Planning Commission Motion No. 19638

HEARING DATE MAY 5, 2016

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Case No.:

2006.1523GPR

Project:

Street Vacations on Jessie Street and Elim Alley

for the Oceanwide Center Development Project

Project Address:

First and Mission Parcels

40 First Street; 50 First Street; 62 First Street; 76-78 First Street; 88 First

Street; 512 Mission Street; 516 Mission Street; 526 Mission Street

"Oceanwide Center"

Project Sponsor:

Oceanwide Center LLC (Jacky Tang)

Three Embarcadero Center, 29th Floor

San Francisco, CA 94111

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ADOPTING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND WITH THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 FOR THE PROPOSED STREET VACATIONS OF PORTIONS OF JESSIE STREET AND ELIM ALLEY FOR THE OCEANWIDE CENTER DEVELOPMENT PROJECT, WITH CONDITIONS.

WHEREAS, Section 4.105 of the City Charter and Section 2A.53 of Administrative Code require General Plan referrals to the Planning Commission (hereinafter "Commission") for certain matters, including determination as to whether the lease or sale of public property, the vacation, sale or change in the use of any public way, transportation route, ground, open space, building, or structure owned by the City and County, would be in conformity with the General Plan prior to consideration by the Board of Supervisors.

WHEREAS, On July 28, 2015 the Planning Department received from Public Works a General Plan Referral Application submitted by Daniel Frattin, the Agent for Oceanwide Center LLC, developer of project at 50 1street (the "Project"), for various street and alley vacations necessary for the construction a new mixed-use buildings at this site.

WHEREAS, The Project site consists of eight lots located at or near the northwest corner of First and Mission Streets in San Francisco, along with portions of Elim Alley, within the C-3-O (SD) – Downtown Office Zoning District and 850-S-2 and 550-S Height and Bulk Districts, and Jessie Street, within the C-3-O (SD) – Downtown Office Zoning District and 850-S-2 Height and Bulk District. In total, the Site is 54,538 sq.ft in size (excluding Elim Alley and the portion of Jessie Street). The Project proposes demolition of a surface parking lot on Mission Street and demolition of three buildings on 1st Street to construct two mixed-use towers above a four-story basement ranging from 605 feet (Mission Street tower) to 850 feet (1st Street tower) occupied height. Additionally, two existing commercial buildings on 1st Street will be retained, or partially retained. In total, the improvements include approximately: one million gross square feet office use, 265 residential units, 169 hotel rooms and 12,500 square feet ground floor retail.

WHEREAS, The proposed street vacation on Jessie Street would facilitate the First Street tower at the scale of development contemplated in the Transit Center District Plan. Currently, Jessie Street bisects the Project site at the location contemplated for the First Street tower, and the continued existence of a functional public street would make this tower infeasible. The proposed street vacation area would be incorporated into the proposed "Urban

Case No. 2006.1523GPR Motion No. 19638

Room". The Urban Room is a 68-foot tall open area at ground elevation under the 1st Street tower that would serve as a Privately Owned Public Open space satisfying the requirements of Planning Code Section 138. The proposed vacation on Jessie Street would expand the public's use of the Urban Room and maintain interconnectivity with subsequent permanent declaration of public access covenants and restrictions for pedestrian access and an emergency vehicle, and large trucks access easement (See Exhibit B in Case No. 2006.1523DNX, Page 42-5-01).

WHEREAS, The proposed alley vacation on Elim Alley would incorporate this alley into the proposed public open space and the "Urban Room," along First Street. The proposed vacation on Elim Alley would expand the public's access to the Urban Room with subsequent permanent declaration of public access covenants and restrictions for pedestrian access (See Exhibit B in Case No. 2006.1523DNX, Page 42-5-01).

WHEREAS, In lieu of the current connection of Jessie Street to First Street, Jessie Street would be re-routed at a 90 degree angle to Mission Street with permanent public access easement dedications for pedestrian, emergency, and general public vehicular access. The proposed name for this connection between Jessie and Mission Streets will go through an official naming in the future but is undetermined at this time.

WHEREAS, The Project proposes to vacate 4,859 square feet of street including 3,575 square feet of Jessie Street and 1,284 square feet of Elim Alley under the specific configurations as described below (See Table 1 for a summary of the proposals & Exhibit B in Case No. 2006.1523DNX, Pages 42-0-01, 42-5-01, & 2):

Jessie Street Vacation- Jessie Street is currently a 27.5' wide street running west of First Street to Ecker Place and beyond. The Project proposes to vacate Jessie Street west of First Street for a length of 130' and a width of 27.5' (for the total area of approximately 3,575 sf).

The area proposed for vacation is generally bounded by Assessor's Block No. 3708, Lot No. 055 to the north and a portion of Assessor's Block No. 3708, Lot No. 006 to the south.

The full length of vacated area on Jessie Street (130 feet) would be subject to a non-exclusive public easement for pedestrian access for a width of 20' and will be open 24 hours per day and seven days a week, and will be fully open air (up to 68 feet within the Urban Room) and feature no gates or other physical restrictions to pedestrian access. The Jessie Street vacation area will be accessible by pedestrians between First Street and the existing and remaining portion of Jessie Street via the Urban Room. Additionally, the same vacated area on Jessie Street would be subject to an easement for vehicular emergency access for the benefit of the San Francisco Fire Department. Trucks longer than 40 feet cannot make the turn at the proposed new re-alignment of Jessie Street and would therefore utilize the vacated portion of Jessie Street based on a large trucks access easement.

Elim Alley Vacation- Elim Alley is currently an unmaintained street between First Street and Ecker Place, with a total length of 250'. The current width of Elim Alley is 6.5' for a length of 108' west of First Street and 12' width for the remaining approximately142' east of Ecker Place. The Project proposes to vacate a total length of 156.5 feet of Elim Alley west of First Street, the first 108 feet for a width of 6.5 feet and for the remaining length of 48.5' for a width of 12'. In total the proposed vacated area on Elim Alley consists of 1,284 square feet.

The area proposed for vacation is generally bounded by Assessor's Block No. 3708, Lot No. 006 to the north and Assessor's Block No. 3708, Lot Nos. 007 and 011 to the south.

The vacation area would become part of both the Urban Room (serving as POPOS) and the Public Sitting Area (serving as POPOS). This area would be accessible by pedestrians primarily from First Street and also from the newly created pedestrian/vehicular connection between Mission and Jessie Streets. The vacated portion of Elim Alley is proposed by the project sponsor to be accessible to the public 24 hours per day, 7 days a week through a permanent declaration of public access covenants and restrictions.

Realignment of Jessie Street- The Project also would create a new access way from the new terminus of Jessie Street turning at 90 degrees to Mission Street. This new access way for both vehicular and pedestrian traffic will be located on private property for 207' in length east-west. This access way will run under both towers at vertical clearance height of at least 13.5' except for small portions that will be open to sky: 19' at

its entrance on Mission Street and another 15' between the two towers. The access way will contain approximately 3,600 square feet of area for a width of approximately 20 feet. The access will be created via a public easement. The public will be able to use the re-aligned public access way 24 hours per day, 7 days a week. As proposed, this access way would not include sidewalk space along at least half of the residential lobby of the First Street tower. The dimensions of this access way would limit the trucks that could drive on this way and clear the turn. Trucks that are longer than 40' would not be able to clear this turn. Additionally the minimum 13.5 foot ceiling height would also limit certain trucks. Consequently, these larger trucks will be routed along the portion of Jessie Street proposed for vacation, through the Urban Room and exiting onto 1st Street. The large truck access easement would be accommodated through a public easement coterminous with the emergency vehicle access easement. The operational procedures for this access are described in more detail in mitigation measure #10.

WHEREAS, To provide consistency with General Plan policies pertaining to the vacation of City streets and alleys and to minimize the effects of the proposed street vacation per the Urban Design Element (Policy 2.9) the certain conditions are required to be met regarding hours of public access as well as design treatments on the vacated streets, publicly accessible private open spaces, or the new re-alignment of Jessie Street as described below:

Re-routed Jessie Street (name to be determined in the future)- The design shall be refined to maximize attractiveness and safety for pedestrians in addition to ensuring necessary vehicular access (including trucks). This design should explore a curbless shared street treatment with special paving and other measures. In addition, in order for this new access way to be perceived as public space, the design of the contiguous privately-owned portions of Jessie Street should be improved by the project sponsor with similar materials and treatments as the non-vacated and publicly owned portions of Jessie Street east of Ecker Street. Finally clear signage must indicate the realignment of Jessie Street onto this new re-routed public access in the manner of a public street.

Privately Owned Public Open Space (POPOS)- The Urban Design Element and the Transit Center District Plan allow permitting street vacation so long as the greater public benefit of the vacation outweigh the loss of public ownership of the streets. To ensure that standard is met, the design and access of the proposed POPOS provided at the street level must be seamlessly coordinated with the vacated areas to provide the highest quality open space that is publicly accessible at all times. To this end, the proposed Public Sitting area along Elim Alley as well as the proposed Mission Pocket Park ("Snippet" per the Downtown Plan) (See Exhibit B in Case No. 2006.1523DNX, Page 42-0-01) shall remain 24 hours of public access, seven days a week as already stated in the standards of the "Guidelines for Open Space" (Table 1) in the Downtown Plan. This would enhance the pedestrian and public space along Elim Alley and Mission Street with widened areas as public space. These enlarged public spaces are open to sky and accessible at all times. Consequently, this design would help advance the greater public benefit offered by this project in exchange for the vacation of public right-of-ways.

ENVIRONMENTAL REVIEW

The effects of the Oceanwide Center development project were fully reviewed under the Transit District Area Plan and Transit Tower EIR certified by the San Francisco Planning Commission on May 24, 2012, by Motion No. 18628. On April 1, 2016, the project was determined to be consistent with the Transit District Area Plan and Transit Tower EIR and exempt from environmental review per CEQA Guidelines Section 15183 (Planning Case No. 2006.1523E).

The proposal addresses the following relevant objectives and policies of the General Plan:

GENERAL PLAN COMPLIANCE AND BASIS FOR RECOMMENDATION

The Project is consistent with the General Plan and Eight Priority Policies of Planning Code Section 101.1 as described below in the body of this letter. The Project as modified by the conditions described above, is on balance, in-conformity with the following Objectives and Policies of the General Plan:

URBAN DESIGN ELEMENT

Objectives and Policies

Policy 2.8

Maintain a strong presumption against the giving up of street areas for private ownership and use, or for construction of public buildings.

The proposed street vacations would be offset by new public open spaces, alleyways and walkways covered by declaration of public access covenants and restrictions and would at the same time would facilitate the second tallest tower contemplated in the Transit Center District Plan (the Plan). The development project contemplated at 50 1st Street (Oceanwide Center) would substantially contribute to the creation the transit-oriented jobs and housing called for in the Plan at San Francisco's future regional hub, and would help complete the envisioned transformation of the City's skyline as envisioned in the Plan. Public Access to the vacated streets would remain intact due to the declaration of public access covenants and restrictions on the vacated portions of Jessie Street and Elim Alley as enhanced by the conditions described in this Motion. A new public access way would also be created to re-route Jessie Street to Mission Street. Lastly, the Urban Room design element of the Project would include large areas for seating, landscape, events, and other social functions. which would further enhance the pedestrian experience. Therefore, the public benefit as a result of the proposed street vacations, as enhanced by the conditions described in this Motion, would outweigh the loss of public ownership of portions of Elim Alley and Jessie Street.

Policy 2.9

Review proposals for the giving up of street areas in terms of all the public values that streets afford. Every proposal for the giving up of public rights in street areas, through vacation, sale or lease of air rights, revocable permit or other means, shall be judged with the following criteria as the minimum basis for review:

- a. No release of a street area shall be recommended which would result in:
 - (1) Detriment to vehicular or pedestrian circulation;
 - (2) Interference with the rights of access to any private property;
 - (3) Inhibiting of access for fire protection or any other emergency purpose, or interference with utility lines or service without adequate reimbursement;
 - (4) Obstruction or diminishing of a significant view, or elimination of a viewpoint;
 - (5) Elimination or reduction of open space which might feasibly be used for public recreation;
 - (6) Elimination of street space adjacent to a public facility, such as a park, where retention of the street might be of advantage to the public facility;

- (7) Elimination of street space that has formed the basis for creation of any lot, or construction or occupancy of any building according to standards that would be violated by discontinuance of the street;
- (8) Enlargement of a property that would result in (i) additional dwelling units in a multifamily area; (ii) excessive density for workers in a commercial area; or (iii) a building of excessive height or bulk;
- (9) Reduction of street space in areas of high building intensity, without provision of new open space in the same area of equivalent amount and quality and reasonably accessible for public enjoyment;
- (10) Removal of significant natural features, or detriment to the scale and character of surrounding development.
- (11) Adverse effect upon any element of the General Plan or upon an area plan or other plan of the Department of City Planning; or
- (12) Release of a street area in any situation in which the future development or use of such street area and any property of which it would become a part is unknown.
- b. Release of a street area may be considered favorably when it would not violate any of the above criteria and when it would be:
 - (1) Necessary for a subdivision, redevelopment project or other project involving assembly of a large site, in which a new and improved pattern would be substituted for the existing street pattern;
 - (2) In furtherance of an industrial project where the existing street pattern would not fulfill the requirements of modern industrial operations;
 - (3) Necessary for a significant public or semi-public use, or public assembly use, where the nature of the use and the character of the development proposed present strong justifications for occupying the street area rather than some other site;
 - (4) For the purpose of permitting a small-scale pedestrian crossing consistent with the principles and policies of The Urban Design Element; or
 - (5) In furtherance of the public values and purposes of streets as expressed in The Urban Design Element and elsewhere in the General Plan.

None of the 12 conditions that would discourage approval of a proposed street vacation are present in the subject application. The proposed vacation does meet criteria listed under subsection b(1) and b(3), which would deem the proposal favorable given the following: it would facilitate the second tallest tower contemplated in the Transit Center District Plan and would help create a signature public space, the Urban Room, that would offer a variety of high quality public spaces. The vacations also meet the criteria of subsection b(5) in that they specifically support and are consistent with the policies of the Transit Center District Plan.

Policy 2.10

Permit release of street areas, where such release is warranted, only in the least extensive and least permanent manner appropriate to each case.

The effects of the proposed street vacations are minimized as the vacated streets would remain open to the public 24 hours a day, seven days a week as described in this Motion. The large Urban Room containing both of the street areas vacated would significantly enhance the pedestrian experience and public life. While the proposed vacation would be permanent, the conditions described in this Motion would ensure that the declaration of public access covenants and restrictions retains the pedestrian access to the former

Case No. 2006.1523GPR Motion No. 19638

streets to the maximum extent available in relation to the scale of the Project as identified in the Transit Center District Plan.

DOWNTOWN PLAN

Objectives and Policies

OBJECTIVE 10

ASSURE THAT OPEN SPACES ARE ACCESSIBLE AND USABLE.

POLICY 10.2

Encourage the creation of new open spaces that become a part of an interconnected pedestrian network. POLICY 9.2

Provide different kinds of open space downtown.

The proposed Urban Room, Mission Street pocket park, and the public sitting area along Elim Alley would introduce an interconnected network of open spaces and pedestrian pathways in the Transit Center Area that are diverse in typology and amenities. Together they would include ample sitting area, both open and covered, cafes, landscaping, water features, event space, viewing decks, and other features that will enhance the public pedestrian and social experience. The Urban Room would remain accessible to the public from 8 am to 8 pm and would also contribute into the pedestrian and public space network in the Transit Center District. The Mission Street pocket park and the public sitting area would remain open at all times per the conditions described in this Motion.

TRANSIT CENTER DISTRICT PLAN

Policy 3.11

Prohibit the elimination of existing alleys within the District. Consider the benefits of shifting or reconfiguring alley alignments if the proposal provides an equivalent or greater degree of public circulation

Alleys are critical components of the pedestrian system and the character of the Plan area. Even the shortest and narrowest alleys, while seemingly insignificant in the present, will become ever more necessary as the district density intensifies and the population increases. The City's General Plan (Urban Design Element Policies 2.8–2.10) acknowledges their importance and already generally prohibits the vacation of public rights-of-way except under unique and extraordinary circumstances in which the demonstrable public benefit of a proposed project requiring the vacation substantially outweighs the loss in public value (both current and potential) of maintaining the right-of-way in public ownership. However, based on other Plan policy and development goals for this District, it may be desirable to "shift" or build over certain narrow alleys for development purposes. In all of these cases, the General Plan explicitly requires the proposal of an actual development proposal for a public right-of-way prior to consideration of vacation in order to weigh the specific merits of a particular development proposal against the loss of a public right-of-way.

The proposed Oceanwide Center development project, along with the conditions described in this Motion, provides an extraordinary opportunity in which the public benefit of vacating the streets to accommodate the proposed tower and the proposed Urban Room would substantially outweigh the loss of maintaining these streets in public ownership. The high quality, all-day accessibility of vacated areas, the Urban Room, re-alignment of Jessie Street, as well as the one million square feet of office space along with hotel rooms and housing at the transit hub of the Bay Area comprise the public benefits that the proposed vacation would deliver.

OBJECTIVE 2.1

MAXIMIZE BUILDING ENVELOPE AND DENSITY IN THE PLAN AREA WITHIN THE BOUNDS OF URBAN FORM AND LIVABILITY OBJECTIVES OF THE SAN FRANCISCO GENERAL PLAN.

The proposed street vacation would facilitate the 850-foot tower contemplated in the Transit Center District Plan as another signature tower in this area by effectively utilizing a transit-friendly and transit-rich location to its maximum capacity.

The proposed street vacations and related City property conveyances are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

The proposed street vacations would accommodate development of two towers along with a variety of new neighborhood serving small businesses that will increase retail and business opportunities to the neighborhood. There is little to no active pedestrian-serving retail in the existing buildings and one of the subject lots is a vacant asphalt lot.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed street vacations will not affect existing housing and would enhance the neighborhood character through additional neighborhood serving businesses.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed street vacation would have no adverse effect on the City's supply of affordable housing. There is no housing currently on the site.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed street vacation would have no effect on the MUNI transit service, nor would it overburden streets or neighborhood parking. There is no transit service on the subject alleys to be vacated, and vehicular access will be accommodated in the reconfigured alley system. There is no on-street parking currently on these alleys, which are very narrow.

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

The proposed street vacation would not adversely affect the industrial or service sectors or future opportunities for resident employment or ownership in these sectors.

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

The proposed street vacation would not affect the City's preparedness in case of an earthquake.

7. That the landmarks and historic buildings be preserved;

All of the buildings on the Site were surveyed as part of the Transit Center District Plan (TCDP). On February 1, 2012, the Transit Center District Historic Resources Survey Update was adopted by the Historic Preservation Commission. Part of this adoption included the completion or update of 57 individual properties historic resource status including 62, 78 and 88 1st Street properties, which were all determined eligible for listing in the California Register. The Project proposes demolition of 62 1st Street and partial demolition of 78 1st Street. The remainder of 78 1st Street and the building at 88 1st Street are proposed to be rehabilitated in keeping with the Secretary of the Interior's Standards for Rehabilitation. Demolition of historic resources at this general Project site was analyzed in the TCDP EIR, which was certified by the Planning Commission on May 24, 2012. The Planning Commission also adopted a Statement of Overriding Considerations finding that the impacts of demolition of historic resources are outweighed by the benefits of the implementation of this aspect of TCDP. A technical memorandum, prepared by Page & Turnbull Associates, found that the revised Project, which will rehabilitate 88 First Street and partially retain and rehabilitate 76-78 First Street, will somewhat reduce the originally anticipated historical resource impacts as two historic buildings originally proposed for demolition will be fully or partially retained. Other properties proposed for demolition (40 1st Street and 50 1st Street) are not historic resources.

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

A technical memorandum, prepared by Environmental Science Associates, concluded that the Project would cast new shadow on four parks, as follows: approximately 149,230 square-foothours (sfh) of new shadow on Union Square, equal to approximately 0.0035% of the theoretically available annual sunlight ("TAAS") on Union Square; approximately 457,510 sfh of new shadow on Portsmouth Square Plaza, equal to approximately 0.219% of the theoretical annual available sunlight ("TAAS") on Portsmouth Square Plaza; 1,342 sfh of net new shadow on Portsmouth Square Plaza on a yearly basis, equal to approximately 0.001% of the theoretical annual available sunlight ("TAAS") on St. Mary's Square; and 299,820 sfh of net new shadow on Justin Herman Plaza on a yearly basis, which would be an increase of about 0.044% of the theoretical annual available sunlight ("TAAS") on Justin Herman Plaza. Approval of the Project is therefore subject to approval under the procedures of Planning Code Section 295 by the Recreation & Parks and Planning Commissions.

On May 5, 2016, the Planning Commission held a duly noticed public hearing and adopted Motion No. 19634, finding that the shadows cast by the Project on Union Square, Portsmouth Square Plaza, St. Mary's Square and Justin Herman Plaza would not be adverse to the use of the parks, and allocated ACLs to the Project for Union Square, Portsmouth Square Plaza, St. Mary's Square and Justin Herman Plaza.

The Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed findings of General Plan conformity on May 5, 2016.

NOW THEREFORE BE IT RESOLVED that the Commission hereby finds the proposed street and alley vacations on portions of Jessie Street and Elim Alley, as modified by conditions described above, for the Oceanwide Center Development Project in Case No. 2006.1523DNX to be, on balance, consistent with the General Plan of the City and County of San Francisco, including, but not limited to the Urban Design Element, the Downtown Plan, the Transit

Case No. 2006.1523GPR Motion No. 19638

Center District Plan, and consistent with the eight Priority Policies in City Planning Code Section 101.1 for reasons set forth in this Motion.

I hereby certify that the foregoing Motion No. 19638 was adopted by the Commission at its meeting on May 5, 2016.

Jonas P. Ionin

Commission Secretary

AYES:

Fong, Richards, Antonini, Hillis, Johnson

NOES:

Moore

ABSENT:

None

RECUSED:

Wu

ADOPTED:

May 5, 2016

Case No. 2006.1523GPR Motion No. 19638

General Plan Referral Street Vacations on Jessie Street and Elim Alley for the Oceanwide Center Development Project

Table 1- Summary of Street Vacation and Public Access Dedication As Proposed

	Existing Dimensions	Areas to be Vacated	Areas for Public Access	Hours of Public Access	Open or Covered	Height Clearance	Type of Access
Jessie Street	27.5' wide from First to Ecker	27.5' wide by 130' long west of First street	20° wide by 130° long	24/7	Covered	,88	Pedestrian access via a declaration of public access covenants and restrictions & emergency vehicle and large truck access via an easement
Elim Alley	6.5' wide by 108' west of first street and 12' wide for 142' east of Ecker Street	Total of 156.5' in length: 108' at 6.5' wide directly west of First Street and another 48.5' at 12' wide	Entire area to be vacated.	24/7	Open	Open to Sky	Pedestrian access via a declaration of public access covenants and restrictions
Re-routed Jessie Street on new public access (name to be determined)	None. Currently is private property.	None.	20' wide by 207' long	24/7	Mostly covered with two open areas	13.5' for the covered portion and open to sky for 19' at entrance on Mission Street and another 15' between the two towers	Pedestrian and vehicular access via public easement