" shall mean a household composed of one or more persons with a combined annual net income for all adult members which does not exceed 150 percent of the qualifying limit for a median income family of a size

equivalent to the number of persons residing in such household, as set forth for the County of San Francisco in California Administrative Code Section 6932.

(E) "Sponsor" shall mean an applicant seeking approval for construction of a project subject to this Subsection and such applicants' successors and assigns.

(g) The allowable gross floor area on a lot which is the site of an unlawfully demolished building that is governed by the provisions of Article 11 shall be the gross floor area of the demolished building for the period of time set forth in, and in accordance with the provisions of, Section 1114 of this Code, but not to exceed the basic floor area permitted by this Section.

(h) In calculating the permitted floor area of a new structure in a C-3 District, the lot on which an existing structure is located may not be included unless the existing structure and the new structure are made part of a single development complex, the existing structure is or is made architecturally compatible with the new structure, and, if the existing structure is in a Conservation District, the existing structure meets or is made to meet the standards of Section 1109(c), and the existing structure meets or is reinforced to meet the standards for seismic loads and forces of the 1975 Building Code. Determinations under this Paragraph shall be made in accordance with the provisions of Section 309.

(i) In calculating allowable gross floor area on a preservation lot from which any TDRs have been transferred pursuant to Section 128, the amount allowed herein shall be decreased by the amount of gross floor area transferred.

(j) Within any RSD, SPD, SLR, SLI or SSO District, live/work units constructed above the floor area ratio limit pursuant to Section 102.9(b)(19) of this Code shall be subject to the following conditions and standards:

(1) Considering all dwelling units and all live/work units on the lot, existing and to be constructed, there shall be no more than one live/work unit and/or dwelling unit per 200 square feet of lot area, except that, for projects in the RSD District which will exceed 40 feet in height, and therefore are required to obtain conditional use approval, the allowable density for dwelling units and live/work units shall be established as part of the conditional use determination; and

(2) The parking requirement for live/work units subject to this subsection shall be equal to that required for dwelling units within the subject district.

(k) In the Cesar Chavez/Valencia Streets Medical Use Special Use District, as described in Section 249.68 of this Code, the basic floor area ratio limit shall be 2.5 to 1, subject to Conditional Use Authorization of a hospital, medical center or other medical institution.

Section 3. The San Francisco Planning Code is hereby amended by adding Planning Code Section 249.68, to read as follows:

SEC. 249. 68 – CESAR CHAVEZ/ VALENCIA STREETS MEDICAL USE SPECIAL USE DISTRICT

(a) General. A Special Use District entitled the Cesar Chavez/Valencia Streets Medical Use Special Use District, the boundaries of which are shown on Sectional Map No. SU07 of the Zoning Map, is hereby established for the purposes set forth below.

(b) Purposes. To provide the floor area ratio necessary to develop an improved and expanded medical center – including medical office building – on the site that has been long occupied by the existing St. Luke's Hospital and Medical Center and to allow compliance with State of California mandates for seismically safe hospitals at the current St. Luke's site, there shall be a Cesar Chavez/Valencia Streets Medical Use Special Use District consisting of Assessor's Block 6576, Lot

021 and Assessor's Block 6575, Lots 001 and 002, and their successor Blocks and Lots, bounded to the south by Duncan Street, San Jose Avenue, and 27th Street; to the north by Cesar Chavez Street; to the east by Valencia Street; and to the west by residential parcels adjacent to Guerrero Street, as designated on Section Map SU07 of the Zoning Map of the City and County of San Francisco.

(c) Controls. All the applicable provisions of the Planning Code for the RH-2 Districts shall apply within this Special Use District except for the following:

(1) Floor Area Ratio. A floor area ratio of up to 2.5:1.0 shall be permitted by Conditional Use Authorization, if such Conditional Use Authorization is part of a hospital, medical center – including a medical office building – or other medical institution.

Section 4. This section is uncodified. Effective Date and Operative Date. This ordinance shall become effective 30 days from the date of passage. This Ordinance shall become operative only on (and no rights or duties are affected until) the later of (a) 30 days from the date of its passage, or (b) the date that Ordinance _____ becomes effective. A copy of said Ordinance is on file with the Clerk of the Board of Supervisors in File No. 120459.

Section 5. This section is uncodified. In enacting this Ordinance, the Board intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation, charts, diagrams, or any other constituent part of the Planning Code that are explicitly shown in this legislation as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the legislation.

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

By: Audrey Pearson
Audrey Williams Pearson
Deputy City Attorney

FILE NO. 120358

LEGISLATIVE DIGEST

[Planning Code - Increase Maximum Permitted Floor Area Ratio and Establish the Cesar Chavez/Valencia Streets Medical Use Special Use District - California Pacific Medical Center: St. Luke's Campus]

Ordinance amending the San Francisco Planning Code by: 1) adding Section 124(k) to allow a floor area ratio of 2.5 to 1 in the Cesar Chavez/Valencia Streets Medical Use Special Use District; 2) adding Section 249.68 to establish the Cesar Chavez/Valencia Streets Medical Use Special Use District; and 3) adopting findings, including environmental findings, Planning Code Section 302 findings, and findings of consistency with the General Plan and the priority policies of Planning Code Section 101.1.

Existing Law

Currently the San Francisco Planning Code does not reference the Cesar Chavez/Valencia Streets Medical Use Special Use District. In addition, existing controls limit the floor area ratio on California Pacific Medical Center's ("CPMC") St. Luke's Campus to 2.25 to 1.

Amendments to Current Law

This ordinance would amend San Francisco Planning Code section 124, which controls floor area ratios, to allow a floor area ratio in the Cesar Chavez/Valencia Streets Medical Use Special Use District of up to 2.5 to 1, if authorized by a conditional use authorization. The ordinance would also add section 249.68 to the Planning Code to create the Cesar Chavez/Valencia Streets Medical Use Special Use District and proscribe the controls that govern in the district.

Background Information

California Pacific Medical Center ("CPMC") currently operates four acute care medical centers in San Francisco: the California Campus, the Pacific Campus, the St. Luke's Campus, and the Davies Campus. As part of its program to meet state seismic readiness deadlines, CPMC's Long Range Development Plan ("LRDP") proposes a five campus system with three acute care hospitals – at Davies, St. Luke's, and a new hospital at the proposed Cathedral Hill Campus – providing approximately 903 licensed beds and three full-service emergency departments (one at each of the acute care hospitals). Once the proposed Cathedral Hill Hospital is built at the Cathedral Hill Campus, the acute care services at the California and Pacific campuses will be transferred to the Cathedral Hill Hospital. The Pacific Campus's existing acute care hospital would undergo renovation and reuse as an ambulatory care center. CPMC would sell the California Campus after the transfer of acute care and non-

acute care services to the Cathedral Hill and/or the Pacific Campus. Under the LRDP, in the near term, CPMC would also construct a medical office building at Cathedral Hill, a medical office building at Davies, and reconstruct the hospital and construct a medical office building at St. Luke's. More details regarding CPMC's LRDP, including plans and renderings, can be found on the Planning Department's website at cpmc.sfplanning.org.

This ordinance concerns the proposed St. Luke's Campus, which will include a new acute care hospital and a new medical office building.

The proposal for St. Luke's Hospital includes the construction of a new 146,410 gross square foot, five-story and approximately 99' tall, 80-bed acute care hospital, sited on the campus' existing surface parking lot and over a portion San Jose Avenue, which would be vacated by the City and sold to CPMC. The new hospital will include an entry plaza adjacent to the hospital entrance on Cesar Chavez Street, along with a courtyard and public pedestrian pathway generally along the vacated San Jose Avenue right-of-way between Cesar Chavez Street and 27th Street. The new hospital will be sited such that the existing hospital can remain in continuous operation during the new hospital's construction.

Following the demolition of the existing hospital, CPMC will construct a new 104,008 gsf, five-story and approximately 100' tall medical office building in the existing hospital's place. The medical office building will include medical office space, retail, educational, and conference space, along with a four level underground garage with approximately 220 parking spaces.

Among other approvals, construction of the St. Luke's hospital and medical office building will also require ordinances to amend the San Francisco General Plan and Zoning Map, and the vacation of San Jose Avenue between 27th Street and Cesar Chavez Street. CPMC also seeks approval of a development agreement with the City primarily related to the construction of a new hospital and medical office building at the Cathedral Hill Campus, a new medical office building at the Davies Campus, and the hospital and medical office building at the St. Luke's Campus.

BOARD of SUPERVISORS

City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

April 25, 2012

Planning Commission
Attn: Linda Avery
1660 Mission Street, 5th Floor
San Francisco, CA 94103

Dear Commissioners:

April 10, 2012, Mayor Lee introduced the proposed legislation regarding the California Pacific Medical Center Long Range Development Plan (list of legislation attached).

These proposed ordinance and resolutions are being transmitted pursuant to Planning Code Section 302(b) for public hearing and recommendation. They are pending before the Land Use & Economic Development Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

Alisa Miller

By: Alisa Miller, Committee Clerk
Land Use & Economic Development Committee

c: John Rahaim, Director of Planning
Scott Sanchez, Zoning Administrator
Bill Wycko, Chief, Major Environmental Analysis
AnMarie Rodgers, Legislative Affairs
Monica Pereira, Environmental Planning
Joy Navarrete, Environmental Planning

CEQA Clearance under Final Environmental Impact Report for California Pacific Medical Center Long Range Development Plan, Case 2005.0555E, Certified April 26, 2012. CPC M-14588

4/30/12

SAN FRANCISCO
PLANNING DEPARTMENT

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

April 27, 2012

Ms. Angela Calvillo, Clerk
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: **Transmittal of Planning Department Case Numbers:**
2009.0885MTZCBRSK, 2009.0886MTZCBRSK, 2012.0403W:
California Pacific Medical Center Long Range Development Plan Project

BOS File No.'s: 120357, 120358, 120359, 120360, 120366, plus *pending* General Plan Amendment File No's_____ and _____.
Planning Commission Recommendation: *Approval*

Dear Ms. Calvillo,

Attached please find one original hardcopy plus this electronic transmittal of the proposed General Plan Amendment Ordinances, Planning Code Text Amendment Ordinances, Zoning Map Amendment Ordinances, and a Development Agreement Ordinance (collectively, the "Ordinances") for Board of Supervisors' approval. These Ordinances are associated with the California Pacific Medical Center Long Range Development Plan Project (hereinafter "CPMC LRDP Project"), which is a multi-phased development strategy to meet state seismic safety requirements for hospitals and to create a 20-year framework for CPMC's four existing medical campuses and for construction of a proposed new medical campus (the "Cathedral Hill Campus") in San Francisco. The proposed LRDPs would facilitate the development of certain Near-Term Projects under the CPMC LRDP at CPMC's St. Luke's, Cathedral Hill, and Davies Campuses.

On April 5, 2012, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the initiation of the proposed General Plan Amendment Ordinances associated with the CPMC LRDP Project.

On April 10, 2012, the Mayor introduced at the regularly scheduled Board of Supervisors hearing various legislation associated with the CPMC LRDP Project, including the Planning Code Text Amendment Ordinances, Zoning Map Amendment Ordinances, and a Development Agreement Ordinance.

On April 26, 2012, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinances as part of the CPMC LRDP Project.

* Complete memorandum in File No. 120357 *

SAN FRANCISCO
PLANNING DEPARTMENT

Executive Summary

CPMC Long Range Development

HEARING DATE: APRIL 26, 2012

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Date:	April 12, 2012
Case No.:	**Cathedral Hill Campus:** 2009.0885MTZWCBRSK **St. Luke's Campus:** 2009.0886MTZWCBRSK **Davies Campus:** 2004.0603CW **All Campuses:** 2005.0555E; 2012.0403W
Project Address:	**Cathedral Hill Campus:** 1100 & 1101 Van Ness Avenue; 1255 Post Street; 1020, 1028-1030, 1034-1036, 1040-1052, 1054-1060, and 1062 Geary Street; 1375 Sutter Street **St. Luke's Campus:** 3555, 3615 Cesar Chavez Street; 1580 Valencia Street **Davies Campus:** 601 Duboce Avenue **Pacific Campus:** 2315 & 2333 Buchanan Street; 2300 California Street; 2330, 2340-2360, 2351, 2400, & 2405 Clay Street; 2315, 2323, 2324, 2329, & 2395 Sacramento Street; 2018, 2100 & 2200 Webster Street **California Campus:** 3698, 3700, 3838 & 3848-3850 California Street; 3801, 3905, 3773 & 3901 Sacramento Street; 460 Cherry Street
Zoning/Ht. & Blk.	**Cathedral Hill Campus:** RC-4,Van Ness Special Use District/130-V; NC-3/130-E **St. Luke's Campus:** RH-2/105-E, 65-A **Davies Campus:** RH-3/65-D, 130-E **Pacific Campus:** RM-1, RM-2; 40-X, 160-F **California Campus:** RH-2, RM-2; 40-X, 80-E
Proposed Zoning/ Height & Bulk:	**Cathedral Hill Campus:** RC-4, Van Ness Special Use District, Van Ness Avenue Medical Use Subdistrict/265-V (hospital site), 130-V (MOB site); NC-3/130-E (1375 Sutter Street site) **St. Luke's Campus:** RH-2, Cesar Chavez/Valencia Streets Medical Use Special Use District/105-E **Davies Campus:** No Change **Pacific Campus:** No Change **California Campus:** No Change
Assessor's Block/Lot:	**Cathedral Hill Campus:** 0695/005, 006; 0694/005, 006, 007, 008, 009, 009A, 010; 0690/016 **St. Luke's Campus:** 6575/001, 002; 6576/021 and a portion of San Jose Avenue between Cesar Chavez Street and 27th Street **Davies Campus:** 3539/001 **Pacific Campus:** 0612/008; 0613/002, 029; 0628/013, 014; 0629/041, 044; 0636/033; 0637/014, 015, 016, 017, 018, 019 **California Campus:** 1015/001, 016, 052, 053, 054; 1016/001, 002, 003, 004, 005, 006, 007, 008, 009; 1017/027, 028

* Complete memorandum in File No. 120357 *

SAN FRANCISCO
PLANNING DEPARTMENT

Planning Commission Resolution No. 18593

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Code Text Amendment
Zoning Map Amendment
HEARING DATE: APRIL 26, 2012

Date:	April 12, 2012
Case No.:	2005.0555E; 2009.0886MTZCBRSK; 2012.0403W
Project Address:	3555 Cesar Chavez Street; 3615 Cesar Chavez Street; 1580 Valencia Street
Zoning/Ht. & Blk.	RH-2/105-E, 65-A
Proposed Zoning/ Height & Bulk:	RH-2, Cesar Chavez-Valencia Streets Medical Use Special Use District/ 105-E
Assessor's Block/Lot:	6575/001, 002; 6576/021 and a portion of San Jose Avenue between Cesar Chavez Street and 27th Street
Project Sponsor:	Geoffrey Nelson, CPMC 633 Folsom Street, 5th Floor San Francisco, CA 94107 (415) 600-7206 NelsonGK@Sutterhealth.org
Staff Contact:	Elizabeth Watty – (415) 558-6620 Elizabeth.Watty@sfgov.org

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT FINDINGS RELATING TO (1) AMENDMENTS TO THE PLANNING CODE, INCLUDING: (A) TO ADD SECTION 249.68 TO ESTABLISH THE CESAR CHAVEZ/VALENCIA STREETS MEDICAL USE SPECIAL USE DISTRICT AND ALLOW A FLOOR AREA RATIO OF 2.5 TO 1 IN THE CESAR CHAVEZ/VALENCIA STREETS MEDICAL USE SUD; AND (B) TO ADD SECTION 124(K) TO ALLOW A FLOOR AREA RATIO OF 2.5 TO 1 IN THE CESAR CHAVEZ/VALENCIA STREETS MEDICAL USE SUD; (2) AMEND THE PLANNING CODE ZONING MAP SHEETS HT07 AND SU07 TO RECLASSIFY THE REPLACEMENT HOSPITAL SITE FROM A 65-A TO 105-E HEIGHT AND BULK DISTRICT, AND TO SHOW THE BOUNDARIES OF THE CESAR CHAVEZ/VALENCIA STREETS MEDICAL USE SUD; AND (3) MAKE AND ADOPT FINDINGS, INCLUDING FINDINGS UNDER PLANNING CODE SECTION 302, ENVIRONMENTAL FINDINGS AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE SECTION 101.1.

PREAMBLE

On June 10, 2005, Ralph F. Marchese of The Marchese Company, Inc., on behalf of California Pacific Medical Center (hereinafter referred to variously as "CPMC" and "Project Sponsor"), submitted an Environmental Evaluation Application (EEA) with the Planning Department (hereinafter "Department"),

Case No. 2005.0555E[1]. The Department issued a Notice of Preparation of Environmental Review on July 1, 2006, to owners of properties within 300 feet, adjacent tenants, and other potentially interested parties.

On January 13, 2009, CPMC revised its EEA to include updates regarding the LRDP Project, including the proposal for a new St. Luke's Replacement Hospital and St. Luke's Medical Office Building.

On July 21, 2010, the Draft Environmental Impact Report ("DEIR") for CPMC's LRDP Project, including the St. Luke's Replacement Hospital and MOB Project, was prepared and published for public review, and was available for public comment until October 19, 2010.

On September 23, 2010, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On March 29, 2012, the Department published a Comments and Responses document, responding to comments made regarding the DEIR prepared for the LRDP. Together, the Comments and Responses document, the DEIR, and any Errata Sheets, (the Appendices to the DEIR and C&R document), Department staff testimony and responses to questions and comments at the Commission's April 26, 2012, public hearing regarding certification of the Final EIR, and all of the supporting information that has been reviewed and considered by the Department, comprise the Final EIR for the LRDP ("FEIR").

On June 10, 2010, the Project Sponsor submitted a request, as modified by subsequent submittals, to amend the following sections of the General Plan: (1) "Map 4 – Height Map" of the Urban Design Element, to reflect a maximum height of 105'-0" applicable to the St. Luke's Campus (all of Assessor's Block 6575, Lot 021 in Block 6576, and a portion of San Jose Avenue between Cesar Chavez Street and 27th Street that will be vacated as part of the project, and their successor Blocks and Lots); and (2) "Map 5 – Bulk Map" of the Urban Design Element, to reflect the proposed maximum plan and maximum diagonal plan dimensions of 227' and 270', respectively, for the St. Luke's Replacement Hospital ("Replacement Hospital") site, and 204' and 228', respectively, for the Medical Office Building ("St. Luke's MOB") site (2009.0886M).

On June 10, 2010, the Project Sponsor submitted a request, as modified by subsequent submittals, to amend the following sections of the San Francisco Planning Code: (1) Add Section 249.68 to establish the Cesar Chavez/Valencia Streets Medical Use Special Use District ("SUD") and allow a floor area ratio of 2.5 to 1 in the Cesar Chavez/Valencia Streets Medical Use SUD; and (2) to add Section 124(k) to allow a floor area ratio of 2.5 to 1 in the Cesar Chavez/Valencia Streets Medical Use SUD. (Case No. 2009.0886T).

On June 10, 2010, the Project Sponsor submitted a request, as modified by subsequent submittals, to amend the following Zoning Maps of the San Francisco Planning Code: (1) Map HT07 to reclassify the Hospital site from 65-A to 105-E Height and Bulk District; and (2) Map SU07 to show the boundaries of the Cesar Chavez/Valencia Streets Medical Use SUD (Case No. 2009.0886Z).

---

[1] At the time of this application, the Cathedral Hill Hospital site was within the boundaries, and was governed by the land use controls, of the Western Addition A-2 Plan. Those controls expired on January 1, 2009.

On June 10, 2010, the Project Sponsor filed an application, as modified by subsequent submittals, with the Department for Conditional Use authorization under Planning Code Sections 134, 136, 151, 303, 304, 209.3(a), 209.9(b), 253, 270, and 271, to amend the existing Planned Unit Development (hereinafter "PUD") for CPMC's St. Luke's Campus to allow construction of the Replacement Hospital, demolition of the existing St. Luke's Hospital Tower, and the construction of the St. Luke's MOB with (1) exceptions to/exemptions from the rear yard and off-street parking requirements of Planning Code Sections 134 and 151; (2) exceptions from the dimension limitations for projections over streets or alleys; (3) to allow buildings over 40'-0" in an RH-2 District; and (4) to allow deviation of bulk limits, at Assessor's Block 6575/001, 002; 6576/021; and a portion of San Jose Avenue between Cesar Chavez Street and 27th Street (3555 Cesar Chavez Street, 3615 Cesar Chavez Street, 1580 Valencia Street, within an RH-2 (Residential, House, Two-Family) District and a 105-E and 65-A Height and Bulk District ("St. Luke's Replacement Hospital and MOB Project").

On June 10, 2010, the Project Sponsor submitted a request for the allocation of Office Space for approximately 62,960 s.f of medical office space in the proposed St. Luke's MOB (Case No. 2009.0886B).

On June 10, 2010, the Project Sponsor submitted a request for a General Plan Referral, Case No. 2009.0886R, regarding the vacation of the portion of San Jose Avenue between 27th and Cesar Chavez Streets; and sidewalk width changes along various streets adjacent to the campus (2009.0886R).

On March 30, 2012, the Project Sponsor submitted an Application for a Development Agreement relating to the construction and reconstruction of health care facilities in furtherance of CPMC's LRDP by and between the City and County of San Francisco and CPMC, pursuant to Administrative Code Section 56.4. This Application was endorsed and accepted as complete by the Planning Director on April 4, 2012.

On April 5, 2012, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting and adopted Motion No. 18571, initiating the requested General Plan Amendments.

On April 10, 2012, the Mayor, at the Board of Supervisors hearing, introduced the (1) Planning Code Text Amendments in Board File No. 120358; (2) the Zoning Map Amendments in Board File No. 120360, (3) the street vacation ordinance in Board File No. 120361, (4) the Transfer Agreement in Board File No. 120363, (5) the Development Agreement in Board File No. 120366, and (5) sidewalk width legislation in Board File No. 120365.

On April 26, 2012, the Commission reviewed and considered the FEIR and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed complied with the CEQA, the CEQA Guidelines, and Chapter 31.

The Commission found the FEIR was adequate, accurate and objective, reflected the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the DEIR, and certified the FEIR for the LRDP Project in compliance with CEQA, the CEQA Guidelines and Chapter 31.

The Planning Department, Linda Avery, is the custodian of records, located in the File for Case No. 2005.0555E, at 1650 Mission Street, Fourth Floor, San Francisco, California.

Department staff prepared a Mitigation Monitoring and Reporting program (MMRP) for the LRDP Project, which material was made available to the public and this Commission for this Commission's review, consideration and action.

On April 26, 2012, by Motion No. 18588, the Commission certified as adequate, accurate and complete the FEIR for the LRDP Project, which includes the St. Luke's Replacement Hospital and MOB Project. A copy of Commission Motion No. 18588 is in the file for Case No. 2005.0555E. Also on April 26, 2012, by Motion No. 18588, the Commission adopted findings, including a statement of overriding considerations and an MMRP, pursuant to CEQA. In accordance with the actions contemplated herein, the Commission has reviewed the FEIR and adopts and incorporates by reference as though fully set forth herein the findings, including the statement of overriding considerations, pursuant to CEQA, adopted by the Commission on April 26, 2012, in Motion No. 18588.

On April 26, 2012, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting and adopted: (1) Resolution No. 18590, recommending that the Board of Supervisors approve the requested General Plan Amendment; (2) Motion No. 18592, making findings of consistency with the General Plan and Planning Code Section 101.1; (3) Motion No. 18594, approving the proposed Conditional Use authorization; (4) Motion No. 18595, approving the allocation of the proposed office space; (5) Motion No. 18596, approving the General Plan Referral; and (6) Resolution No. [DA], recommending that the Board of Supervisors approve the proposed draft Development Agreement; and

The Planning Department, Linda Avery, is the custodian of records, located in the File for Case No. 2009.0886MTZCBRSK, at 1650 Mission Street, Fourth Floor, San Francisco, California.

On April 26, 2012, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on General Plan Amendment Application No. 2009.0886MTZCBRSK.

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

The Commission has reviewed the proposed Planning Code and Zoning Map Ordinances; and

MOVED, that the Commission hereby recommends that the Board of Supervisors approve the proposed Planning Code and Zoning Map Amendment Ordinances and adopt the attached Resolution to that effect.

FINDINGS

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

1. The Commission finds the St. Luke's Replacement Hospital and MOB Project to be a beneficial development to the City that could not be accommodated without the actions requested.

2. CPMC has provided quality health care to the San Francisco community for over 150 years. It is the largest medical center in the City, and is presently responsible for about one-third of all hospitalizations, about one-half of all births in the City, about 40 percent of all patients receiving health services in the City and almost 40 percent of emergency visits. Each year CPMC cares for more than 75,000 persons in its emergency departments. The LRDP would ensure CPMC's continued existence and viability in San Francisco, thereby ensuring St. Luke's continued existence and viability.

3. The existing St. Luke's Hospital Tower does not meet State seismic standards. Regardless of the State legal mandate, it is in the public interest that CPMC meet these seismic standards as soon as possible. These Ordinances, along with the Development Agreement and related approvals, achieve the objective of allowing CPMC's facilities to be rebuilt to meet the desired and legally mandated seismic standards, without any interruption in delivery of acute care services at the existing Hospital Tower due to construction

4. CPMC's facilities, particularly if they are rebuilt to remain operational after an earthquake, are an essential part of the City's preparation for, and ability to respond to a disaster. If CPMC were not to build the new hospitals, the City would lose approximately one-third of all acute care beds, and three full-service emergency departments, one of which provides specialty pediatric emergency care.

5. Construction of the LRDP will double the number of earthquake safe beds in San Francisco, inject about $1.9 billion into the local economy during the next five years, and create 1,500 high paying union construction jobs.

6. The Near-Term Projects in the LRDP would allow the City to retain CPMC as a substantial employer, employing approximately 6,200 persons, of which about half are San Francisco residents. The LRDP would also permit the City to retain and enhance its domestic and international reputation as an education, training, and research center for medical services that benefit the residents of San Francisco. This benefits the City and its residents because it will attract patients, doctors and researchers to San Francisco.

7. Under the terms of the Development Agreement, CPMC would increase entry-level local construction employment and internship opportunities. CPMC would make good faith efforts to achieve 30% local hire measured by construction trade hours for the Near-Term Projects under the LRDP overall for each contractor, by each trade. CPMC would achieve 50% local hire for new entry-level administrative and engineering positions and internships, would fill half of all new apprentice positions with graduates from the CityBuild Academy, and would create and administer a structured program to advance apprentices from CityBuild Academy to journey-level status in their trade by the end of the Project. CPMC plans to hire at least 40 San Francisco-resident permanent entry-level hires annually for five years, representing just under half of all entry level hires, targeting residents of the Western Addition, Tenderloin, Mission/SOMA, Outer Mission/Excelsior, Chinatown and Southeastern neighborhoods. CPMC would also provide $2

million for community workforce services, which would provide grants to community-based organizations through the City's Office of Economic and Workforce Development for recruitment, training, and job retention services.

8. The Near-Term Projects will assure the availability of modern and high quality, general and specialized inpatient and out-patient, emergency and urgent health care to the residents of San Francisco, including seniors, Medicare, Medi-Cal, insured and un-insured.

9. The Near-Term Projects at the St. Luke's Campus will assure the availability of medical offices for physicians located near hospital facilities to serve the residents of San Francisco.

10. The new Replacement Hospital would be a full-service community hospital integrated into the CPMC city-wide system of care. It would provide critical services including Obstetrics/Gynecology, Medical/Surgical, Intensive Care and Urgent Care, as well as Centers of Excellence in Senior and Community Health.

11. By creating additional capacity via an urgent care center on the St. Luke's Campus, the effective urgent and emergency capacity would increase substantially. The expanded department will be critical in serving the southeastern portion of San Francisco, and in preventing overburdening of the San Francisco General Hospital Emergency Department.

12. Emergency services, including psychiatric emergency care, would be provided at the St. Luke's, Davies and Cathedral Hill Campuses. These emergency departments serve patients regardless of ability to pay.

13. Under the terms of the proposed Development Agreement, CPMC would commit to providing services to the poor and underserved, including traditional charity care, hospital care for additional Medi-Cal managed care beneficiaries enrolled in the San Francisco Health Plan, unpaid costs and other benefits for the poor and underserved. Specifically, CPMC would commit to:

    a. Two new, seismically-safe hospitals, at the St. Luke's and Cathedral Hill Campuses;

    b. A secure future for St. Luke's hospital;

    c. Significantly increased provision of healthcare for low-income and underserved San Franciscans, including hospital care for 10,000 additional Medi-Cal beneficiaries, which represents one-third of the City's new Medi-Cal beneficiaries expected under federal healthcare reform;

    d. $20 million endowment by CPMC of a new Community Care Innovation Fund, to support the services of community clinics and other social service organizations; and

    e. Funding to develop capacity of one or more Tenderloin clinics to participate in Medi-Cal managed care.

14. Under the terms of the proposed Development Agreement, CPMC would provide additional funding to the City, including:

    a. $62 million for affordable housing, to replace the 20 residential hotel units and five dwelling units displaced, fund new affordable rental units, and to help moderate income

CPMC employees purchase a home in San Francisco, resulting in approximately 320 affordable units [145 from initial $29M payments; 175 from DALP recapture] to the market over 13 years, and assisting at least 145 moderate income CPMC employees buy a home in San Francisco.

b. $20 million from CPMC for MTA transit facilities and service.

c. $13 million from CPMC for pedestrian safety and streetscape improvements.

15. The LRDP will be constructed at no cost to the City, and will provide substantial direct and indirect economic benefits to the City;

16. The Planning Code was not created with the new construction of hospitals as a focused land use typology, and thus does not recognize the complexity, site and Building Code constraints, and health care delivery intricacies involved therein.

17. A number of conforming amendments to the San Francisco Planning Code, including the Zoning Map, are required in order to resolve the aforementioned issues and facilitate the implementation of the CPMC LRDP.

18. The CPMC LRDP and its proposed amendments to the Planning Code and Zoning Map support the underlying goals of the General Plan, such as maintaining a sound and diverse economic base, providing expanded employment opportunities, promoting high quality urban design, enhancing San Francisco's position as a national and regional center for health services, and promoting adequate health services in all geographic districts.

19. The LRDP is necessary and desirable, is compatible with the surrounding neighborhoods, and would not be detrimental to persons or adjacent properties in the vicinity;

20. The Planning Code Text and Zoning Map Amendments are necessary in order to approve the CPMC LRDP Project;

21. **General Plan Compliance.** The St. Luke's Replacement Hospital and MOB Project is, on balance, consistent with the Objectives and Policies of the General Plan, as outlined in **Motion No.** 18592.

22. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the St. Luke's Replacement Hospital and MOB Project complies with said policies, as outlined in **Motion No.** 18592.

23. The St. Luke's Replacement Hospital and MOB Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) as outlined in **Motion No.** 18592. and also in that, as designed, the St. Luke's Replacement Hospital and MOB Project would contribute to the healthcare delivery and emergency services in San Francisco, include substantial economic benefits to the City during both the construction and operational phases, provide substantial other public benefits as outlined in the proposed Development Agreement, and be compatible with the character and stability of the neighborhood, thereby constituting a beneficial development.

24. Based on the foregoing, the public necessity, convenience and general welfare require the proposed Planning Code and Zoning Map amendments.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on April 26, 2012.

FOR:

Linda D. Avery
Commission Secretary

AYES: Fong, Antonini, Borden, and Miguel

NAYS: Moore and Sugaya

ABSENT: Wu

ADOPTED: April 26, 2012

SAN FRANCISCO
PLANNING DEPARTMENT

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Motion No.18592

GENERAL PLAN FINDINGS

PLANNING CODE SECTION 101.1 FINDINGS

HEARING DATE: APRIL 26, 2012

Date:	April 12, 2012
Project Name:	**California Pacific Medical Center Long Range Development Plan**
Case Numbers:	**2005.0555E; 2009.0886MTZCBRKS; 2009.0885MTZCBRKS; 2004.0603C; 2012.0403W**
Initiated by:	Geoffrey Nelson, CPMC 633 Folsom Street, 5th Floor San Francisco, CA 94107 (415) 600-7206 NelsonGK@Sutterhealth.org
Staff Contact:	Elizabeth Watty, Planner Elizabeth.Watty@sfgov.org, 415-558-6620
Reviewed By:	Kelley Amdur, Director Neighborhood Planning Kelley.Amdur@sfgov.org, 415-558-6351
Recommendation:	**Adopt General Plan/Planning Code 101.1 Consistency Findings**

ADOPTING FINDINGS OF CONSISTENCY WITH THE SAN FRANCISCO GENERAL PLAN AND PLANNING CODE SECTION 101.1 FOR THE CALIFORNIA PACIFICA MEDICAL CENTER'S LONG RANGE DEVELOPMENT PLAN TO ALLOW THE IMPLEMENTATION OF THE NEAR-TERM PROJECTS AND THE LEGISLATION ASSOCIATED THEREWITH, ALONG WITH THE DEVELOPMENT AGREEMENT ("PROJECT"), AT THE CATHEDRAL HILL CAMPUS (ASSESSOR'S BLOCKS-LOTS: 0690-016, 0694-005, 0694-006, 0694-007, 0694-008, 0694-009, 0694-009A, 0694-010, 0695-005, 0695-006); St. LUKE'S CAMPUS (ASSESSOR'S BLOCKS-LOTS 6575/001, 002; 6576/021 AND A PORTION OF SAN JOSE AVENUE BETWEEN CESAR CHAVEZ STREET AND 27TH STREET) AND THE DAVIES CAMPUS (ASSESSOR' BLOCK-LOTS 3539-001), AND INCLUDING ENVIRONMENTAL FINDINGS.

PREAMBLE

The CPMC Long Range Development Plan ("LRDP") is a multi-phased development strategy to meet state seismic safety requirements for hospitals mandated originally in 1994 by Senate Bill ("SB") 1953 as modified through successor legislation, and to create a 20-year framework for CPMC's four existing medical campuses and for construction of a proposed new medical campus in San Francisco.

The four existing CPMC medical campuses are the St. Luke's Campus in the Mission District, Pacific Campus in the Pacific Heights area, the California Campus in the Presidio Heights area, and the Davies Campus in the Duboce Triangle area. The proposed new medical campus is the Cathedral Hill