



November 4, 2024

Ms. Angela Calvillo, Clerk
Honorable Supervisor Dorsey
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 Number 2024-008633PCA:**
Planning Code - 524 and 530 Howard Street - Transit Center District Open Space Impact Fee Waiver for
Board File No. 240879

Planning Commission Recommendation: Approval

Dear Ms. Calvillo and Supervisor Dorsey,

On October 24, 2024, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Dorsey. The proposed ordinance would amend the Planning Code to waive the Transit Center District Open Space Impact Fee for a project at 524 & 530 Howard Street. At the hearing the Planning Commission adopted a recommendation for approval.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr", with a long horizontal flourish extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc: John D. Malamut, Deputy City Attorney
Madison Tam, Aide to Supervisor Dorsey
John Carroll, Office of the Clerk of the Board

ATTACHMENTS :

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21635

HEARING DATE: October 24, 2024

Project Name: Planning Code - 524 and 530 Howard Street - Transit Center District Open Space Impact Fee Waiver for 524 Howard Street, LLC
Case Number: 2024-008633PCA [Board File No. 240879]
Initiated by: Supervisor Dorsey / Introduced September 10, 2024 (substituted October 15, 2024)
Staff Contact: Audrey Merlone, Legislative Affairs
Audrey.Merlone@sfgov.org, 628-652-7534
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO WAIVE THE TRANSIT CENTER DISTRICT OPEN SPACE IMPACT FEE FOR 524 HOWARD STREET, LLC'S DEVELOPMENT PROJECT AT 524 AND 530 HOWARD STREET IN RECOGNITION OF THE PROJECT'S PROPOSED CONSTRUCTION OF A PEDESTRIAN BRIDGE CONNECTING THE TRANSBAY TRANSIT CENTER'S ROOFTOP PARK; AFFIRMING THE PLANNING COMMISSION'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1, AND FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND GENERAL WELFARE FINDINGS UNDER PLANNING CODE, SECTION 302.

WHEREAS, on September 10, 2024, Supervisor Dorsey introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 240879, and subsequently introduced a substitute ordinance on October 15, 2024, which would amend the Planning Code to waive the Transit Center District Open Space Impact Fee for 524 Howard Street, LLC's development project at 524 and 530 Howard Street in recognition of the project's proposed construction of a pedestrian bridge connecting to the Transbay Transit Center's rooftop park;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on October 24, 2024; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); and

WHEREAS, the Planning 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 Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby adopts a **recommendation for approval** of the proposed ordinance.

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:

The Commission supports the proposed Ordinance because it will enable the creation of a pedestrian bridge connecting a new residential development to the rooftop park of the Salesforce Transit Center. This connection will provide residents of the building with access to vast green space in the heart of the Downtown. It will also bolster public access to the rooftop park of the Salesforce Transit Center by significantly increasing vertical and horizontal pedestrian circulation. The Notice of Special Restriction that is a condition of the fee waiver will additionally serve as a public benefit by mandating public access from the street level of the development to the pedestrian bridge that leads to the park.

General Plan Compliance

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

TRANSIT CENTER DISTRICT SUB-AREA PLAN

OBJECTIVE 3.1

MAKE WALKING A SAFE, PLEASANT, AND CONVENIENT MEANS OF MOVING ABOUT THROUGHOUT THE DISTRICT.

OBJECTIVE 3.11

ENHANCE ACCESS AND MAXIMIZE THE VISIBILITY OF THE TRANSIT CENTER'S FUTURE ROOFTOP PARK FROM THE SURROUNDING NEIGHBORHOODS, ESPECIALLY NEIGHBORHOODS TO THE SOUTH.

Policy 3.19

Permit buildings to satisfy open space requirements through direct connections to the Transit Center Park.

Buildings immediately abutting the Transit Center or along Minna and Natoma Streets opposite the Transit Center are encouraged to partially satisfy their Planning Code Section 138 publicly-accessible open space requirements by providing a direct pedestrian connection to the Transit Center Park. The proposed Ordinance will facilitate the construction of a publicly accessible pedestrian bridge from a building abutting the park to the south. It will ensure that the public can take advantage of this major public amenity by weaving it into the neighborhood through the connection via 524 and 530 Howard Street.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code 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 Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

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 Ordinance would not have a negative effect on housing or neighborhood character.

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

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

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

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

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 Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

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

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

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

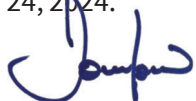
The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL of the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on October 24, 2024.



Jonas P. Ionin

Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2024.10.30 09:43:08 -07'00'

AYES: Campbell, McGarry, Williams, Braun, Moore, So
NOES: None
ABSENT: Imperial
ADOPTED: October 24, 2024



EXECUTIVE SUMMARY

PLANNING CODE TEXT AMENDMENT

HEARING DATE: October 24, 2024

90-Day Deadline: January 13, 2025

Project Name: Planning Code - 524 and 530 Howard Street - Transit Center District Open Space Impact Fee Waiver for 524 Howard Street, LLC

Case Number: 2024-008633PCA [Board File No. 240879]

Initiated by: Supervisor Dorsey / Introduced September 10, 2024 (substituted October 15, 2024)

Staff Contact: Audrey Merlone, Legislative Affairs
Audrey.Merlone@sfgov.org, 628-652-7534

Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

Environmental Review: Not a Project Under CEQA

RECOMMENDATION: Adopt a Recommendation for Approval

Planning Code Amendment

The proposed Ordinance would amend the Planning Code to waive the Transit Center District Open Space Impact Fee for a development project at 524 and 530 Howard Street in recognition of the project's proposed construction of a pedestrian bridge connecting to the Transbay Transit Center's rooftop park.

The Way It Is Now:

Planning Code Sections 424.6 governs the Transit Center District Plan open space development impact fees. Planning Code Section 138(j), which only applies to projects located within the C-3-O(SD) Zoning District, addresses how the Planning Department should approach public connections to the rooftop park on the Transbay Transit Center from adjacent buildings and count such connections as contributing to a project's open space requirements.

The Way It Would Be:

The Ordinance would waive the open space impact fee (estimated at \$2.3 million) for the project at 524 and 530 Howard Street on the condition that \$2.3 million instead be paid to the Transbay Joint Powers Authority (TJPA) in exchange for the developer's right to construct a pedestrian bridge to a rooftop park. As a condition of approval, a Notice of Special Restriction would be recorded against the property, establishing the public's right to access and use the pedestrian bridge to access the park from the street level of the development.

Background

On June 18, 2024, the Planning Department issued Planning Approval Letter in accordance with AB2011¹. The proposed project would demolish a four-story, approximately 30,000-square-foot commercial building and surface parking lot and construct:

1. A 72-story, approximately 795-foot-tall (approximately 844 feet inclusive of permitted rooftop appurtenances) residential building containing approximately 819,000 gross square feet of residential uses (the "Tower"),
2. A 30-foot-wide pedestrian bridge spanning Natoma Street and publicly accessible elevators within the Tower's podium, connecting the Tower to the rooftop park at the Salesforce Transit Center.

The Project includes 672 dwelling units, with 68 dwelling units dedicated to households earning no more than 50% AMI.

This proposed Ordinance is related to a companion ordinance that would vacate the airspace above Natoma Street and convey the property to the Transbay Bay Joint Powers Authority to accommodate the construction and use of the pedestrian bridge from the Project to the rooftop park at the Salesforce Transit Center.

Issues and Considerations

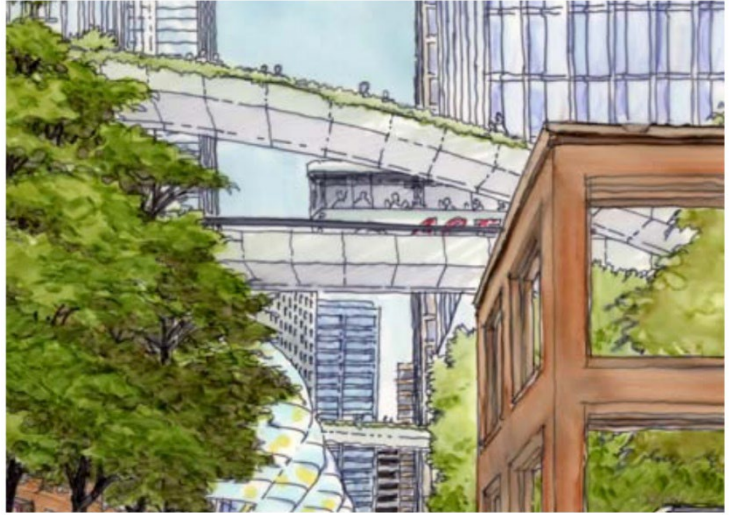
Transit Center District Open Space Fee

The Open Space Fee was established to fund open space improvements in the Transit Center District Plan Area and adjacent downtown areas to provide benefits to the tenants and owners of new developments. The city uses the open space fees to provide open space improvements that serve these new developments as well as benefitting the general public. The City's General Plan and Planning Code also encourages property owners adjacent to the Transbay Transit Center to construct pedestrian bridges connecting their developments to the Rooftop Park as an alternate method of satisfying their various open space requirements.

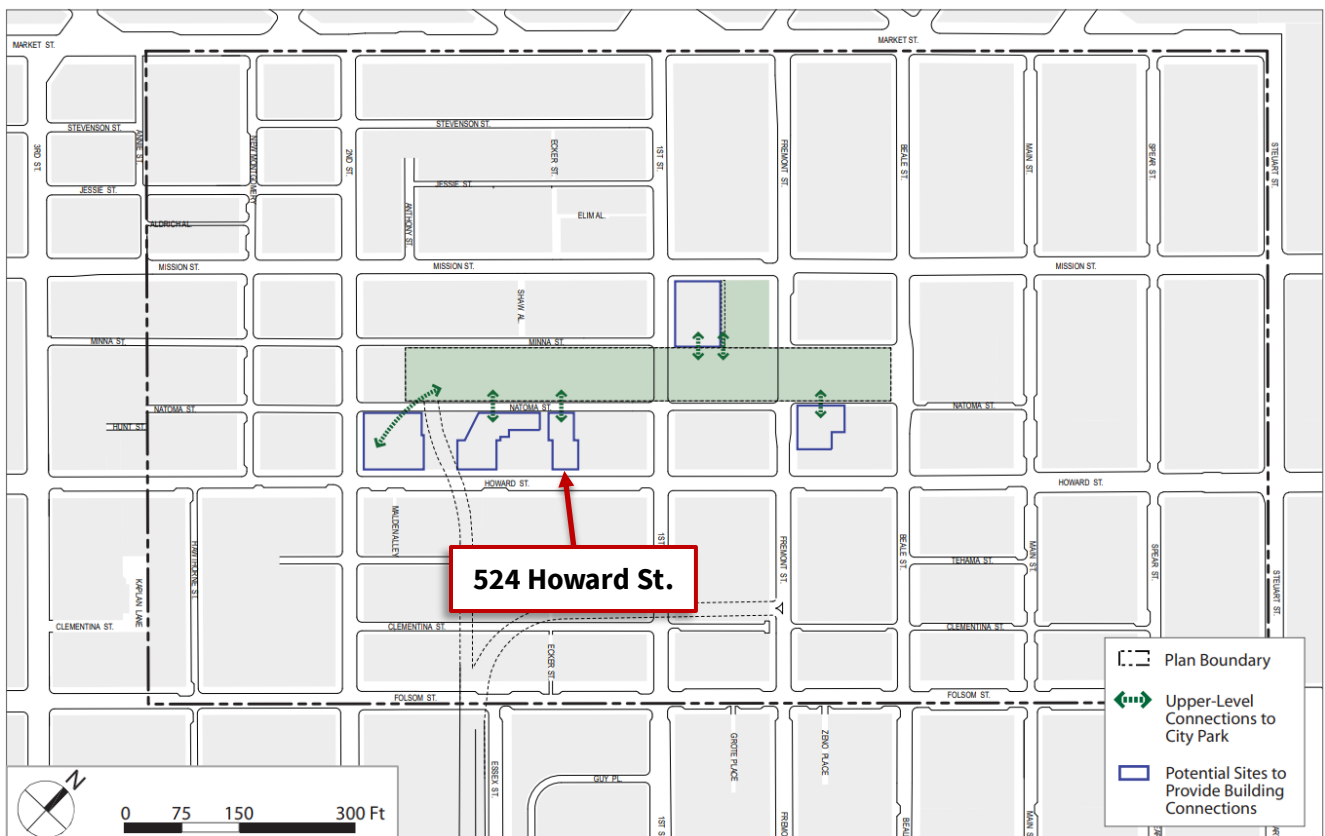
¹ A revised letter was issued on September 25, 2024.

General Plan Compliance

The proposed Ordinance is aligned with Transit Center District Plan Subarea Plan Objective 3.11 to: “*Enhance access and maximize the visibility of the Transit Center’s future rooftop park from the surrounding neighborhoods, especially neighborhoods to the south,*” and Policy 3.19 to: “*Permit buildings to satisfy open space requirements through direct connections to the Transit Center Park.*” In addition, Planning Code Section 138(j) specifically addresses how the city should approach public connections to the rooftop park on the Transbay Transit Center from adjacent buildings and count such connections as contributing to a project’s open space requirements.



The Transit Center District SubArea Plan emphasizes: “Vertical connections to the Transbay Center Park are desirable to increase the park’s accessibility and visibility.”



This map from the 2009 draft of the Transit Center District SubArea Plan identified 524 Howard Street as a potential site to provide upper-level connections to the Transit Center’s rooftop park.

Racial and Social Equity Analysis

The proposed amendments cannot be directly tied to a negative or positive impact in advancing the city's racial and social equity. There is not enough data to support the claim as its largest impact will be a benefit to the future residents of the single development proposed at 524 and 530 Howard Street. That said, the project plans to build 68 units specifically designated for individuals earning up to 50% of the Area Median Income (AMI). Future residents of these units will enjoy the unique advantage of direct access to a world-class park, located in a neighborhood that otherwise has limited public green spaces.

Implementation

The Department has determined that this ordinance will not impact our current implementation procedures.

Recommendation

The Department recommends that the Commission ***adopt a recommendation for approval*** of the proposed Ordinance and adopt the attached Draft Resolution to that effect.

Basis for Recommendation

The Department recommends that the Commission approve the proposed Ordinance because it will enable the creation of a pedestrian bridge connecting a new residential development to the rooftop park of the Salesforce Transit Center. This connection will provide residents of the building with access to vast green space in the heart of the Downtown. It will also bolster public access to the rooftop park of the Salesforce Transit Center by significantly increasing vertical and horizontal pedestrian circulation. The Notice of Special Restriction that is a condition of the fee waiver will additionally serve as a public benefit by mandating public access from the street level of the development to the pedestrian bridge that leads to the park.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

Public Comment

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.