



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

Appeal of Vesting Tentative Map 875 California Street/ 770 Powell Street

DATE: November 21, 2016

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: AnMarie Rodgers, Senior Policy Advisor – Planning (415) 558-6395
Marcelle Boudreaux, Case Planner – Planning Department (415) 575-9140

RE: Board File No. 161212, Planning Case No. 2014-000609CND –
Appeal of the Vesting Tentative Map for 875 California Street/ 770 Powell Street

HEARING DATE: November 29, 2016

ATTACHMENTS:

- A. *Certificate of Determination, Exemption from Environmental Review (Class 32 Categorical Exemption and General Rule Exclusion), March 11, 2016*
- B. Planning Commission Motion No. 19612 (adopted April 7, 2016)
- C. Zoning Administrator Variance Decision Letter, May 10, 2016

PROJECT SPONSOR: 875 California II, LLC [Grosvenor Americas]
c/o Jody Knight and Jay Drake
Reuben, Junius & Rose, LLP
One Bush Street, Suite 600
San Francisco, CA 94107

APPELLANT: Sandra S. Pershing
1 Sutton Place South, Apt. 11-A
New York, NY 10022

INTRODUCTION:

This memorandum and the attached documents are in response to the letter of appeal filed on November 2, 2016, by Sandra S. Pershing (“Appeal Letter”) to the Board of Supervisors (the “Board”) regarding the Department of Public Works (“Public Works”) October 24, 2016, approval of a Vesting Tentative Map for a two-lot merger and subdivision, and 44-unit residential new construction condominium project at 875 California Street and 770 Powell Street (Assessor’s Block 0256, Lots 016 and 017, “Project Site”).

The related project (“Project”) consists of two components: (1) the two lot merger and subdivision, and 44-unit new construction condominium, on the Project Site (Planning Case No. 2014-000609CND); and (2) the demolition of a two-story parking structure and a parking lot and construction of a seven-story, 65-foot-tall, 44-unit residential building that was approved by the Planning Commission on April 7, 2016 and which was granted exceptions to the Planning Code by the Zoning Administrator (Planning Case No. 2014-000609CUAVAR). On March 11, 2016, the Planning Department (“Department”) issued a Certificate of Determination concluding that the lot merger and subdivision, demolition, and new construction project is exempt from environmental review under California Environmental Quality Act (“CEQA”).

Memo

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Guidelines Section 15332 (Class 32 Categorical Exemption for in-fill projects) and Section 15061(b)(3) ("Certificate of Determination, Exemption from Environmental Review dated March 11, 2016," attached as Attachment A).

The application for a vesting tentative map was filed with Public Works on May 9, 2016, and referred to the Department for review on June 28, 2016. The Department recommended approval of the lot merger and subdivision and the 44-unit new construction condominium project on July 25, 2016. Public Works granted a Vesting Tentative Map approval on October 24, 2016.

The decision before the Board is whether to uphold or overturn the Vesting Tentative Map approval. We write to explain the extensive process of Department review and approval. At this time the Department has completed review and approval of the Project and the proposed merger/subdivision. Any potentially aggrieved parties had rights to appeal the Conditional Use Authorization and the Variance Decision within the applicable time periods. Such appeal periods concluded without any appeals filed in a timely manner.

The issues presently raised by the Appellant would have been best addressed as part of the Department's development review process, the public hearing before the Planning Commission and Zoning Administrator, or the appeals periods following Planning Commission action or Zoning Administrator action, not as part of the lot merger and subdivision process.

We urge the Board of Supervisors to reject this appeal. To grant the appeal at this time could thwart the well-established, thoughtful, and extensive public review process that occurred at the time the Planning Commission and Zoning Administrator reviewed the Project and took action. Planning Staff provided specific direction relative to the applicable urban and street design guidelines, and the Planning Commission contributed to the discourse on massing and neighborhood context. Among the extensive findings the Planning Commission adopted in Planning Commission Motion No. 19612 (attached as Attachment B), the Planning Commission found the Project is consistent with the General Plan and the Planning Code.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The Project Site is located at the intersection of California and Powell Streets. The Project Site is located within the Chinatown neighborhood – adjacent to Nob Hill, and within the Nob Hill Special Use District. A mixture of hotels, residential uses in multi-family buildings and smaller flats, and private clubs define the immediate surroundings. In the adjacent block of California to the north and west, the California Club, the Fairmont, Intercontinental Mark Hopkins and Stanford Court Hotels are located. The surrounding properties are located within the RM-4 (Residential- Mixed, High Density) and RM-3 (Residential- Mixed, Medium Density) Districts. The C-3-G (Downtown General) Zoning District begins approximately one block east on California Street.

These Districts are devoted almost exclusively to apartment buildings of high density, usually with smaller units, close to downtown. Buildings over 40 feet in height are very common, and other tall buildings may be accommodated in some instances. Despite the intensity of development, distinct building styles and moderation of facades are still to be sought in new development, as are open areas for the residents. Group housing is especially common in these districts, as well as supporting nonresidential uses.

BACKGROUND:

2015: Applications for Development and Environmental Review Filed

On February 23, 2015, the Department accepted an Environmental Evaluation Application filed by Jody Knight of Reuben, Junius & Rose, LLP, on behalf of Grosvesnor Americas (“Project Sponsor”). On April 1, 2015, the Department accepted an application filed by the Project Sponsor for Conditional Use Authorization and Variance. These applications were filed for a development of 44 residential units in an approximately 65-foot-tall building on two parcels, within the RM-4 (Residential-Mixed, High Density) Zoning District and the 65-A Height and Bulk District.

During the Department’s review process, the proposal was reviewed for compliance with the General Plan and Planning Code, and analyzed by the Urban Design Advisory Team. At the Department’s request, modifications were made to bring the Project into greater conformance with the neighborhood context, including but not limited to building footprint, horizontal articulation and exterior materials.

2016: Planning Department/Commission Approves Project

On March 11, 2016, the Project was determined to be exempt from CEQA, satisfying the requirements for a Class 32 Categorical Exemption and the General Rule Exclusion, as described in the Certificate of Determination, Exemption from Environmental Review dated March 11, 2016 and contained in the Planning Department files for this Project (Case No. 2014-000609ENV). On April 7, 2016 the Planning Commission and the Zoning Administrator held a duly noticed joint public hearing.

Notification was required for the public hearing on the Conditional Use and Variance. Notices were posted on-site and mailed to property owners within 300 feet of the Project Site 20 days before the public hearing date. The proposed new construction also required a Section 311 neighborhood notification to property owners and occupants within 150 feet; this notification process was completed in conjunction with the Conditional Use Authorization notification process. Input was received from members of the public in writing before the hearing and made available for review by the Planning Commissioners and the Zoning Administrator. Thirteen letters of support were received from nearby residents and adjacent institutions. The letters of support focused on the benefits of the new building, the architecture and the streetscape elements to improving the neighborhood character at this underutilized corner. Of these support letters, two included additional comments about the neighborhood and proposal. One letter, in addition to support of the project, noted concerns about pedestrian safety due to the trolleys, asking the City to redesign the cable car and vehicular crossing. One letter, in addition to support of the project, asked the Project Sponsor to halve the proposed number of parking spaces, to add three car share spaces, and to provide below market rates units on-site or to pay higher in-lieu fees according to the then-pending Proposition C.

At the joint public hearing on April 7, 2016, the Planning Commission approved Conditional Use Authorization to allow height greater than 50 feet in an RM District, for exceedance of the prescriptive bulk limits, and for continuation of a 10-foot curb cut on California Street. The Commission amended the Conditions of Approval to require the Project Sponsor to reduce the amount of rooftop appurtenances, to incorporate three car-share spaces, and to ensure adequate bicycle parking access. In addition, the Zoning Administrator granted exceptions from the Planning Code for rear yard configuration and dwelling unit exposure to allow the Project to proceed. Members of the public attended the hearing and four speakers commented on the Project. Comments expressing support for the Project were similar to those expressed in the letters received by the Department regarding this Project. An additional commenter expressed a

preference for a taller building at the corner site and requested a greater amount of parking due to the lack of parking in the neighborhood.

On May 11, 2016, the Zoning Administrator issued a Variance Decision allowing rear yard and exposure variances as part of the Project, subject to certain conditions (attached as Attachment C).

2016: Application Filed for Vesting Tentative Map, Public Works Approves Vesting Tentative Map Application

On May 6, 2016, the Project Sponsor submitted the corresponding application to Public Works for the Vesting Tentative Map for the 44-unit new construction condominium project and the lot merger and subdivision. This application was referred to the Department for review on June 28, 2016. One parcel, approximately 9,448 square feet, contains a two-story parking structure and the other parcel, approximately 6,100 square feet, consists of a surface parking lot. These lots are proposed for merger as an approximately 15,548 square foot lot for the proposed new construction at the southeast corner of California and Powell Streets. On July 25, 2016, the Planning Department recommended approval of the proposed Vesting Tentative Map. Public Works granted a Vesting Tentative Map approval on October 24, 2016.

APPELLANT ISSUES AND PLANNING DEPARTMENT RESPONSES:

The substantive portion of the Appeal Letter states (in its entirety): “This 44 unit subdivision would further negatively impact our fragile neighborhood. The corner of California and Powell Streets is very busy with two trolley lines and hundreds of people day and night, trying to cross the streets.” The Appeal Letter raises issues regarding neighborhood context and congestion and pedestrian safety without further elaboration or specificity, or citation of evidence.

ISSUE #1: The appellant claims, without elaborating, that the subdivision would “negatively impact” neighborhood character.

RESPONSE #1: The Planning Commission approved the Project and found that the Project is necessary and desirable for the community and consistent with the neighborhood. In addition to the Commission’s extensive findings related to the Conditional Use Authorization (as fully set forth in Attachment B), the Commission found that the Project was consistent with the Objectives and Policies of the General Plan, including the Housing Element and the Urban Design Element. The Project is consistent with objectives to relate new construction to the height and character of existing development and to promote harmony in visual transition between new and old buildings.

Height and Density Findings. The Planning Commission considered the requirements of Planning Code Section 253 when it approved this Project of approximately 65 feet in height. Specifically, the Planning Commission found that the scale of the building and density is appropriate for the RM-4 Zoning High Density District, where the Project is located. Planning Code Section 209.2 describes the RM-4 Zoning District as follows: “RM-4 Districts: High Density. These Districts are devoted almost exclusively to apartment buildings of high density, usually with smaller units, close to downtown. Buildings over 40 feet in height are very common, and other tall buildings may be accommodated in some instances. Despite the intensity of development, distinct building styles and moderation of façades are still to be sought in new development, as are open areas for the residents.” On this topic, the Planning Commission found that the Project is contextual with the surrounding building scale and building uses, especially

nearby corner buildings. Surrounding buildings exhibit heights taller than 40 feet and some taller than 65 feet. Vertical façade articulation in the Project includes bay windows, some metal balcony elements and metal planter boxes, with additional articulation by recessed windows, all typical of San Francisco neighborhoods. The stucco-clad exterior walls are supported by a strong granite base, also typical of San Francisco neighborhoods.

Bulk Findings. The Planning Commission considered the requirements of Planning Code Section 270 in reviewing the building's proposed bulk. The Planning Commission approved Conditional Use Authorization for this Project, which exceeded the maximum diagonal dimension, with findings that the Project incorporated design features that generally reduced the appearance of bulk and that the Project is compatible with the character and development of the surrounding area.

Some of the features included in the Project that reduce the appearance of bulk include: utilization of bay window and top level setbacks to create variation in the façade; a clipped corner at the northwest of the building site to allow for a landscaped courtyard at the corner of Powell and California Streets while enhancing the pedestrian experience of the block; and stepped terraces as setbacks along California and Powell Streets, further minimizing the bulk on the upper floors.

Contextual Appropriateness. The Project's scale and character reference the surrounding buildings, and the Project incorporates several measures intended to reduce the appearance of mass to ensure compatibility with the immediate vicinity. Significantly, the building is proposed to be set back from the corner of California Street and Powell Street, which limits the sense of the mass of the building from the street as well as preserving the site line and relationship with the historic cable car kiosk. Vertically, the building is broken up by use of bay windows and balconies, which divides the mass into distinct elements. Horizontally, the stucco-clad building is defined and supported by a strong granite base. Although the building does not provide a corresponding reduction of other portions below the maximum bulk permitted, the bulk of the building is more compatible with the architecture of the area than a project complying with the bulk limitations.

The silhouette is harmonious with existing building patterns in the area, which includes many buildings with extant bulk, notably large hotels and nearby apartment buildings constructed before bulk requirements. The height is similar to adjacent neighbors and compatible with the neighborhood context. In addition, as the height of the Project decreases down the hill on Powell Street, the proposed massing also steps to provide relief and a sense of human scale.

ISSUE #2: The appellant states that the corner of California and Powell Streets is "very busy with two trolley lines" and hundreds of pedestrians, without clarifying how a subdivision would exacerbate these issues.

RESPONSE #2: The Project enhances the pedestrian environment and creates no significant impacts on traffic, transit, pedestrians or bicyclists.

Pedestrian Environment Improved with a Corner Courtyard and Public Seating. The proposed building mass is carved away at the northwest corner of the building site for visual relief at the intersection of Powell Street and California Street, which is the intersection of two streets with

steep grade increases. This carving away of building mass also defers to the existing cable car kiosk at the corner. This corner of the site will incorporate a landscaped entry court. A pedestrian seating wall has been incorporated into the low property line wall. This publically available wall will overlook the landscaped court and provide a comfortable waiting space for those waiting for transit. The main pedestrian entry to the residential building is accessed from this landscaped court. The proposed project would also improve pedestrian conditions through the addition of streetscape elements along both Powell Street and California Street. The increase in daily pedestrian person-trips generated by the Project would not substantially overcrowd sidewalks in the project vicinity or otherwise interfere with pedestrian accessibility to the site and adjoining areas, as stated in the Certificate of Determination, Exemption from Environmental Review, dated March 11, 2016.

Traffic Hazards are Decreased for People Who are Walking. The Project will provide a superior pedestrian environment than the current situation. Currently, the site offers a substantial parking garage and parking lot which are unattractive and contain large curb cuts that create a risk of conflicts between cars and pedestrians. The project site is currently being used for parking within a commercial building and surface parking lot, with a total of 92 parking spaces. As stated in the Certificate of Determination, Exemption from Environmental Review, dated March 11, 2016, the Project would remove this parking and would result in fewer vehicle trips overall, compared to the existing condition. Garage access for the Project would be provided by a single 10-foot curb cut on California Street at the same location as a current larger curb cut, with a car elevator providing access to the below-grade parking garage. In addition, the 46-foot wide curb cut currently used to access the parking structure and parking lot on California would be eliminated and replaced with code-compliant sidewalks.

Transit Service is High. The Project site is located in an area well-served by transit. Fifteen Muni bus routes and three cable car routes are located within ½-mile of the project site, including two cable car lines immediately adjacent to the site on Powell and on California Streets. The existing surface parking lot at the corner of California and Powell Streets is fenced off, and the two-story parking structure exhibits two large curb cuts for vehicular access. Neither condition creates a welcoming pedestrian experience. The proposed project installs a seating wall accessible from the sidewalk at the corner where two very steep streets intersect. This publicly-accessible design feature offers pedestrians a chance to rest or to wait for transit.

New Accommodations for Bicycles. Neither California Street nor Powell Street are designated bicycle routes. Seven bicycle routes are located within ¼-mile of the project site. The Project will provide a total of 88 bicycle parking spaces – 86 spaces would be within the building for its residents and 2 new spaces would be publically available on the sidewalk. The minimal increase of bicycle trips generated by the proposed project would be accommodated by the existing bicycle network and the proposed project would not create potentially hazardous conditions for bicyclists.

Disapproving the Lot Merger and Subdivision Could Exacerbate Conflicts Between Pedestrians, Bicyclists, and Vehicles. If the lots were not merged, individual projects with residential units could still be proposed on these two lots. The underlying RM-4 Zoning District identifies Planning Code requirements for off-street parking, rear yard configuration, bulk and height, thus any newly proposed mass and design on each individual lot would be evaluated for

consistency with the surrounding neighborhood, with Code and with the General Plan. Separate projects may result in fewer residential units than the proposed project, due to the reduction in buildable area per Code requirements, steepness of lots and Building Code requirements. In addition, due to Planning Code requirements for off-street parking, conflicts between pedestrians, bicyclists and vehicles may increase if the lots were not merged, due to the Project's proposal to eliminate two existing large curb cuts on California Street and to replace these with a smaller curb cut at the location of one of the current curb cuts.

In regards to the Housing Element of the General Plan, the lot merger and subdivision is consistent with the following objectives and policies:

OBJECTIVE 1: Identify and make available for development adequate sites to meet the City's housing needs, especially permanently affordable housing.

Policy 1.8:

Promote mixed-use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

Policy 1.10:

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

OBJECTIVE 11: Recognize the Diverse and Distinct Character of San Francisco's Neighborhoods.

Policy 11.1:

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2:

Ensure implementation of accepted design standards in project approvals.

Policy 11.3:

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.5:

Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

Policy 11.6:

Foster a sense of community through architectural design, using features that promote community interaction.

OBJECTIVE 13: Prioritize sustainable development in planning for and constructing new housing.

Policy 13.1:

Support "smart" regional growth that locates new housing close to jobs and transit.

Policy 13.3:

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

In regards to the Urban Design Element of the General Plan, the lot merger and subdivision is consistent with the following objectives and policies:

OBJECTIVE 1: Emphasize the characteristic pattern which gives the city and its neighborhoods an image, sense of purpose, and a means of orientation.

Policy 1.2:

Protect and reinforce the existing street pattern, especially as it is related to topography.

Policy 1.3:

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

OBJECTIVE 3: Moderation of a major new development to complement the city pattern, the resources to be conserved, and the neighborhood environment.

Policy 3.1:

Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3.5:

Relate the height of buildings to important attributes of the City pattern and to the height and character of existing development.

Policy 3.6:

Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

OBJECTIVE 4: Improvement of the neighborhood environment to increase personal safety, comfort, pride and opportunity.

Policy 4.12:

Install, promote and maintain landscaping in public and private areas.

Policy 4.13:

Improve pedestrian areas by providing human scale and interest.

CONCLUSION:

The proposed lot merger and subdivision reflect an appropriately-scaled residential building sited on a corner lot, which enables a massing and density that has been found consistent with the surrounding neighborhood, in conformance with the Planning Code and consistent with the General Plan. As noted above, the Project would result in no new significant impacts on pedestrians, transit, or other modes of travel. The proposed lot merger and subdivision was determined to be exempt from CEQA. The Planning Department recommends that the Board uphold the Department of Public Work's decision in approving the Vesting Tentative Map for 875 California Street/ 770 Powell Street and deny the Appellant's request for appeal.

Attachment A



SAN FRANCISCO PLANNING DEPARTMENT

Certificate of Determination Exemption from Environmental Review

Case No.: 2014-000609 ENV
 Project Address: 875 California Street/770 Powell Street
 Zoning: RM-4 (Residential, Mixed District, High Density)
 65-A Height and Bulk District
 Block/Lot: 0256/016 & 0256/017
 Lot Size: 15,548 square feet (0.36-acres)
 Project Sponsor: Jody Knight of Reuben, Junius & Rose for Grosvenor Americas
 415-567-9000
 Staff Contact: Lana Russell-Hurd (415) 575-9047,
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PROJECT DESCRIPTION:

The approximately 15,548 square-foot (sf) project site is located on the southeast corner of the intersection of California and Powell streets on the edge of the Chinatown neighborhood, near the Nob Hill neighborhood, on a block bounded by Joice Street to the east, Powell Street to the west, California Street to the north, and Pine Street to the south. The project site is currently occupied by a two-story building constructed in 1919 and adjacent 20-space surface parking lot. The 18,762 sf building is being utilized for commercial parking with approximately 72 parking spaces, for a total of 92 parking spaces on the project site.

(Continued on next page)

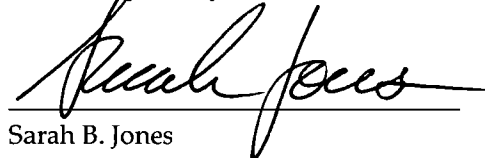
EXEMPT STATUS:

Categorical Exemption, Class 32 (California Environmental Quality Act (CEQA) Guidelines Section 15332) and General Rule Exclusion (State CEQA Guidelines, Section 15061(b)(3)).

(Continued on next page)

DETERMINATION:

I do hereby certify that the above determination has been made pursuant to State and local requirements.


 Sarah B. Jones
 Environmental Review Officer

March 11, 2016
 Date

cc: Jody Knight, Reuben, Junius & Rose
 Amelia Staveley, Grosvenor Americas
 Marcelle Boudreaux, Current Planner
 Lily Yegazu, Preservation Planner

Chinatown, Nob Hill and Citywide Distribution Lists
 Virna Byrd, M.D.F
 Supervisor Aaron Peskin, District 3 (via Clerk of the Board)

PROJECT DESCRIPTION (continued):

The proposed project would demolish the existing building and surface parking lot and construct a 7-story, approximately 99,820 gross square foot residential building, 65 feet in height. The proposed project would include 44 residential units. Maximum building height is 65 feet, with permitted exception such as elevator and stair penthouse extending no taller than 16 feet beyond the roof line. The project includes an approximately 15,300 square foot below-grade parking garage with 48 vehicle spaces accessed using a car elevator from a relocated ten-foot-wide curb cut on California Street. An additional existing curb cut on California Street would be removed. A total of 88 bicycle parking spaces would be provided; 86 Class I¹ bicycle spaces accessed via Powell Street at the Garden Two Level and two Class II² spaces along Powell Street.

The proposed project would include approximately 9,953 square feet of open space in the form of private decks and common open space. The project would also include an entry courtyard area on the corner of California and Powell Streets. New streetscape features along both California and Powell Streets are proposed within sidewalk areas, including the required Class II bicycle parking spaces located on Powell Street and the required street trees located on California and Powell Streets. Additional pedestrian amenities include a seating wall facing the sidewalk, which is incorporated into a retaining wall at the area of the entry courtyard.

Construction of the proposed project is expected to last 19 months. Construction of the proposed project would require excavation to a depth of 40 feet below ground surface at the deepest point of the sloped site and the removal of about 16,994 cubic yards of soil.

Project Setting. The project site is located within a Residential-Mixed High Density Zoning District, a mixed-use urban area with a mixture of neighboring land uses including, residential uses, hotels, retail, and restaurants

The California Street Cable Car and Powell Street Cable Cars run directly adjacent to the project site on California Street and Powell Streets. The California Street Cable Car stops at the intersection of Powell and California Streets directly west of the project site heading to Embarcadero and stops one block to the west of the project site at California and Mason Street heading to Van Ness Boulevard. The Powell/ Hyde Cable Car and Powell/Mason Cable Car stop at the intersection of California and Powell streets directly northwest of the project site heading to Powell and Market Streets and stop one block to the south of the project site at the intersection of Powell and Pine Streets heading toward Fisherman's Wharf. A Cable Car kiosk, which includes a signal, is located adjacent to the project site at the southeast corner of the California and Powell Street intersection.

¹ Class I Bicycle Parking Spaces are secure, weather-protected facilities intended for use as long-term, overnight, and work-day bicycle storage by dwelling unit residents, non-residential occupants, and Employees. San Francisco Planning Code Section 155.1.

² Class II Bicycle Parking Spaces are racks located in a publicly-accessible, highly visible location intended for transient or short-term use by visitors, guests, and patrons to the building or use. San Francisco Planning Code Section 155.1.

Project Approvals

The proposed project would require the following approvals:

- **Conditional Use Authorization** (*Planning Commission*)
- **Variance Authorization** (*Zoning Administrator*)
- **Lot Merger** (*San Francisco Public Works*)
- **Demolition Permit** (*Planning Department and Department of Building Inspection (DBI)*)
- **Site/Building Permit** (*Planning Department and Department of Building Inspection*)

The proposed project is subject to a Conditional Use Authorization for height greater than 50 (Planning Code Section 253(a)), and for exceedance of bulk limits (Planning Code Section 271(b)). The proposed project would also require a variance from the Zoning Administrator for a rear yard modification (Planning Code Section 134(a)(1)) and for dwelling unit exposure (Planning Code Section 140(a)).

Approval Action: The Conditional Use Authorization from the Planning Commission is the Approval Action for the proposed project. The Approval Action date establishes the start of the 30-day appeal period for this CEQA exemption determination pursuant to Section 31.04(h) of the San Francisco Administrative Code.

EXEMPT STATUS (continued):

CEQA Guidelines Section 15332, or Class 32, provides an exemption from environmental review for in-fill development projects that meet the following conditions. As discussed below, the proposed project satisfies the terms of the Class 32 exemption and CEQA State Guidelines Section 15061(b)(3) establishes the general rule that CEQA applies only to projects that have the potential to cause a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. As discussed below, the proposed project would not result in a significant impact on the environment.

- a) *The project is consistent with applicable general plan designations and policies as well as with applicable zoning designations.*

The San Francisco General Plan establishes objectives and policies to guide land use decisions related to the physical development of San Francisco and is composed of ten elements, each of which addresses a particular topic that applies citywide: air quality; arts; commerce and industry; community facilities; community safety; environmental protection; housing; recreation and open space; transportation; and urban design. The Plan provides general policies to guide land use decisions, and contains some policies that relate to physical environmental issues. The project site is located in an RM-4 (Residential, Mixed District, High Density) District and a 65-A Height and Bulk District. Pursuant to Planning Code Section 209.2, the proposed residential use is principally permitted in an RM-4 District. The proposed building and rooftop mechanical equipment complies with the 65-foot height limit, and requires an exception to the Bulk Limits under Section 271. It also requires approval to permit construction of a building exceeding 50 feet in height in an RM District pursuant to Planning Code Sections 253. If these

and the Dwelling Unit Exposure and Rear Yard Exceptions are granted by the Zoning Administrator, the proposed project would be consistent with applicable zoning designations.

- b) *The development occurs within city limits on a site of less than five acres surrounded by urban uses.*

The project site, which is 15,548 square feet or 0.36 acres, is located on the southeast corner of California and Powell Streets in San Francisco's Chinatown/Nob Hill neighborhoods. Existing development on the project site consists of a commercial parking lot and parking garage. Surrounding properties include multi-unit residential buildings, some with ground floor retail including boutiques, cafes, restaurants, Powell Place, Stanford Court and Fairmont Hotels, and the historic University Club. San Francisco Municipal Transportation Agency (SFMTA) cable car lines run on both California and Powell Streets adjacent to the project site. The proposed project, therefore, would be properly characterized as infill development of less than five acres, completely surrounded by urban uses.

- c) *The project site has no habitat for endangered, rare or threatened species.*

The project site is an existing commercial parking lot and parking garage, with no landscaping or groundcover. Thus, the project site has no value for rare, threatened, or endangered species.

- d) *Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.*

Transportation.

On March 3, 2016, in anticipation of the future certification of revised CEQA Guidelines pursuant to Senate Bill 743, the San Francisco Planning Commission adopted State Office of Planning and Research's recommendation in the *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA*³ to use the Vehicle Miles Traveled (VMT) metric instead of automobile delay to evaluate the transportation impacts of projects (Resolution 19579). (Note: the VMT metric does not apply to the analysis of impacts on non-automobile modes of travel such as riding transit, walking, and bicycling.)

Accordingly, this categorical exemption does not contain a separate discussion of automobile delay (i.e., traffic) impacts. The topic of automobile delay, nonetheless, may be considered by decision-makers, independent of the environmental review process, as part of their decision to approve, modify, or disapprove the proposed project. Instead, a VMT and induced automobile travel impact analysis is provided within.

The existing average daily household VMT per capita is 2.4 for the transportation analysis zone the project site is located in, 761. This is 86% below the existing regional average daily household VMT per capita of 17.2. Given the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the proposed project's residential uses would not result in substantial additional VMT and impacts would be less-than-significant. Furthermore, the project site

³ This document is available online at: https://www.opr.ca.gov/s_sb743.php.

meets the Proximity to Transit Stations screening criterion, which also indicates the proposed project's residential uses would not cause substantial additional VMT.⁴

The proposed project is not a transportation project. However, the proposed project would include features that would alter the transportation network. These features include removing an existing curb cut, relocating a curb cut and pedestrian and bicycle amenities, such as seating and Class II bicycle parking. These features fit within the general types of projects identified above that would not substantially induce automobile travel.⁵ Therefore, impacts would be less-than-significant

Traffic

Based on the residential trip generation rates in the Planning Department's *Transportation Impact Analysis Guidelines for Environmental Review* (October 2002) and Census Residential Mode Split data for Census Tract 119.02, the proposed new seven-story building would generate 418 daily person-trips, of which 72 would be expected to occur during the PM peak-hour. These 72 PM peak-hour person-trips would be distributed among various modes of transportation, including 15 auto trips (14 vehicle trips applying the Census Tract vehicle occupancy rate), 14 transit trips, 42 walking trips, and 1 other (including by bicycle, taxi and motorcycle) trip.

The project site is currently being utilized for parking within a commercial building and surface parking lot, with a total of 92 parking spaces. The proposed project would remove this parking and would overall result in fewer vehicle trips compared to the existing condition. Vehicle trips associated with the proposed project would travel through the intersections surrounding the project block. The 14 PM peak-hour vehicle trips represent a small portion of the overall number of PM peak-hour vehicle trips that pass through surrounding intersections. For context, the intersection of Powell and California Streets currently has an estimated total volume of 1,358 PM peak-hour vehicle trips, 448 vehicles in the north-south directions and 910 in the east-west directions.⁶ The 14 new PM peak-hour vehicle trips is a small incremental increase in traffic that would not result in a significant traffic impact at the project level, and would not result in a cumulatively considerable contribution to traffic effects resulting from present and reasonably foreseeable projects in the project vicinity. Therefore, there would be no significant impacts on traffic in the project area as a result of the proposed project.

Transit

The project site is located in an area well-served by transit. Fifteen Muni bus routes and three cable car routes, including the 1 California, 1AX/1BX California A/B Express, 2 Clement, 3 Jackson, 8 Bayshore, 8AX/BX Bayshore A/B Express, 30 Stockton, 31AX/31BX Balboa A/B Express, 38 Geary, 38AX/BX Geary A/B Express, 45 Union-Stockton, 91 Owl, and as mentioned above, adjacent California and Powell Street Cable Cars are located within ½ mile of the project site. The project site is located ½ mile from the Powell

⁴ San Francisco Planning Department. Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 875 California/ 770 Powell Street, March 8, 2016. This document (and all other documents cited in this report, unless otherwise noted) is available for review at the San Francisco Planning Department 1650 Mission Street, Suite 400, San Francisco, CA as part of Case File 2014-000609.

⁵ San Francisco Planning Department. Trip Generation Calculations. December 9, 2015.

⁶ LCW Consulting. *Traffic Counts for California Street/Powell Street intersection, 950 Mason Street project TIS, March 2009.*

Street Muni and Bay Area Rapid Transit (BART) station on Market Street. The proposed project would generate 14 PM peak-hour transit trips. Existing transit facilities would be able to accommodate added ridership associated with the proposed project. Therefore, no significant impacts to transit would occur as a result of the proposed project.

Pedestrians

The project site is adjacent to a sidewalk on California Street and Powell Street. Both of these streets are part of the City's Vision Zero High Injury Network. The proposed project would generate 56 PM peak-hour walk trips (that is, 42 PM peak-hour walk-trips and 14 PM peak-hour transit trips, which include walk trips). The proposed project would provide vehicular access to the new garage through a relocated and smaller, ten foot curb cut on California Street. The project would also remove another curb cut on California Street. Although the proposed project would add traffic to this curb cut, it would be less than the existing use along California Street as commercial parking lots. Therefore, the project would not result in an increased amount of potentially hazardous conditions between pedestrians and vehicles entering and exiting the project site. The proposed project would also improve pedestrian conditions by providing open space and a seating wall in front of the proposed building at the ground level and through the addition of streetscape elements along both Powell Street and California Street. The increase in daily pedestrian person-trips generated by the proposed project would not substantially overcrowd sidewalks in the project vicinity or otherwise interfere with pedestrian accessibility to the site and adjoining areas. Therefore, no significant impacts related to pedestrians would occur.

Bicycles

Neither California Street nor Powell Street are designated bicycle routes. Seven bicycle routes (#11, #16, #17, #36, #75, #310, and #545) are located within a ¼ mile of the project site. The nearest route is along Stockton Street to the east of the project site. The proposed project would provide a total of 88 bicycle parking spaces. Eighty-six Class I bicycle parking spaces would be provided at Garden Two Level with access from Powell Street and two Class II bicycle parking spaces would be provided on Powell Street. The proposed project would generate 1 PM peak-hour other trips, including bicycle trips. The minimal increase of bicycle trips generated by the proposed project would be accommodated by the existing bicycle network and the proposed project would not create potentially hazardous conditions for bicyclists; therefore, no significant impacts related to bicyclists would occur.

Construction Traffic

Construction of the proposed project is expected to occur over the course of a 19-month period. Construction staging would occur primarily on the project site and is not expected to close any travel lanes on California or Powell Streets; any necessary closures would be temporary. During that time, it is anticipated that the majority of the construction-related truck traffic would use I-80, I-280, and U.S. 101 to access the project site from the East Bay, South Bay, and North Bay and from locations within the City. Due to the slower movement and larger turning radii of trucks, there would be a temporary reduction in the capacities of local streets. The addition of worker-related vehicle or transit trips would not substantially affect these roadways or local streets near the project site. Construction workers who drive to the site would cause a temporary increase in traffic volume and demand for on-street parking. Overall construction activities would result in a small incremental increase in traffic (worker vehicles and equipment) and only slightly reduce the availability of on-street parking during working hours. The

project would be required to coordinate with SFMTA Muni Operations due to the adjacent California Street and Powell Street Cable Car lines and kiosk. Construction related travel and parking lanes and sidewalk closures are subject to review and approval by the Transportation Advisory Staff Committee (TASC) an interdepartmental committee, including the Police, Public Works, Planning, and Fire Departments and SFMTA Muni Operations. TASC would review and address issues of circulation (traffic, pedestrians, and bicycle), safety, parking and other project construction activities in the area, including, but not limited to, any potential conflicts with the Cable Car lines prior to insurance of an encroachment permit. Therefore, there would be no significant construction-related traffic impacts.

Parking

Public Resources Code (PRC) Section 21099(d)(1), effective January 1, 2014, provides that, "parking...impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area shall not be considered significant impacts on the environment." The project satisfies the conditions provided in the applicable PRC section.⁸ Therefore, the proposed project would not have any significant impacts related to parking.

Noise

In San Francisco, noise is regulated by a number of state and local ordinances. Title 24 of the California Code of Regulations (Title 24) establishes uniform noise insulation standards for multi-unit residential projects. This state regulation requires meeting an interior standard of 45 dBA DNL in any habitable room.^{9, 10} Noise is also regulated by the San Francisco Noise Ordinance (Noise Ordinance), which is codified as Article 29 of the San Francisco Police Code.

Construction Noise

Although some increase in noise would be associated with the construction phase of the project, such occurrences would be limited to certain hours of day and would be temporary and intermittent in nature. Construction noise is regulated by the San Francisco Noise Ordinance (Article 29 of the City Police Code). Section 2907 of the Police Code requires that noise levels from individual pieces of construction equipment, other than impact tools, not exceed 80 decibels (dBA) at a distance of 100 feet from the source. Impact tools (such as jackhammers and impact wrenches) must have both intake and exhaust muffled to the satisfaction of the Director of Public Works. Construction equipment would generate noise that could be considered an annoyance by occupants of nearby properties, but construction noise would fluctuate depending on the construction phase, equipment type, duration of use, and distance between the source and the listener. Section 2908 of the Police Code prohibits construction work between 8:00 p.m. and 7:00 a.m. if noise would exceed the ambient noise level by 5 dBA at the project property line, unless a special permit is authorized by the Director of Public Works. Compliance with Sections 2907 and 2908 of the Noise Ordinance would minimize noise from construction activities.

⁹ The standard method used to quantify environmental noise involves evaluating the sound with an adjustment to reflect the fact that human hearing is less sensitive to low-frequency sound than to mid- and high-frequency sound. This measurement adjustment is called "A" weighting, and the data are reported in A-weighted decibels (dBA).

⁹ The standard method used to quantify environmental noise involves evaluating the sound with an adjustment to reflect the fact that human hearing is less sensitive to low-frequency sound than to mid- and high-frequency sound. This measurement adjustment is called "A" weighting, and the data are reported in A-weighted decibels (dBA).

¹⁰ DNL is the average equivalent sound level during a 24-hour day, obtained after the addition of 10 dB to sound levels during nighttime hours (from 10:00 p.m. until 7:00 a.m.).

For these reasons, construction of the proposed project would not result in significant noise impacts.

Operational Noise

Ambient noise levels in the vicinity of the project site are typical of neighborhoods in San Francisco, which are dominated by vehicular traffic, including Muni vehicles, trucks, cars, emergency vehicles, and land use activities, such as commercial businesses. Estimated traffic noise levels for the project site are estimated to be on average below 70 decibels (Ldn, or weighted day-night levels). Traffic along California Street may exceed this level, up to an estimated 70 decibels Ldn. Due to these levels, a noise analysis was not required for the project development. An approximate doubling in traffic volumes in the area would be necessary to produce an increase in ambient noise levels. As described above, the proposed project with an estimated 14 PM peak-hour vehicle trips would not double traffic volumes.

The project would be required to achieve interior noise levels of 45 dBA DNL to comply with Title 24 of the California Code of Regulations. The proposed project would be required to use window and exterior door assemblies with specific sound transmission class (STC) ratings, as determined the Department of Building Inspection (DBI). During review of the building permit, DBI would review project plans for compliance with applicable noise standards.

As discussed above, there are residential uses on the adjacent properties to the west, north, and east. The proposed project would include some rooftop mechanical equipment, such as heating and ventilation systems, that could produce operational noise and potentially disturb adjacent and nearby sensitive receptors. Compliance with Section 2909 of the Noise Ordinance would minimize noise from building operations. Section 2909 of the Noise Ordinance establishes a noise limit from mechanical sources, such as building equipment, specified as a certain noise level in excess of the ambient noise level at the property line: for noise generated by residential uses, the source must not cause a noise level more than 5 dBA in excess of ambient noise levels; for noise generated by commercial and industrial uses, the limit is 8 dBA in excess of ambient noise levels; for noise on public property, including streets, the limit is 10 dBA in excess of ambient noise levels. In addition, the Noise Ordinance provides for a separate fixed-source noise limit for residential interiors of 45 dBA at night (from 10:00 p.m. until 7:00 a.m.) and 55 dBA during the day and evening hours (from 7:00 a.m. until 10:00 p.m.). The operation of this mechanical equipment is subject to the provisions of Section 2909 of the Noise Ordinance. Compliance with Section 2909 of the Noise Ordinance would minimize noise from building operations.

Compliance with applicable standards and with the City's General Plan would ensure that the proposed project would result in no significant noise impacts.

Air Quality

In accordance with the state and federal Clean Air Acts, air pollutant standards are identified for the following six criteria air pollutants: ozone, carbon monoxide (CO), particulate matter (PM), nitrogen dioxide (NO₂), sulfur dioxide (SO₂) and lead. These air pollutants are termed criteria air pollutants because they are regulated by developing specific public health- and welfare-based criteria as the basis for setting permissible levels. The Bay Area Air Quality Management District (BAAQMD) in their *CEQA Air Quality Guidelines* (May 2011), has developed screening criteria to determine if projects would violate an air quality standard, contribute substantially to an air quality violation, or result in a cumulatively

considerable net increase in criteria air pollutants within the San Francisco Bay Area Air Basin. If a proposed project meets the screening criteria, then the project would result in less-than-significant criteria air pollutant impacts. A project that exceeds the screening criteria may require a detailed air quality assessment to determine whether criteria air pollutant emissions would exceed significance thresholds. The proposed project would not exceed criteria air pollutant screening levels for operation or construction due to the relatively limited scale of development.¹¹

In addition to criteria air pollutants, individual projects may emit toxic air contaminants (TACs). TACs collectively refer to a diverse group of air pollutants that are capable of causing chronic (i.e., of long-duration) and acute (i.e., severe but short-term) adverse effects to human health, including carcinogenic effects. In response to growing concerns of TACs and their human health effects, the San Francisco Board of Supervisors approved a series of amendments to the San Francisco Building and Health Codes, generally referred to as the Enhanced Ventilation Required for Urban Infill Sensitive Use Developments or Health Code, Article 38 (Ordinance 224-14, effective December 8, 2014)(Article 38). The purpose of Article 38 is to protect the public health and welfare by establishing an Air Pollutant Exposure Zone and imposing an enhanced ventilation requirement for all urban infill sensitive use development within the Air Pollutant Exposure Zone. Projects within the Air Pollutant Exposure Zone require special consideration to determine whether the project's activities would expose sensitive receptors to substantial air pollutant concentrations or add emissions to areas already adversely affected by poor air quality.

The proposed project is not within an Air Pollutant Exposure Zone. Therefore, the proposed project would not result in a significant impact with respect to siting new sensitive receptors in areas with substantial levels of air pollution. The proposed project would not include a new operational source of air pollution. Specifically the proposed project would not include a backup emergency generator. The proposed project would require construction activities for the approximate 19-month construction phase. However, construction emissions would be temporary and variable in nature and would not be expected to expose sensitive receptors to substantial air pollutants. Furthermore, the proposed project would be subject to, and comply with, California regulations limiting idling to no more than five minutes,¹² which would further reduce nearby sensitive receptors' exposure to temporary and variable TAC emissions. Therefore, construction period TAC emissions would not result in a significant impact with respect to exposing sensitive receptors to substantial levels of air pollution.

Fugitive Dust

Project-related demolition, excavation, grading, and other construction activities can cause wind-blown dust that adds particulate matter to the local atmosphere. Depending on exposure, adverse health effects can occur due to this particulate matter in general and also due to specific contaminants such as lead or asbestos that may be constituents of soil. In addition, dust can be an irritant that causes watering eyes or irritation to the lungs, nose, and throat.

¹¹ Bay Area Air Quality Management District, *CEQA Air Quality Guidelines*, Updated May 2011. Table 3-1.

¹² California Code of Regulations, Title 13, Division 3, § 2485. This regulation applies to on-road heavy duty vehicles and not off-road equipment.

In response to this issue, the San Francisco Board of Supervisors approved a series of amendments to the San Francisco Building and Health Codes generally referred to as the Construction Dust Control Ordinance (Ordinance No. 176-08, effective August 29, 2008) with the intent of reducing the quantity of dust generated during site preparation, demolition, and construction work in order to protect the health of the general public and of on-site workers, minimize public nuisance complaints, and avoid orders to stop work by the Department of Building Inspection (DBI).

The Construction Dust Control Ordinance requires that all site preparation work, demolition, or other construction activities within San Francisco that have the potential to create dust or to expose or disturb more than 10 cubic yards or 500 square feet of soil comply with specified dust control measures whether or not the activity requires a permit from the DBI. The Director of the DBI may waive this requirement for activities on sites less than one-half-acre that are unlikely to result in any visible wind-blown dust.

In compliance with the Construction Dust Control Ordinance, the project sponsor and the contractor responsible for construction activities at the project site would be required to use practices to control construction dust on the site or other practices that result in equivalent dust control that are acceptable to the Director of the DBI. The proposed project site is less than one-half acre in size, so submittal of a Dust Control Plan is not required; however, implementation of dust control measures pursuant to the Construction Dust Control Ordinance is required. Compliance with the regulations and procedures set forth in the Construction Dust Control Ordinance would ensure that potential air quality impacts related to construction dust would be less than significant.

For all the above reasons, the proposed project would not result in significant air quality impacts.

Water Quality

Implementation of the proposed project would involve the disturbance of more than 5,000 square feet of ground surface. For this reason, the proposed project is subject to the requirements of the San Francisco Stormwater Management Ordinance. The project sponsor is required to develop and implement a Stormwater Control Plan that complies with the Stormwater Design Guidelines and would maintain or reduce the volume and rate of stormwater runoff discharged from the project site.

The proposed project would not generate wastewater or stormwater discharges that have the potential to degrade water quality or contaminate a public water supply. Project-related wastewater and stormwater would flow to the City's combined stormwater/sewer system and would be treated to standards contained in the City's National Pollutant Discharge Elimination System Permit for the Southeast Treatment Plant prior to discharge into San Francisco Bay. In addition, the project sponsor is required to prepare a Stormwater Pollution Prevention Plan (SWPPP) that would be reviewed, approved, and enforced by the San Francisco Public Utilities Commission. The SWPPP would specify best management practices and erosion and sedimentation control measures to prevent sediment from entering the City's combined stormwater/sewer system. Therefore, the proposed project would not result in significant water quality impacts.

e) *The site can be adequately served by all required utilities and public services.*

The project site is located in a dense urban area where all public services and facilities are available. The proposed project would be connected with existing drinking water, electric, gas, waste, and wastewater services. The project would receive police and fire protection services. Prior to receiving a building permit, the project would be reviewed by the City to ensure compliance with City and State fire and building code regulations concerning building standards and fire protection. The proposed project would not result in a substantial increase in intensity of use or demand for utilities or public services that would necessitate any expansion of public utilities or public service facilities. Therefore, the proposed project would not result in significant utilities and public services impacts.

DISCUSSION OF ENVIRONMENTAL ISSUES:

CEQA Guidelines Section 15300.2 establishes exceptions to the application of a categorical exemption for a project. None of the established exceptions applies to the proposed project.

CEQA Guidelines Section 15300.2, subdivision (c), provides that a categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances. As discussed above, the proposed project would not have a significant effect on traffic, noise, air quality and water quality. In addition, the proposed project would not have a significant effect on the environment due to unusual circumstances for other environmental topics, including those discussed below.

CEQA Guidelines Section 15300.2, subdivision (e), provides that a categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code. Although the project site is one of the sites included on such a list, for the reasons discussed below under "Hazardous Materials," there is no possibility that the proposed project would have a significant effect on the environment related to this circumstance.

CEQA Guidelines Section 15300.2, subdivision (f), provides that a categorical exemption shall not be used for a project that may cause a substantial adverse change in the significance of a historical resource. For the reasons discussed below under "Historic Architectural Resources," there is no possibility that the proposed project would have a significant effect on a historic resource.

Aesthetics.

Public Resources Code (PRC) Section 21099(d)(1), effective January 1, 2014, provides that, "aesthetics...impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area shall not be considered significant impacts on the environment." The project satisfies the conditions provided in the applicable PRC Section.¹³

¹³ San Francisco Planning Department. Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 875 California/ 770 Powell Street, March 8, 2016.

Hazardous Materials.

The project site is located in a Maher Area, meaning that it is known or suspected to contain contaminated soil and/or groundwater.¹⁴ The project site is located in an area that may have received debris from the 1906 earthquake and fire as fill material. The project site is listed on the Cortese list, related to the removal of underground storage tank (UST) and leaking underground storage tank (LUST), specifically four USTs that were removed beneath the California Street sidewalk adjacent to the project site. Additionally, the proposed project would require excavation to a depth of 40 feet below ground surface at the deepest point of the sloped site and would change the use of the site by adding new sensitive receptors (residential uses) on the project site. For these reasons, the proposed project is subject to San Francisco Health Code Article 22A (also known as the Maher Ordinance), which is administered and overseen by the San Francisco Department of Public Health (DPH). The Maher Ordinance requires the project sponsor to retain the services of a qualified professional to prepare a Phase I Environmental Site Assessment (ESA) that meets the requirements of Health Code Section 22.A.6 and submit this information for review to DPH. The project sponsor prepared a Phase I Environmental Site Assessment (ESA) and submitted a Maher application to DPH for further review of the soil and groundwater conditions underlying the project site.¹⁵ The findings of the Phase I ESA are discussed below.

The project site is currently occupied by a surface parking lot on the west side and commercial building utilized for commercial parking (on the east side of the project site). Prior uses include residential buildings on both portions of the site, followed by the construction of the current parking garage building on the east side of the site in 1920, and the leveling of the residential building and conversion to a surface parking lot in the early 1970's.

Four underground storage tanks (USTs) below the California Street sidewalk adjacent to the site were removed in 1990. One year following the tank removals (1991), soil samples from borings were taken. The results indicated that in these samples most of the maximum concentration levels for both total petroleum hydrocarbons (TPH) and volatile organic compounds (VOCs) such as benzene were detected at a depth of 35 feet or deeper. Some maximum concentration levels of total petroleum hydrocarbons as gasoline (TPHg) were encountered at 15 feet near the sidewalk and deeper. DPH granted case closure related to the UST removal in 1997.

Twelve exploratory borings were taken at the project site (770 Powell Street) in 2008 at depths of 0.5 to 4.5 feet deep. Elevated lead and soluble lead concentrations were detected in several of the soil borings, some in excess of State disposal levels. Other metal concentrations were found to be within normal concentrations (for background soil levels). Based on this information, the Phase I report found that some of the underlying fill material on the project site may contain elevated concentrations of petroleum hydrocarbons (from the former USTs) and heavy metals (related to the potential for 1906 earthquake debris fill).

¹⁴ San Francisco Planning Department, *Expanded Maher Area Map*, March 2015. Available online at http://www.sf-planning.org/ftp/files/publications_reports/library_of_cartography/Maher%20Map.pdf, accessed July 2015.

¹⁵ Langan Treadwell Rollo, *Phase I Environmental Site Assessment, 770 Powell Street/875 California Street, San Francisco, California*, July 2015.

Therefore, the project would be required to develop a soil management and health and safety plan related to soil excavation, as required under local and state regulations. Although removal and related remediation has occurred related to this former UST, some residual petroleum hydrocarbons may remain, particularly in the immediate area of the former UST location. The project applicant is enrolled in the Maher program and would be required to remediate potential soil contamination in accordance with Article 22A of the Health Code. Therefore, the proposed project would not result in any significant impacts involving hazardous materials.

Historic Architectural Resources.

The proposed project includes the demolition of an existing structure constructed more than 45 years ago. A property may be considered a historic resource if it meets any of the criteria related to (1) events, (2) persons, (3) architecture, or (4) prehistory that make it eligible for listing in the California Register of Historical Resources, or if it is considered a contributor to a potential historic district.

Due to the age of the building a Historical Resource Evaluation (HRE) was prepared and reviewed by City Historic Preservation Staff.^{16,17} The building on the project site is not located within an established historic district. The property is located within close proximity of two National Register Historic Districts (Lower Nob Hill Apartment Hotel and Chinatown Historic District) and is located opposite of the Fairmont Hotel Landmark (Landmark #185) building located on the northwest corner of the California Street and Powell Street. The HRE and Planning Department Preservation Staff found that the building at 875 California Street is not individually eligible for the California Register related (1) events, (2) persons, or (3) architecture. Specifically, although the property has remained a garage since its original construction, it does not demonstrate important associations with significant themes of development in the area where it is located or the context of public auto garages of the early twentieth century in San Francisco. The building is not associated with any persons significant in local, state or national history. The property is designed by the O'Brien Brothers, but does not contain significant related architectural elements (found in other O'Brien structures such as 1641 Jackson or 840 Sutter).

Therefore, the building located on the project site was found to not be a historic resource for purposes of CEQA. Furthermore, the project site is not located within a historic district. Therefore, the proposed project would not have any significant impacts related to historic resources.

Shadow.

In 1984, San Francisco voters approved an initiative known as "Proposition K, The Sunlight Ordinance," which was codified as Planning Code Section 295 in 1985. Planning Code Section 295 generally prohibits new structures above 40 feet in height that would cast additional shadows on open space that is under the jurisdiction of the San Francisco Recreation and Park Commission between one hour after sunrise and one hour before sunset, at any time of the year, unless that shadow would not result in a significant adverse effect on the use of the open space. Public open spaces that are not under the jurisdiction of the Recreation and Park Commission as well as private open spaces are not subject to Planning Code Section 295.

¹⁶ JRP Historical Consulting, LLC. Historic Resource Evaluation Report for 875 California Street/770 Powell Street, May 2015.

¹⁷ Lily Yegazu, Preservation Team Review Form for 875 California Street/770 Powell Street, December 2015.

Planning Code Section 295 requires a shadow analysis for any building over 40 feet in height. The proposed project would result in construction of a building 65 feet in height. In addition to Section 295 properties (which include St. Mary's Square, Willie "Woo" Wong Playground, and Portsmouth Square Plaza), for CEQA purposes the shadow analysis also examined potential shadow resulting from the proposed project on privately-owned, public open space (POPOS); specifically those located at the 555, 600 and 650 California Street buildings.¹⁸

The shadow analysis determined that the proposed building would not result in any new shadows (at no time throughout the year) falling on the Section 295 properties, nor on the POPOS located at the 555, 600 and 650 California Street buildings.

While shadow on other private properties in the vicinity of the project site may be a concern to nearby neighbors, it is not considered a significant impact under CEQA. Similarly, the proposed project would shade portions of streets, sidewalks, and private properties in the project vicinity at various times of the day throughout the year. Shadows on streets and sidewalks would not exceed levels commonly expected in urban areas and would be considered a less-than-significant effect under CEQA. Therefore, the proposed project would not have any significant impacts related to shadow.

Public Notice and Comment. On June 8, 2015, the Planning Department mailed a "Notification of Project Receiving Environmental Review" to community organizations, tenants of the affected property and properties adjacent to the project site, and those persons who own property within 300 feet of the project site. No specific comments or concerns were received from the community. One member of the community requested to be sent the environmental document and all notices for this project, but did not have any specific comments.

Conclusion. The proposed project satisfies the criteria for exemption under the above-cited classification(s). In addition, none of the CEQA Guidelines Section 15300.2 exceptions to the use of a categorical exemption applies to the proposed project. For the above reasons, the proposed project is appropriately exempt from environmental review. Furthermore, CEQA State Guidelines Section 15061(b)(3) provides an exemption from environmental review where it can be seen with certainty that the proposed project would not have a significant effect on the environment. As noted above, there is no possibility that the proposed project would have significant environmental impacts. For this reason, the proposed project is appropriately exempt from environmental review under the General Rule Exclusion (CEQA Guidelines 15061(b)(3)).

¹⁸ Prevision Design, Shadow Analysis for the Proposed 875 California Street Development, November 2015.

Attachment B



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

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

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Planning Commission Motion No. 19612

HEARING DATE: APRIL 7, 2016

Case No.: **2014-000609CUA VAR**
 Project Address: **875 CALIFORNIA STREET/ 770 POWELL STREET**
 Zoning: **RM-4 (Residential- Mixed, High Density)**
65-A Height and Bulk District
Nob Hill Special Use District
 Block/Lot: **0256/016, 017**
 Project Sponsor: **Grosvenor Americas**
Attn: Amelia Stavely
One California Street, Suite 2500
San Francisco, CA 94111
 Staff Contact: **Marcelle Boudreaux – (415) 575-9140**
Marcelle.boudreaux@sfgov.org

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 303, 155, 253 AND 271 OF THE PLANNING CODE TO ALLOW CONTINUATION OF A CURB CUT ON CALIFORNIA STREET, TO ALLOW HEIGHT EXCEEDING 50 FEET IN A RM DISTRICT, AND TO EXCEED BULK LIMITATIONS PER CODE SECTION 270, WITH RESPECT TO A PROPOSAL TO DEMOLISH A PARKING GARAGE AND SURFACE PARKING LOT AND TO CONSTRUCT A SEVEN-STORY BUILDING WITH 44 RESIDENTIAL UNITS, 48 PARKING SPACES, 86 CLASS 1 AND 2 CLASS 2 BICYCLE PARKING SPACES, LOCATED ON A SITE PROPOSING TO MERGE TWO LOTS WITHIN THE RM-4 (RESIDENTIAL- MIXED, HIGH DENSITY) DISTRICT AND A 65-A HEIGHT AND BULK DISTRICT.

PREAMBLE

On April 1, 2015, Jody Knight of Reuben, Junius, Rose, LLP, acting on behalf of Grosvenor Americas (hereinafter "Project Sponsor"), filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Section(s) 303, 155, 253 and 271 to allow continuation of one existing curb cut on California Street, reduced to Department guidelines, to allow height exceeding 50 feet in a 65 foot height district, and to allow exceptions for measuring bulk per Section 270, for a new seven-story, 65-foot tall, 44-unit residential project, proposing to merge two lots,

located at 875 California and 770 Powell Street, Block 0256 and Lots 016 and 017, within the RM-4 (Residential- Mixed, High Density) District and a 65-A Height and Bulk District.

On April 1, 2015, the Project Sponsor applied for a Variance from the requirements of Section 134, to allow a rear yard ranging from 0 lot depth to 53 feet 6 inch lot depth, and from Section 140, to allow four dwelling units with non-code compliant exposure.

On April 1, 2015, Department staff received a request for review of a development exceeding 40 feet in height (Case No. 2014.000609SHD), pursuant to Section 295, analyzing the potential impacts of the development to properties under the jurisdiction of the Department of Recreation and Parks. Department staff prepared a shadow fan depicting the potential shadow cast by the development and concluded that the Project could potentially cast shadow on St. Mary's Square, Willie "Woo Woo" Wong Playground and Portsmouth Square Plaza. After reviewing and analyzing a secondary analysis submitted by the Project Sponsor, dated November 13, 2015, the Planning Department concluded that no new, net potential shadow will be cast upon any of these parks or POPOS located at the 555, 600 and 650 California Street buildings, because the project would not result in any new shadows (at no time throughout the year). Therefore, the Project would have no impact to properties subject to Section 295 or per CEQA.

On March 11, 2016 the Project was determined to be exempt from the California Environmental Quality Act ("CEQA") as a Class 32 Categorical Exemption under CEQA as described in the determination contained in the Planning Department files for this Project.

On April 7, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2014.000609CUAVAR.

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

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2014.000609CUAVAR, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project is located on the southern side of California Street and the eastern side of Powell Street, Block 0256, Lots 016 and 017. The property is located within the RM-4 (Residential- Mixed, High Density) Zoning District with 65-A Height and Bulk district. The property includes two lots, at the corner of California and Powell Streets. The corner

lot, with approximately 49 feet of frontage on California Street and 124 feet of frontage on Powell Street, is a surface parking lot. The other lot, with 68.5 feet of frontage on California Street, is developed with a two-story parking garage structure. Of this frontage, two curb cuts exist measuring 60.5 feet.

3. **Surrounding Properties and Neighborhood.** The project site is located at the intersection of California and Powell Streets. The Project site is located within the Chinatown neighborhood – adjacent to Nob Hill, and within the Nob Hill Special Use District. A mixture of hotels, residential uses in multi-family buildings and smaller flats, and private clubs define the immediate surroundings. In the adjacent block of California to the north and west, the California Club, the Fairmont, Intercontinental Mark Hopkins and Stanford Court Hotels are located. The surrounding properties are located within the RM-4 (Residential- Mixed, High Density) and RM-3 (Residential- Mixed, Medium Density) Districts, and approximately one block east on California the C-3-G (Downtown General) Zoning District begins.
4. **Project Description.** The applicant proposes to demolish the surface parking lot at 770 Powell and parking structure at 875 California, to merge the two lots and to construct a new seven-story, 65-foot tall building with 44 residential units and 48 underground parking spaces. The main pedestrian entry is from the northwest corner of the site. On-site bicycle parking is provided for 86 Class 1 spaces in a secure room at the Garden Level 2, with direct access through a door and ramp from Powell Street. Garage access for the Project would be provided by a single 10-foot curb cut on California Street at the same location as a current larger curb cut, with a car elevator providing access to the below-grade parking garage. In addition, the 46-foot wide curb cut currently used to access the parking structure and parking lot on California would be eliminated and replaced with code-compliant sidewalks. It is also anticipated that two on-street parking spaces may be added, which may also be used for deliveries and/or passenger loading during business hours, depending on SFMTA approval.

The Project design proposes to activate the street. The building footprint is generally U-shaped. At the northwestern corner of the site, the building mass is carved back from the property line to create an open court at the street. This space provides access to the main building lobby and is defined at the street by low walls capped with custom-designed fencing. Gates, continuing the custom-designed grille work, penetrate the wall with access points from Powell and from California Streets. The low wall follows the up-sloping grade to incorporate pedestrian seating elements which overlook the landscaped open space court. This building setback at the corner maintains the site line at this steep intersection and preserves the relationship with the historic cable car kiosk. In addition, there are three points of direct access to four residential units from the sidewalk, separate from the main lobby entrance, which will provide a strong connection between the public street-front and the private building entrances. Open space is provided throughout the project in the front courtyard, at terraces as the building mass is reduced at higher levels, roof decks and at the rear yard. The U-shaped building form defines a consistent streetwall, resulting in a rear yard design located in the southeast corner of the proposed merged lots to take advantage of the steep topography and provide the most usable yard space.

A small palette of high-quality materials reflects the unique surroundings. As proposed, a granite base, with a custom faceted profile, supports a custom stucco cladding at the upper levels. Metal gates, balcony railings, and security features are designed with a design incorporated throughout the building façade. Bronze metal highlights planter boxes at lower levels, and defines the main lobby entry. Stone trim is applied at windows, canopies and some beltcourse levels.

5. **Public Comment/Community Outreach.** The Department has received five letters in support of the project including from the Fairmont Hotel, the Masonic Memorial Temple, from a member of the California Club, the Board of Directors of the University Club of San Francisco, and from a member of the public. Additionally the Housing Action Coalition has endorsed the project, with the scorecard is submitted in the sponsor submittal. Additional support from attendees at a community meeting hosted by the sponsor on March 23, 2016 is included in the project sponsor submittal.

The project team has conducted Department required outreach. In addition, another open house was held in October 2015, at which the Team presented the updated Project and took questions and community input. The Project has also been presented to the Nob Hill Association on multiple occasions. In October 2015, the Team presented to the San Francisco Housing Action Coalition Endorsement Committee, which voted to endorse the Project. There have also been a series of individual meetings with neighborhood groups and interested parties, including the following: The Fairmont Hotel; The Masonic Auditorium; The Stanford Court Hotel; The Powell Place Hotel; 851 Residence Club (ownership and management); The University Club; The Mark Hopkins Hotel; Representatives from 750 Powell Street. In February 2016, letters were sent to approximately 45 residents and building owners immediately adjacent to the Project site to inform them of the Planning Commission hearing date and offer to meet to answer any questions. Currently, the Project Team is in the process of providing updated project plans to the Nob Hill Association, project neighbors, and other interested stakeholders, and has hosted the neighborhood at an informal meet and greet with Project Team on March 23 at the University Club.

6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Rear Yard.** Planning Code Section 134 states that the minimum rear yard depth shall be equal to 25% of the total depth of the lot on which the building is situated, but in no case less than 15 feet, at grade level and above.

The rear yard is provided at grade level and above. Due to the proposed irregular lot shape, in that two lots with varied lot depth are proposed for merger, the rear yard requirement ranges from 34 feet 4 inches to 31 feet of lot depth, as measured from the frontage of California Street. The proposed rear yard ranges in measurement from 0 lot depth to 53 feet 6 inch lot depth. Portions of the rear yard are compliant; however, the entire rear yard is not code compliant. The proposed rear yard is located in the southeastern corner of the lot, measuring approximately 2,538 square feet, with additional open space provided at the front courtyard, roof decks and terraces. The design of the rear yard reflects the building's U-shaped footprint and ensures that the rear yard receives adequate light in this block with

steep topography. A code compliant rear yard would have provided approximately 3,887 square feet of rear yard open area.

To create a code compliant yard, the building design would maintain a gap in the streetwall on Powell Street, which would not conform to the Department's urban design objectives, and create a shaded, canyon-like rear yard, which would not meet the intent of rear yard open space. The project proposes 5,900 square feet private open space at roof decks and terraces which satisfies the private open space needs for 13 dwelling units. In addition, the communal roof terrace provides 730 square feet of open space and the front courtyard provides 805 square feet common open space. Additional common open space which does not meet the technical dimensional requirements of the Planning Code includes the rear yard (approximately 2,538 square feet) and a common open space outside a sunroom off the garden (165 square feet). The sponsor has requested a Variance from the Planning Code. This will be heard concurrently by the Zoning Administrator at the Planning Commission hearing for the Conditional Use Authorization.

- B. **Open Space.** Planning Code Section 135 requires that the project provide a minimum of 36 square feet of open space per dwelling unit, if not publically accessible. Further, any private usable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 square feet if located on a deck, balcony, porch or roof, and shall have a minimum horizontal dimension of 10 feet and a minimum area of 100 square feet if located on open ground, a terrace or the surface of an inner or outer court. Alternatively, common useable open space, at a rate of 48 square feet per dwelling unit, shall be at least 15 feet in every horizontal dimension and shall be a minimum of 300 square feet.

The required private open space is 1,584 square feet and required common open space is 2,112 square feet for the project. Thirteen of the dwelling units are proposed with private balconies and decks, equaling 5,900 square feet, meeting the minimum dimensional requirements. Therefore, 1,488 square feet of common open space is required for the remaining dwelling units. This requirement is met through the communal roof terrace which provides 730 square feet of open space and the front courtyard which provides 805 square feet common open space. Therefore the project complies with the Code. Additional common open space which does not meet the technical dimensional requirements of the Planning Code includes the 2,538 square-foot common portion of the rear yard and a common open space outside a sunroom off the garden (165 square feet).

- C. **Bay Windows.** Per Section 136(c)(2), bay window projections over public right-of-way are permitted with a maximum projection of 3 feet over sidewalk with minimum 7½ feet headroom. A maximum length of each bay window or balcony shall be 15 feet at the line establishing the required open area, and shall be reduced in proportion to the distance from such line by means of 45 degree angles drawn inward from the ends of such 15-foot dimension, reaching a maximum of nine feet along a line parallel to and at a distance of three feet from the line establishing the required open area. The glass areas of each bay window, and the open portions of each balcony, shall be not less than 50 percent of the sum of the areas. The minimum horizontal separation between bay windows is 2 feet.

The bay windows project 3 feet over the public sidewalk with at least 7½ feet of vertical headroom. The maximum length of the bay establishing the open area measures approximately 11 feet 2 inches and reduces in proportion to approximately 6 feet 9 inches. More than 50% of each vertical face of the bay is expressed with clear glazed, steel sash windows. Horizontal separation between bay windows varies, but is at least greater than 10 feet in all cases. Therefore, the project complies with this Section of Code.

- D. **Dwelling Unit Exposure.** Section 140 requires that each dwelling unit shall face directly a public street, public alley at least 20 feet in width, side yard at least 25 feet in width, or rear code-compliant rear yard; or open area/court with minimum horizontal dimension of 25 feet in every horizontal dimension for the floor at which the Dwelling Unit in question is located and the floor immediately above it, with an increase of five feet at every subsequent floor.

A majority of the dwelling units are designed to face directly onto a public street or a code compliant open space. Due to the U-shape of the building and a central circulation core, each level exhibits units which face onto the rear yard. At the two Garden Levels (Garden Level 2 and Garden Level), the dimensional open space requirements are not met for dwelling unit exposure. At the two Garden Levels there are four dwelling units (two units per level) which face onto this non-compliant open space. The Project meets the intent of the code to provide adequate exposure for dwelling units facing the rear as these units will have more than sufficient light and air from the large rear yard. At levels Lobby through 7, the dimensional requirements for an open space are met, therefore those dwelling units which face only onto the rear yard are compliant. The sponsor has requested a Variance from the Planning Code for the non-compliant units. This Variance will be heard concurrently by the Zoning Administrator at the Planning Commission hearing for the Conditional Use Authorization.

- E. **Nob Hill Special Use District.** Planning Code Section 238 states that special uses must undergo additional review within this established area with a unique combination of uses and a special identity. These uses require Conditional Use authorization: hotel, incidental commercial, private community facility, eating and drinking uses. The SUD places additional limitations on signage for principally permitted uses or eating and drinking uses.

The project does not include any of the above components, therefore no additional analysis or findings are required. If signage is proposed, additional restrictions as noted in 238(e) shall be applied.

- F. **Residential Off-Street Parking.** Planning Section 151 of the Planning Code requires off-street parking for every dwelling unit. The maximum parking permitted as accessory is 1.5 spaces where one space is required.

The project proposes 48 off-street parking spaces. Forty-four spaces are required; four additional spaces are permitted. The 48 parking spaces are permitted and compliant. Vehicle stackers are being employed for reduction in square footage required for parking.

- G. **Curb Cuts.** Per Section 155(r), curb cuts along the entire length of California Street require Conditional Use Authorization.

The project proposes continuation of one of the two existing curb cuts on California Street. The curb cuts measure approximately 46 feet 8 inches and 13 feet 10 inches. For this project, the 13 feet 10 inch curb would be reduced to a 10 feet wide curb cut on California Street, and the larger curb cut would be removed with the curb improved to City standards. It is also anticipated that two on-street parking spaces will be added, which may also be used for deliveries and/or passenger loading during business hours, depending on San Francisco Municipal Transportation Agency approval. See #7 for findings and more analysis.

- H. **Bicycle Parking.** Planning Section 155.1-155.2 of the Planning Code requires bicycle parking spaces for residential and non-residential uses. One Class 1 bicycle parking space is required for each dwelling unit. Additionally, Class 2 bicycle parking spaces are required for every 20 dwelling units.

The project proposes 44 dwelling units, and 44 Class 1 bicycle parking spaces are required. Located in an on-site bicycle storage room at Garden Level 2 is space for up to 86 bicycles. Access to the secure room is from an entrance and ramp corridor from Powell Street. The bike parking room is located one level above the off-street parking garage, which is only accessible via elevator. Additionally, two Class 2 spaces are required and are proposed on the Powell Street right of way. Therefore, the project is compliant.

- I. **Car Share.** Section 166 of the Planning Code requires one car share space for 50 – 200 dwellings.

The project proposes 44 dwelling units, therefore no car share space is required nor are any on-site car share spaces proposed.

- J. **Density.** Per Section 209.2, up to one unit per 200 square feet of lot area is permitted.

Once the two lots are merged, the lot area would measure approximately 15,548 square feet. The permitted density would be 78 dwelling units. The project proposes 44 dwelling units, mostly family-sized units. Of the proposed units, two are studio units, seven are one-bedroom units, 30 are two-bedroom units and five are three-bedroom units.

- K. **Height.** The subject property is located within the RM-4 Zoning District. Pursuant to Section 253, height exceeding 50 feet within a RM district requires Conditional Use Authorization to proceed.

The project proposes a height of 65 feet as measured from California Street, with permitted exemptions extending above, such as elevator and stair penthouses per Section 260(b). Per Section 253, height exceeding 50 feet requires Conditional Use Authorization and analysis and findings are discussed further in #7 and #8.

- L. **Bulk.** The subject property is located within the 65-A Height and Bulk district. Pursuant to Section 270, projects within “-A” Bulk District have defined bulk dimensions starting at

height of 40 feet and greater, with requirements in plan as follows: the maximum length is 110 feet and the maximum diagonal dimension is 125 feet.

The project proposes a maximum plan length of 97 feet, and this maximum is measured along the Powell Street elevation. Maximum diagonal dimension exceeds 125 feet at levels 4 – 7. Per Section 271, bulk exceedance of plan dimensions in Section 270 requires Conditional Use Authorization and analysis and findings are discussed further in #7 and #9.

- M. **Street Frontage in RH, RTO, RTO-M and RM Districts.** Section 144 of the Planning Code requires that within RM districts. Except as otherwise provided herein, in the case of every dwelling in such districts no more than one-third of the width of the ground story along the front lot line, or along a street side lot line, or along a building wall that is set back from any such lot line, shall be devoted to entrances to off-street parking, except that in no event shall a lot be limited by this requirement to a single such entrance of less than ten feet in width. In addition, no entrance to off-street parking on any lot shall be wider than 20 feet, and where two or more separate entrances are provided there shall be a minimum separation between such entrances of six feet. In the case of every dwelling in such districts, no less than one-third of the width of the ground story along the front lot line, along a street side lot line, and along a building wall that is set back from any such lot line, shall be devoted to windows, entrances for dwelling units, landscaping, and other architectural features that provide visual relief and interest for the street frontage.

The project provides one entry for egress and ingress dedicated to off-street parking. The width of the access to off-street parking is approximately the same as the width of the curb cut, which is 10 feet. The multi-unit building offers several maisonette units with direct access from the street and a main lobby at the corner, therefore, the ground story is defined by several raised entrances, windows, metal grill-work, landscaping and granite cladding at the base. At the corner of California and Powell Streets, the building corner is carved away to create a defined and open main entry for the building. Due to the steep topography of the site, this offset offers an opportunity to incorporate a pedestrian seating wall into a functional retaining wall with a well-landscaped corner. Additionally, this building clipping/offset provides some line of site relief for drivers and pedestrians at a busy intersection of two streets both exhibiting vehicular traffic and cable car lines. Although California Street is at a gentle slope heading towards downtown, at this intersection Powell Street is quite steep.

- N. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, the current percentage requirements apply to projects that consist of ten or more units, where the first application (EE or BPA) was applied for on or after July 18, 2006. Pursuant to Planning Code Section 415.5, the Project must pay the Affordable Housing Fee ("Fee"). This Fee is made payable to the Department of Building Inspection ("DBI") for use by the Mayor's Office of Housing and Community Development for the purpose of increasing affordable housing citywide.

The Project Sponsor has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary

Affordable Housing Program through payment of the Fee, in an amount to be established by the Mayor's Office of Housing and Community Development at a rate equivalent to an off-site requirement of 20%. The project sponsor has not selected an alternative to payment of the Fee. The EE application was submitted on December 12, 2014.

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

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

The massing and height of the proposed building is compatible with the scale of the surrounding properties. The Stanford Court Hotel is on the Southwest corner of the intersection, the Fairmont Hotel is on the Northwest corner of the intersection and the University Club is on the Northeast corner of the intersection, all large buildings. Other surrounding buildings, of similar scale to the proposal, are primarily multi-family residential uses.

The curb cut for garage entry on California is necessary and desirable. Currently, there are two curb-cuts into the existing off-street parking facilities at the Site. The Project would use an existing curb cut for the garage entrance, reduced from 13 feet 10 inches to 10 feet. Assuming that the no left-turn restriction on California Street would continue with the Project, all vehicles entering and exiting the Project's garage would be via eastbound California Street (right-turn in/right-turn out). Given that the southbound left-turn movement at the adjacent California Street/Powell Street intersection is prohibited, all vehicles would access the Project site from eastbound California Street or northbound Powell Street. To minimize the potential for conflicts between entering and exiting vehicles, an access control system will be implemented. This traffic pattern is appropriate for the area, and is a continuation of the current general traffic pattern of the Site – although the number of parking spaces will be reduced and shifted from short-term parking to long-term resident parking. In contrast, relocating the driveway to Powell would result in circulation disruptions because eastbound traffic entering the building would need to shift from California Street to Bush Street two blocks to the south.

Adding a garage entrance to Powell Street, which is steep and narrow, would be difficult and potentially disruptive to traffic patterns. The cable car lanes on Powell have red paint and are separated by bollards to ensure that drivers do not use the lanes. As a result, the vehicular right-of-way on Powell is very narrow, at only about 10 feet wide. With this width, it would be difficult for vehicles to stay within the travel lane while turning into and out of the driveway, which could result in conflicts with cable cars. Even if the turn is possible, it would likely require a larger curb cut on Powell Street than the 10-foot curb cut proposed for California. Finally, the presence of the mature street trees could impair sight distances on Powell Street. While there are street trees on California, the street parking provides a buffer that allows cars to pull out beyond the trees to get a better sight line.

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

that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

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

The existing asphalt parking lot, enclosed with fencing, and parking structure are proposed for demolition. This is an under-utilized use for two parcels zoned residential-mixed, high density, located approximately ¼ -mile from the downtown Financial District. The proposed massing is compatible with the neighborhood, fills in the streetwall with active use, and is designed with architectural details to provide visual relief and interest. The Project incorporates setbacks at the side property line at Powell Street, and the side property line at California at a lightwell, and at the rear yard, often introducing terraces for open space. The Project proposes additional open space including landscaping and an entry court on the corner of California and Powell Streets.

The garage entrance on California Street will not be detrimental to the neighborhood, as it would continue the existing traffic pattern of the Site, while significantly reducing the number of parking spaces and in and out car traffic. A garage entrance on California Street is less disruptive for the neighborhood than would be a garage entrance on Powell Street, which has only two 10-foot-wide lanes for car traffic and a dedicated cable car lane, thus not easily accommodating an entrance.

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

Currently, the site consists of over 80 parking spaces available in the structure and on the surface lot. The Project would remove this parking use and would overall result in fewer vehicle trips compared to the existing condition. Access to off-street parking is proposed through one ingress and egress lane from a curb cut on California Street. The parking is located underground, therefore screening is only required at the garage entry and is proposed as a gate with architectural features to match that of the gate and railing pattern at the building. The project reduces the amount and size of existing curb cuts on California Street. Specifically, the sponsor proposes to remove a curb cut measuring approximately 48 feet, and proposes to reduce the size of one existing curb cut from approximately 13 feet to 10 feet. Additionally, the site is less than ¼-mile from the Financial District, two cable car lines run adjacent to the site, and one block from several bus lines. The Site is within easy walking distance from the financial district and is well-served by public transportation. The cable car line runs next to the site, which is also one block from the 1, 31, and 38, 8, 30, 45 bus lines, and a half mile from the Powell Street Bart and MUNI station, giving residents access to jobs inside and outside of San Francisco. Locating new housing along transit-served areas supports the City's transit first policy and discourages car dependency.

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

The proposed use is residential that would not emit noxious or offensive emissions such as noise, glare, dust and odor. City regulations are in place for managing construction-related noise and dust.

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

Landscaping and open space are prominent features of the project. The Project provides a strong street-level presence which would activate the corner and create a transition between the public realm and private residential entry. At the northwestern corner of the site, the proposed building mass is carved back from the property line to create open space at the street. This space is defined at the street by low walls capped with ornamental fencing, with access points from Powell and from California Streets, to the private entry area leading to the main building lobby. Due to topography, the low wall follows the up-sloping grade to incorporate pedestrian seating walls overlooking the landscaped interior court. In addition, three points of direct access to six residential are provided from the sidewalk. The parking is located underground, therefore screening is only required at the garage entry and is proposed as a gate with architectural features to match that of the gate and railing pattern at the building.

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

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

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

Residential buildings within this District reflect a mixture of scale and of density and building form, suitable for a variety of households. As proposed, the 65-foot multi-family building is a compatible development within the RM-4 Zoning District, proposing a range of unit types.

- 8. **Planning Code Section 253** establishes criteria for the Planning Commission to consider when reviewing applications for projects within the RM or RC Districts when height exceeds 50 feet and street frontage is 50 feet or greater, through the Conditional Use process. On balance, the project complies with said criteria in that:
 - a. In reviewing any such proposal for a building or structure exceeding 40 feet in height in a RH District, 50 feet in height in a RM or RC District, or 40 feet in a RM or RC District where the street frontage of the building is more than 50 feet the Planning Commission shall consider the expressed purposes of this Code, of the RH, RM, or RC Districts, and of the height and bulk districts, set forth in Sections 101, 209.1, 209.2, 209.3, and 251 hereof, as well as the criteria stated in Section 303(c) of this Code and the objectives, policies and principles of the General Plan, and may permit a height of such building or structure up to but not exceeding the height limit prescribed by the height and bulk district in which the property is located.

The Project is generally code-compliant and on balance, is consistent with the Objectives and Policies of the General Plan, including the Urban Design Element objectives to relate new construction to the height and character of existing development and to promote harmony in visual transition between new and old buildings. In addition, the Project adds open space at the northwest corner of the site to benefit the public, as well as adds open space for the dwelling units in exceedance of requirements. No new shadow will be cast by the Project on parks or open spaces. This underutilized site is zoned for higher density residential within the prescribed bulk and height limits, and is located within ¼-mile of the Financial District, at the intersection of two cable car lines, within a block of several Muni bus lines, and half mile from the Powell Street Bart and MUNI station.

The scale of the building and density is appropriate for the RM-4 zoning district and is contextual with the surrounding building scale and building uses. Although the Project is requesting Conditional Use Authorization for a height of 65 feet, surrounding buildings exhibit heights taller than 40 feet and some taller than 65 feet. Vertical façade articulation in the Project includes bay windows, some metal balcony elements and metal planter boxes, with additional articulation by recessed windows, all typical of San Francisco neighborhoods. The stucco clad exterior walls are supported by a strong granite base, also typical of San Francisco neighborhoods.

- b. That the permitted bulk and required setbacks of a building be arranged to maintain appropriate scale on and maximize sunlight to narrow streets (rights-of-way 40 feet in width or narrower) and alleys.

A narrow street, Joice Street, is located one parcel to the east along California Street. A shadow analysis prepared by PreVision, dated November 13, 2015, indicated that at no time throughout the year would the Project cast new shadow on Joice Street. Therefore, the proposed project massing is arranged in an appropriate scale such as to not reduce sunlight on this alley.

9. **Planning Code Section 271** establishes criteria for the Planning Commission to consider when reviewing applications for projects exceeding the maximum bulk plan dimensions as outlined in Section 270, through the Conditional Use process. On balance, the project complies with said criteria in that:

- a. Achievement of a distinctly better design, in both a public and a private sense, than would be possible with strict adherence to the bulk limits, avoiding unnecessary prescription of building form while carrying out the intent of the bulk limits and the principles and policies of the Master Plan.

The Project includes a number of features that reduce the appearance of bulk. Utilization of bay window and top level setbacks create variation in the façade. A clipped corner at the northwest of the building site allow for a landscaped courtyard at the corner of Powell and California for additional reduction of the sense of bulk while enhancing the pedestrian experience of the block. It will also include stepped terraces/balconies, as well as setbacks along California and Powell Streets which minimizes the bulk on the upper floors and contributes to the perception of a minimized and refined massing, particularly from street views.

By stepping the building's massing, the Project is compatible with the adjacent building's range of heights. Because the neighboring building on Powell Street is smaller in scale than on California Street, the massing on Powell Street steps and shifts more to reduce impact on light and privacy.

- b. Development of a building or structure with widespread public service benefits and significance to the community at large, where compelling functional requirements of the specific building or structure make necessary such a deviation.

Deviation from the bulk requirements permits the Project to offer as many dwelling units as possible in an area in which new construction is limited by lack of available lots. The Project as proposed also provides common and private open space to residents, as well as a streetscape improvements and connections between the public and private realms. The incorporation of pedestrian seating wall at the intersection of the property line wall at the California and Powell is a unique public benefit.

In acting on any application for Conditional Use to permit bulk limits to be exceeded under this Section, Planning Commission shall consider the following criteria:

- c. The appearance of bulk in the building, structure or development shall be reduced by means of at least one and preferably a combination of the following factors, so as to produce the impression of an aggregate of parts rather than a single building mass:
 - (A) Major variations in the planes of wall surfaces, in either depth or direction, that significantly alter the mass;
 - (B) Significant differences in the heights of various portions of the building, structure or development that divide the mass into distinct elements;
 - (C) Differences in materials, colors or scales of the facades that produce separate major elements;
 - (D) Compensation for those portions of the building, structure or development that may exceed the bulk limits by corresponding reduction of other portions below the maximum bulk permitted;

The Project's scale and character reference the surrounding buildings. The Project incorporates several measures intended to reduce the appearance of mass to ensure compatibility with the immediate vicinity. Significantly, the building is proposed to be set back from the corner of California Street and Powell Street, which limits the sense of the mass of the building from the street as well as preserving the site line and relationship with the historic cable car kiosk. Vertically, the building is broken up by use of bay windows and balconies, which divides the mass into distinct elements. Horizontally, the stucco-clad building is defined and supported by a strong granite base. Although the building does not provide a corresponding reduction of other portions below the maximum bulk permitted, the bulk of the building is more compatible with the architecture of the area than would be a project complying with bulk limitations.

- d. In every case the building, structure or development shall be made compatible with the character and development of the surrounding area by means of all of the following factors:

- (A) A silhouette harmonious with natural land-forms and building patterns, including the patterns produced by height limits;
- (B) Either maintenance of an overall height similar to that of surrounding development or a sensitive transition, where appropriate, to development of a dissimilar character;
- (C) Use of materials, colors and scales either similar to or harmonizing with those of nearby development; and
- (D) Preservation or enhancement of the pedestrian environment by maintenance of pleasant scale and visual interest.

The silhouette is harmonious with existing building patterns in the area, which includes many buildings with extant bulk notably large hotels and nearby apartment buildings constructed before bulk requirements. The height is similar to adjacent neighbors and compatible with the neighborhood context. In addition, as the height decreases down the hill on Powell Street, the proposed massing also steps to provide relief. The Project enhances the pedestrian environment with an active street frontage detailed with architectural features, carved away at the corner for visual relief at the intersection of Powell Street at the end of a steep grade increase with California Street. In addition, a pedestrian seating wall has been incorporated into the low property line wall, overlooking the proposed landscaped court. In addition, the six Maisonette units will provide a strong connection between the public street-front and the private building entrances. The Project will provide a far superior pedestrian environment than the current parking garage and parking lot which are unattractive and contain large curb cuts which create a risk of conflicts between cars and pedestrians.

A small palette of high-quality materials reflects the unique surroundings. As proposed, a granite base, with a custom faceted profile, supports a custom stucco cladding at the upper levels. Metal gates, balcony railings, and security features are designed with a design incorporated throughout the building façade. Bronze metal highlights planter boxes at lower levels, and defines the main lobby entry. Stone trim is applied at windows, canopies and some beltcourse levels.

- e. While the above factors must be present to a considerable degree for any bulk limit to be exceeded, these factors must be present to a greater degree where both the maximum length and the maximum diagonal dimension are to be exceeded than where only one maximum dimension is to be exceeded.

Only the maximum diagonal dimension is exceeded in the Project. The Project is designed in a manner compatible with character and development of the surrounding district.

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

HOUSING ELEMENT

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.8:

Promote mixed-use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

Policy 1.10:

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Project appropriately locates 44 dwelling units in an area near downtown that is highly accessible by public transportation, walking and bicycling, and zoned for high density residential uses. The Project will contribute to the City's affordable housing supply by payment of the affordable housing fee.

OBJECTIVE 11

SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.1:

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2:

Ensure implementation of accepted design standards in project approvals.

Policy 11.3:

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.5:

Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

Policy 11.6:

Foster a sense of community through architectural design, using features that promote community interaction.

The proposed project will add compatible housing, per Department design standards, to lots that are currently underutilized parking structure or surface parking areas. The proposed residential development is compatible with the existing neighborhood character, which is largely high density residential. The Project proposes a strong street-presence, with an inviting landscaped recessed corner at California and Powell Streets and six units to be accessed directly from the public right of way. The Project will also have prominent windows on the street-front, eliminating blank and blind walls and will add landscaping to contribute to the pedestrian experience of the block.

OBJECTIVE 13

PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

Policy 13.1:

Support "smart" regional growth that locates new housing close to jobs and transit.

Policy 13.3:

Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

The Project is targeting LEED Gold certification. The site is ¼-mile from downtown, a major job center in the San Francisco Bay Area. This distance is a walkable distance for a daily commute. The site is also located at the corner of two MUNI cable car lines – California and Powell/Hyde –and one block from the 1, 31, and 38, 8, 30, 45 bus lines, and a half mile from the Powell Street Bart and MUNI station.

URBAN DESIGN ELEMENT

OBJECTIVE 1

EMPHASIZE THE CHARACTERISTIC PATTERN WHICH GIVES THE CITY AND ITS NEIGHBORHOODS AN IMAGE, SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.2:

Protect and reinforce the existing street pattern, especially as it is related to topography.

Policy 1.3:

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

The Project will enhance the neighborhood by reinforcing the urban nature of the street pattern. The Project's design echoes the scale and design features of surrounding buildings. The Project will replace an existing surface parking lot and parking garage with a more desirable residential use that will provide a more unified street frontage.

OBJECTIVE 3

MODERATION OF A MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

Policy 3.1:

Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3.5:

Relate the height of buildings to important attributes of the City pattern and to the height and character of existing development..

Policy 3.6:

Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

The Project's size, scale and design are compatible with the surrounding neighborhood and create a harmonious visual transition between the Project and older buildings. There are many tall buildings in the area, making a 65 foot high building entirely compatible. The bulk of the building is also compatible with the area. In addition the Project is pulled back from the street-front at the corner of California Street and Powell Street and will not overwhelm or dominate the corner, created a landscaped open space.

OBJECTIVE 4

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.

Policy 4.12:

Install, promote and maintain landscaping in public and private areas.

Policy 4.13:

Improve pedestrian areas by providing human scale and interest.

The Project improves the safety of the neighborhood by designing active uses into the building at ground level, specifically through the connections between the private and public realms of direct residential entries, windows and the courtyard and landscaped corner. The Project will dramatically improve the pedestrian experience of the corner, offering courtyard plantings, window boxes on a largely transparent fence, and a seating wall adjacent to the cable car kiosk.

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

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

The Site does not currently contain retail. Therefore, neighborhood-serving retail uses will not be eliminated. Local businesses will be served by additional residents in the area.

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

The Project promotes housing in the neighborhood by adding 44 housing units where there is currently only an underutilized parking structure and lot. It will also preserve neighborhood character by providing a design that is compatible with existing structures in the area and proposes streetscape improvements and landscaped open space at the corner of Powell and California.

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

No housing is removed for this Project. Forty-four new dwelling units are proposed for the site. The sponsor has selected to satisfy the Inclusionary Affordable Housing requirement through payment of the in-lieu fee.

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

The site is located approximately ¼-mile from downtown. Additionally, the site is located adjacent to the California and the Powell/Hyde MUNI cable car lines. The Project is expected to improve traffic in the area. The Project will replace the current 80 short-term parking spaces in the surface lot with 48 long-term parking spaces that will be accessed much less frequently than the current spaces uses by daily parkers. The Project will also eliminate a 40-foot curb cut on California Street and substitute the current curb cut for the parking garage with a 10-foot curb cut for garage access. Residents are expected to make the majority of daily commutes by foot, bicycle or public transportation. In contrast, the current users of the parking garage and lot are short-term or daily customers who create significantly more conflicts with other vehicles, the cable car, pedestrians and bicyclists.

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

The Project will not displace any service or industry establishment. Ownership of industrial or service sector businesses will not be affected by this project.

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

The Project is designed and will be constructed to conform to the structural and seismic safety requirements of the City Building Code.

- G. That landmarks and historic buildings be preserved.

A landmark or historic building does not occupy the Project site. Through the CEQA process, the Planning Department determined the property was not an historic resource.

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

The Project does not impact parks and open space. A shadow Analysis confirmed that there would be no new shadow cast by the Project on parks or open spaces.

12. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
13. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Application No. 2014-000609CUAVAR** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated March 28, 2016, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 19612. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

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

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on April 7, 2016.

Jonas P. Ionin
Commission Secretary

AYES: Fong, Richards, Antonini, Hillis, Johnson, Moore, Wu

NAYS: None

ABSENT: None

ADOPTED: April 7, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow continuation of one existing curb cut, reduced to Department guidelines, on California Street, to allow height exceeding 50 feet in a 65 foot height district, and to allow exceptions for measuring bulk per Section 270, located at 875 California & 770 Powell Street, Block 0256 and Lots 016, 017, pursuant to Planning Code Sections **303, 155, 253, and 271** within the **RM-4** District and a **65-A** Height and Bulk District; in general conformance with plans, dated **March 28, 2016**, and stamped "EXHIBIT B" included in the docket for Case No. **2014-000609CUAVAR** and subject to conditions of approval reviewed and approved by the Commission on **April 7, 2016**, under Motion No **19612**. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on **April 7, 2016** under Motion No **19612**.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. **19612** shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

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

2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

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

3. **Diligent pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

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

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

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

5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

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

6. **Additional Project Authorization.** The Project Sponsor must be granted a Variance under Section 305 for non-compliant rear yard and for units that do not meet exposure requirements per Section 134 and 140 of the Planning Code, and satisfy all the conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

DESIGN – COMPLIANCE AT PLAN STAGE

7. **Final Design.** The Project Sponsor shall work with Planning Department on these specific areas of design: to minimize rooftop appurtenances by consolidating the roof access penthouses or other means, and to improve bicycle parking.
8. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review, including submittal of samples upon request, and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
9. **Rooftop Mechanical Equipment.** Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
10. **Transformer Vault.** The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:
 - a. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
 - b. On-site, in a driveway, underground;
 - c. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
 - d. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
 - e. Public right-of-way, underground; and based on Better Streets Plan guidelines;

- f. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- g. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>

11. **Garbage, composting and recycling storage.** Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

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

PARKING AND TRAFFIC

12. **Car Share.** Although, no car share spaces are required pursuant to Section 166, the Project Sponsor shall make provision for three car share spaces.

13. **Parking Requirement.** Pursuant to Planning Code Section 151, the Project shall provide **44 (forty-four)** independently accessible off-street parking spaces.

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

14. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1 and 155.2, the Project shall provide no fewer than **44** Class 1 bicycle parking spaces.

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

15. **Bicycle Parking.** The Project shall provide no fewer than **2** Class 2 bicycle parking spaces as required by Planning Code Sections 155.1 and 155.2.

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

AFFORDABLE UNITS

16. **Requirement.** Pursuant to Planning Code Section 415.5, the Project Sponsor must pay an Affordable Housing Fee at a rate equivalent to the applicable percentage of the number of units in an off-site project needed to satisfy the Inclusionary Affordable Housing Program Requirement for the principal project. The applicable percentage for this project is currently twenty percent (20%), but is subject to change under a proposed Charter amendment and

pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. The Project Sponsor shall pay the applicable Affordable Housing Fee at the time such Fee is required to be paid.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

17. **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and the terms of the City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the Mayor's Office of Housing and Community Development ("MOHCD") at 1 South Van Ness Avenue or on the Planning Department or Mayor's Office of Housing and Community Development's websites, including on the internet at: <http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>.

As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale or rent.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

- a. The Project Sponsor must pay the Fee in full sum to the Development Fee Collection Unit at the DBI for use by MOHCD prior to the issuance of the first construction document.
- b. Prior to the issuance of the first construction permit by the DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that records a copy of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
- c. If project applicant fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Sections 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all other remedies at law.

PROVISIONS

18. **Transportation Sustainability Fee.** The project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.

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

19. **Child Care Fee - Residential.** The project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A.

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

20. **Anti-Discriminatory Housing.** The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.

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

21. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code.

For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org

MONITORING – AFTER ENTITLEMENT

22. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

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

23. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

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

OPERATION

24. **Garbage, Recycling, and Composting Receptacles.** Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>

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

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

26. **Sidewalk Maintenance.** The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards. *For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org/>*

ENTERTAINMENT COMMISSION-RECOMMENDED NOISE ATTENUATION CONDITIONS FOR CHAPTER 116 RESIDENTIAL PROJECTS.

Chapter 116 Residential Projects. The Project Sponsor shall comply with the "Recommended Noise Attenuation Conditions for Chapter 116 Residential Projects," which were recommended by the Entertainment Commission on August 25, 2015. These conditions state:

- **Community Outreach:** Project Sponsor shall include in its community outreach process any businesses located within 300 feet of the proposed project that operate between the hours of 9PM-5AM. Notice shall be made in person, written or electronic form.
- **Sound Study:** Project sponsor shall conduct an acoustical sound study, which shall include sound readings taken when performances are taking place at the proximate Places of Entertainment, as well as when patrons arrive and leave these locations at closing time. Readings should be taken at locations that most accurately capture sound from the Place of Entertainment to best of their ability. Any recommendation(s) in the sound study regarding window glaze ratings and soundproofing materials including but not limited to walls, doors, roofing, etc. shall be given highest consideration by the project sponsor when designing and building the project.
- **Design Considerations:**
 - (1) During design phase, project sponsor shall consider the entrance and egress location and paths of travel at the Place(s) of Entertainment in designing the location of (a) any entrance/egress for the residential building and (b) any parking garage in the building.

(2) In designing doors, windows, and other openings for the residential building, project sponsor should consider the POE's operations and noise during all hours of the day and night.

- Construction Impacts: Project sponsor shall communicate with adjacent or nearby Place(s) of Entertainment as to the construction schedule, daytime and nighttime, and consider how this schedule and any storage of construction materials may impact the POE operations.
- Communication: Project Sponsor shall make a cell phone number available to Place(s) of Entertainment management during all phases of development through construction. In addition, a line of communication should be created to ongoing building management throughout the occupation phase and beyond.

Attachment C



SAN FRANCISCO PLANNING DEPARTMENT

Variance Decision

Date: May 10, 2016
Case No.: 2014-000609VAR
Project Address: 875 CALIFORNIA STREET/770 POWELL STREET
Zoning: RM-4 (Residential-Mixed, High Density)
65-A Height and Bulk District
Block /Lot: 0256/016, 017
Applicant: Grosvenor Americas
Attn: Amelia Staveley
One California Street, Suite 2500
San Francisco, California 94111
Staff Contact: Marcelle Boudreaux – (415) 575-9140
marcelle.boudreaux@sfgov.org

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

DESCRIPTION OF VARIANCES – REAR YARD AND EXPOSURE VARIANCES SOUGHT:

The Project proposes to demolish the surface parking lot at 770 Powell Street and parking structure at 875 California Street, merge the two lots and construct a new seven-story, 65-foot tall building with 44 residential units and 48 underground parking spaces. The main pedestrian entry is from the northwest corner of the site. On-site bicycle parking is provided for up to 86 Class 1 spaces in a secure room at the Garden Level 2, with direct access through a door and ramp from Powell Street. Garage access for the Project would be provided by a single 10-foot curb cut on California Street at the same location as a current larger curb cut, with a car elevator providing access to the below-grade parking garage. In addition, the 46-foot wide curb cut currently used to access the parking structure and parking lot on California would be eliminated and replaced with code-compliant sidewalks. Open space would include a 2,538 square foot rear yard located in the southeastern corner of the lot, as well as a 805 square-foot front courtyard. Additional open space would be provided by roof decks and terraces.

Section 134 of the Planning Code requires the building to provide a rear yard equal to 25% of lot depth or 15 feet, whichever is greater, at the lowest story containing a dwelling unit, or at each succeeding story of the building. Due to the proposed irregular lot shape, in that two lots with varied lot depth are proposed for merger, the rear yard requirement ranges from 34 feet 4 inches to 31 feet of lot depth, as measured from the frontage of California Street. The rear yard is provided at the southeast portion of the proposed site, and ranges from 0 feet lot depth to 53 feet 6 inch lot depth, and, therefore, requires a variance from the rear yard requirement.

Section 140 of the Planning Code requires that one room per dwelling unit, meeting the requirements in Section 503 of the Housing Code, face onto a street, alley or code-complying open space. At the two Garden Levels (Garden Level 2 and Garden Level), the dimensional open space requirements are not met for dwelling unit exposure. At the two Garden Levels there are four dwelling units (two units per level) which face onto the non-code compliant rear yard and do not otherwise meet the exposure requirement. Therefore, a variance is required for four dwelling units, of the 44 total dwelling units.

PROCEDURAL BACKGROUND:

1. The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 32 categorical exemption.
2. The Zoning Administrator held a public hearing on **Variance Application No. 2014-000609VAR** on April 7, 2016.
3. On April 7, 2016, the Planning Commission held a public hearing on Case No. 2014-00609CUA and granted a Conditional Use Authorization for the subject project (Motion No. 19612).
4. Neighborhood notification pursuant to Planning Code Section 311 was performed as part of the notice for the hearing on the Conditional Use Authorization.

DECISION:

GRANTED, in general conformity with the plans on file with this application, shown as EXHIBIT A, to allow Rear Yard and Exposure Variances as part of the Project proposing to merge two lots and construct a new seven-story, 65-foot tall building with 44 residential units and 48 underground parking spaces, up to 88 (86 Class 1 and 2 Class 2) bicycle parking spaces, and 2,538 square foot rear yard located in the southeastern corner of the lot, with additional open space provided at the front courtyard, roof decks and terraces, subject to the following conditions:

1. Any future physical expansion, even in the buildable area, shall be reviewed by the Zoning Administrator to determine if the expansion is compatible with existing neighborhood character and scale. If the Zoning Administrator determines that there would be a significant or extraordinary impact, the Zoning Administrator shall require either notice to adjacent and/or affected property owners or a new Variance application be sought and justified.
2. The proposed project must meet these conditions and all applicable City Codes. In case of conflict, the more restrictive controls apply.
3. Minor modifications as determined by the Zoning Administrator may be permitted.
4. The owner of the subject property shall record on the land records of the City and County of San Francisco the conditions attached to this Variance decision as a Notice of Special Restrictions in a form approved by the Zoning Administrator.
5. This Variance Decision and the recorded Notice of Special Restrictions shall be reproduced on the Index Sheet of the construction plans submitted with the Site or Building Permit Application for the Project. This Index Sheet of the construction plans shall reference the Variance Case Number.

FINDINGS:

Section 305(c) of the Planning Code states that in order to grant a variance, the Zoning Administrator must determine that the facts of the case are sufficient to establish the following five findings:

FINDING 1.

That there are exceptional or extraordinary circumstances applying to the property involved or to the intended use of the property that do not apply generally to other properties or uses in the same class of district.

Requirement Met.

- A. **Rear Yard:** The Property is exceptional in that it contains frontages on both California and Powell Streets and is steeply sloped. Due to its configuration, a Code-compliant rear yard would result in open space facing directly onto Powell Street, which would not conform to the urban design objectives of the General Plan, and would create a shaded canyon-like rear yard, which would not meet the intent of rear yard open space. There is no clear pattern of mid-block open space that such a rear yard could contribute to, which is the intended purpose of rear yard requirement, if a code-compliant rear yard were provided.
- B. **Exposure:** Although the Project fronts on two streets, due to the lot shape and depth, the Project faces uniquely challenging design parameters for dwelling unit exposure purposes as some units cannot face directly onto California Street or Powell Street. Nevertheless, only four of the 44 dwelling units do not meet the requirements of Section 140. The four dwelling units all face onto the 2,538 square foot corner rear yard. In addition, three of the four units have private terraces.

FINDING 2.

That owing to such exceptional and extraordinary circumstances the literal enforcement of specified provisions of this Code would result in a practical difficulty or unnecessary hardship not created by or attributed to the applicant or the owner of the property.

Requirement Met.

- A. **Rear Yard:** The literal enforcement of the Planning Code requirements would result in a rear yard that is situated, in part, along either the California Street or Powell Street frontages of the Property. This configuration would disrupt the continuity of the street wall along one of the streets and would eliminate or make smaller dwelling units. Additionally, no clear pattern of mid-block open space exists on the block; accordingly, the rear yard would not disrupt any existing patterns.
- B. **Exposure:** The four dwelling units face onto a spacious open area, meeting the intent of Section 140. In addition, common open space is provided at the roof deck and front courtyard. Literal enforcement of the dwelling unit exposure requirement would require a Code-compliant rear yard, which would provide inferior open space for residents.

FINDING 3.

That such variance is necessary for preservation and enjoyment of a substantial property right of the subject property, possessed by other properties in the same class of district.

Requirement Met.

- A. **Rear Yard:** There is no cohesive mid-block open space pattern. The Project's neighbors generally enjoy the substantial property right of being constructed to the lot line with little or no rear yard. Siting the rear yard at the southeastern corner of the Project Site improves the mid-block open space pattern, provides useable open space for residents, and meets urban design objectives.
- B. **Exposure:** The Project site is located within a block setting which is a dense residential area with multi-family buildings often built to full lot coverage, with no rear yards. Given the configuration of the Property, a Code-complaint yard meeting exposure requirements would result in an inferior project. Therefore, a variance for exposure four dwelling units is necessary to preserve a substantial property right of the owner. These units face onto a spacious open space, which otherwise does not meet the dimensional requirements for open space in Section 140 of the Planning Code. Additional common open space is provided throughout the Project.

FINDING 4.

That the granting of such variance will not be materially detrimental to the public welfare or materially injurious to the property or improvements in the vicinity.

Requirement Met.

- A. Granting the variance would improve the livability of the subject property and would not be materially detrimental to the public welfare or materially injurious to the neighboring properties. The proposal is consistent with existing pattern of development at the street, and improves the pattern of midblock open space, where there currently is not a pattern.
- B. The Planning Department received five letters in support of the project from neighborhood groups and members of the public. In addition, a list of supporters from a community meeting held on March 23, 2016 was included in the Project Sponsor submittal.

FINDING 5.

The granting of such variance will be in harmony with the general purpose and intent of this Code and will not adversely affect the General Plan.

Requirement Met.

- A. This development is consistent with the generally stated intent and purpose of the Planning Code to promote orderly and beneficial development. Planning Code Section 101.1 establishes eight priority-planning policies and requires review of variance applications for consistency with said policies. The project meets all relevant policies, including conserving neighborhood character, and maintaining housing stock.
 - 1. Existing neighborhood retail uses will not be adversely affected by the proposed project. By creating an additional 44 dwelling units, many of which are family-sized units, the Project may increase the demand for retail services in the area, which could enhance existing retail uses and future opportunities for local employment and ownership of businesses.
 - 2. The proposed project will be in keeping with the existing housing and neighborhood character. The Project site currently contains a surface parking lot and parking garage. The

Project will increase existing housing, and is designed to respect the character of Nob Hill and beautify the area with streetscape improvements and landscaped open space at the corner of Powell Street and California Street.

3. The Project will contribute to the City's supply of affordable housing pursuant to Section 415 of the Planning Code by paying the affordable housing fee. There is currently no housing on the Site. Therefore, no affordable housing will be lost as part of the Project.
4. The project will not impede MUNI transit service or overburden streets or neighborhood parking. The Project will replace the current 64 spaces in the garage and 16 spaces in the surface lot with 48 parking spaces that will be accessed much less frequently than the current spaces used by daily parkers. The Project will also eliminate two large curb cuts on California Street and replace them with a smaller curb cut at the location of one of the current curb cuts. Residents are expected to make the majority of daily commutes by foot, bicycle or public transportation. In contrast, the current users of the parking garage and lot are short-term or daily customers who create significantly more conflicts with other vehicles, the cable car, pedestrians and bicyclists.
5. The project will have no effect on the City's industrial and service sectors.
6. The building will be constructed in compliance with all current Building Code requirements to ensure a high level of seismic safety.
7. The project will have no effect on the City's landmarks or historic buildings. The Project underwent a historic resource evaluation, which determined that the parking garage on the property is not a historic resource.
8. The project would not cast any new, net shadow upon any existing or planned public parks or open spaces.

The effective date of this decision shall be either the date of this decision letter if not appealed or the date of the Notice of Decision and Order if appealed to the Board of Appeals.

Once any portion of the granted variance is utilized, all specifications and conditions of the variance authorization became immediately operative.

The authorization and rights vested by virtue of this decision letter shall be deemed void and cancelled if (1) a Building Permit has not been issued within three years from the effective date of this decision; or (2) a Tentative Map has not been approved within three years from the effective date of this decision for Subdivision cases; or (3) neither a Building Permit or Tentative Map is involved but another required City action has not been approved within three years from the effective date of this decision. However, this authorization may be extended by the Zoning Administrator when the issuance of a necessary Building Permit or approval of a Tentative Map or other City action is delayed by a City agency or by appeal of the issuance of such a permit or map or other City action.

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

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

APPEAL: Any aggrieved person may appeal this variance decision to the Board of Appeals within ten (10) days after the date of the issuance of this Variance Decision. For further information, please contact the Board of Appeals in person at 1650 Mission Street, 3rd Floor (Room 304) or call 575-6880.

Very truly yours,



Scott F. Sanchez
Zoning Administrator

THIS IS NOT A PERMIT TO COMMENCE ANY WORK OR CHANGE OCCUPANCY. PERMITS FROM APPROPRIATE DEPARTMENTS MUST BE SECURED BEFORE WORK IS STARTED OR OCCUPANCY IS CHANGED.