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PLANNING DEPARTMENT

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2016 SEP 12 PM 3: 27

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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. 414A)
- Other (EN Impact Fees, Sec 423; TSF, Sec 411A)

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Motion No. 19727

HEARING DATE: AUGUST 11, 2016

Case No.: 2014.1020CUA
Project Address: 1515 SOUTH VAN NESS AVENUE
Zoning: Mission Street NCT (Neighborhood Commercial Transit) Zoning District
 Mission Street Formula Retail Restaurant Subdistrict
 Mission Alcoholic Beverage Restricted Use Subdistrict
 Fringe Financial Service Restricted Use District
 55/65-X Height and Bulk District
Block/Lot: 6571/001, 001A and 008
Project Sponsor: Peter Schellinger, LMC San Francisco Holdings, LLC
 492 9th Street Suite 300
 Oakland, CA 94607
Staff Contact: Doug Vu -- (415) 575-9120
Doug.Vu@sfgov.org

ADOPTING FINDINGS RELATING TO A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 303 UNDER THE MISSION 2016 INTERIM ZONING CONTROLS AND PLANNING COMMISSION RESOLUTION NO. 19548, AND A PLANNED UNIT DEVELOPMENT PURSUANT TO PLANNING CODE SECTIONS 121.1 AND 304 TO ALLOW DEMOLITION OF THE EXISTING BUILDING AND NEW CONSTRUCTION OF A 55 TO 65 FEET TALL, FIVE- TO SIX-STORY DEVELOPMENT WITH A TOTAL OF AREA OF 180,277 SQUARE FEET THAT INCLUDES 138,922 SQUARE FEET OF RESIDENTIAL USES FOR UP TO 157 DWELLING UNITS, 5,241 SQUARE FEET OF COMMERCIAL SPACE AND A 32,473 SQUARE FEET PARTIALLY UNDERGROUND GARAGE FOR 82 AUTOMOBILE AND 150 BICYCLE PARKING SPACES ON A LOT MORE THAN 10,000 SQUARE FEET IN AREA, AND TO ALLOW MODIFICATIONS TO THE REQUIREMENTS FOR REAR YARD PURSUANT TO PLANNING CODE SECTION 134, DWELLING UNIT EXPOSURE PURSUANT TO PLANNING CODE SECTION 140, GROUND FLOOR STREET FRONTAGE PURSUANT TO PLANNING CODE SECTION 145.1 AND OFF-STREET LOADING REQUIREMENT PURSUANT TO PLANNING CODE SECTION 152, FOR THE PROPERTIES LOCATED AT 1515 SOUTH VAN NESS AVENUE, LOTS 001, 001A AND 008 IN ASSESSOR'S BLOCK 6571, WITHIN THE MISSION STREET NCT (NEIGHBORHOOD COMMERCIAL TRANSIT) ZONING DISTRICT AND THE 55/65-X HEIGHT AND BULK DISTRICTS, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On January 28, 2015, Peter Schellinger of LMC San Francisco Holdings, LLC (hereinafter "Project Sponsor") filed Application No. 2014.1020CUA (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Conditional Use Authorization to demolish the existing building and construct a new five to six-story 55 to 65 feet tall, mixed use building with 5,241 square feet of commercial space and 157 dwelling units at 1515 South Van Ness Avenue (Block 6571 Lots 001, 001A and 008) in San Francisco, California.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On July 12, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial

importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department Commission Secretary is the custodian of records, located in the File for Case No. 2014.1020CUA at 1650 Mission Street, Fourth Floor, San Francisco, California.

On August 11, 2016, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Authorization Application No. 2014.1020CUA.

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 Authorization for a Planned Unit Development requested in Application No. 2014.1020CUA, 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 three lots with a total area of approximately 35,714 sq. ft. that have approximately 172 ft. of frontage along South Van Ness Avenue, 245 ft. along 26th Street and 145 ft. along Shotwell Street. The project site is currently improved with a 31,680 sq. ft. two-story industrial building that was constructed in 1948 and most recently occupied by the McMillan Electric Company until early 2015.
3. **Surrounding Properties and Neighborhood.** The Project is located in the southernmost area of the Mission Street NCT (Neighborhood Commercial Transit) Zoning District and within the boundaries of the Mission Area Plan. The immediate context is mixed in character with residential, commercial and industrial uses. The neighborhood includes automotive repair uses to the north and west, three to four-story residential development to the north and east and commercial uses to the south that include a fuel station and automotive parts store. Within the broader vicinity are the Primera Iglesia Bautista Hispano Americana Church and Garfield Square Recreation Center. The project site is also located within the boundaries of the proposed Calle 24

Special Use District which was established as part of the inclusion controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino Cultural District, which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include P (Public), RTO-M (Residential, Transit Oriented - Mission), RM-1 (Residential, Mixed-Low Density) and the 24th-Mission NCT (Neighborhood Commercial Transit) Zoning District.

4. **Project Description.** The proposed Project includes demolition of the existing building on the project site and new construction of a 55 to 65 feet tall, five- to six-story Planned Unit Development (PUD) with a total area of approximately 180,277 square feet that includes 138,922 square feet of residential uses for 157 dwelling units, approximately 5,241 square feet of commercial space in the form of one retail storefront and six trade shops on the ground floor, approximately 32,473 square feet dedicated to vehicular parking for 82 cars and 150 secure bicycle parking spaces in a partially underground garage. The proposed dwelling units would range in size from approximately 399 to 1,254 square feet and would include 88 studios, five one-bedroom units and 64 two-bedroom units. Private open space would be provided for ten units, and a total of 15,508 square feet of common open space would be provided through an internal courtyard and roof deck. The Project would also include a lot merger of Lots 001, 001A and 008 on Block 6571.

5. **Public Comment.** The Department has received a petition of support signed by nineteen residents and nearby businesses, nineteen support letters from residents and organizations including from the San Francisco Housing Action Coalition, S.F. Electrical Contractors Association/Electrical Workers Local 6, and the recent owner and tenant (McMillan Electric Company). The Department also received four letters opposing the project, and two letters stating concerns about the development's proposed height and environmental impacts that were not analyzed in the Eastern Neighborhoods EIR.

In addition to the required pre-application meeting that was held on December 15, 2014 at City College on 1125 Valencia Street, the Project Sponsor has conducted additional public outreach that included the following meetings:

DATE	ORGANIZATION / EVENT	LOCATION / ADDRESS
3/11/2015	Mission Economic Development Agency	2301 Mission Street
3/12/2015	Jamestown Community Center	3382 26 th Street
4/7/2015	Mission Asset Fund	3269 Mission Street
5/13/2015	Town Hall Meeting #1	1500 South Van Ness Avenue
6/5/2015	Town Hall Meeting #2	1500 South Van Ness Avenue
10/22/2015	Town Hall Meeting #3	1500 South Van Ness Avenue
2/2/2016	CAST	70 Otis Street
2/24/2016	SF Housing Action Coalition (SFHAC)	95 Brady Street
4/4/2016	SFMade	926 Howard Street
4/12/2016	Open House #1	Mission Cultural Center - 2868 Mission

		Street
6/9/2016	La Cocina	2948 Mission Street
6/22/2016	Town Hall Meeting #4	Mission Cultural Center - 2868 Mission Street
6/30/2016	Open House #2	Mission Cultural Center - 2868 Mission Street

The Department acknowledges that numerous meetings were organized and facilitated by residents and stakeholder groups, but does not have a record of when they were held and at which locations.

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. **Non-Residential Floor Area Ratio.** Planning Code Sections 124 and 736.20 permit a maximum floor to area ratio of 3.6 to 1 for the subject 35,714 sq. ft. project site.

The Project proposes 5,241 sq. ft. of commercial space that is equal to a ratio of 0.14 to 1 and therefore complies with Planning Code Sections 124 and 736.20.

B. **Rear Yard.** Pursuant to Planning Code Section 134(a)(1)(C), a 25% rear yard or an area equal to that provided via inner courtyards shall be provided at the lowest story containing a dwelling unit, and at each succeeding level or story of the building. The proposed project requires a rear yard of at least 8,929 sq. ft. at every residential level.

The Project proposes an inner courtyard that is approximately 8,687 sq. ft., which is 242 sq. ft. less than the required area; therefore, the Project requests a modification to this requirement as permitted under Planning Code Section 304 for Planned Unit Developments for the following reasons: 1) the Project includes residential uses with a comparable amount of usable open space totaling 16,506 sq. ft. at the inner courtyard and at the sixth floor of the building that will be more accessible to residents; 2) the Project is located on a block that includes an automotive parts store and two automotive repair shops and will not significantly impede the access of light and air to the adjacent properties; and 3) the Project will not adversely affect the block's interior open space because interior open space does not exist on the subject block.

C. **Usable Residential Open Space.** Planning Code Sections 135 and 736.93 require a minimum of 80 sq. ft. of private open space per dwelling unit, or 100 sq. ft. of common open space per dwelling unit. Private usable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 sq. ft. 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 sq. ft. if located on open ground, a terrace or the surface of an inner or outer court. Common usable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum are of 300 sq. ft. Further, inner courts may be credited as common usable open space if the enclosed space is not less than 20 feet in every horizontal dimension and 400 sq. ft. in area, and if the

height of the walls and projections above the court on at least three sides is such that no point on any such wall or projection is higher than one foot for each foot that such point is horizontally distant from the opposite side of the clear space in the court.

The Project provides 6,853 sq. ft. of usable common open space through a ground floor inner courtyard that measures 130 feet by 110 feet at its widest point to allow the minimum required amount of sunlight penetration. An additional 8,655 sq. ft. of common open space is provided by a roof deck at the sixth floor of the building. The Project also provides a combined 1,000 sq. ft. of private open space for ten ground floor units that open onto the inner courtyard. Although the Project also provides an additional 842 sq. ft. of non-compliant open space, the 15,508 sq. ft. of common usable open space exceeds the 14,700 sq. ft. that are required by the remaining 147 units. Therefore, the Project complies with Planning Code Sections 135 and 736.93.

- D. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires a streetscape plan, which includes elements from the Better Streets Plan, for new construction on a lot greater than a half-acre in size.

The Project will include a streetscape plan that will comply with the City's Better Streets Plan and include new street trees, landscape planters, sidewalk and other pedestrian improvements in compliance with Planning Code Section 138.1. This includes maintaining the sidewalk width at 12-ft. on 26th Street and 15-ft. on Shotwell Street, a new 2-ft. courtesy strip between the curb and sidewalk plantings, a corner bulb-out at South Van Ness Avenue and 26th Street that extends down 26th Street, potentially another bulb-out at 26th and Shotwell Streets, street trees, plantings, bicycle parking and other site furniture as needed. South Van Ness Avenue is a Vision Zero Corridor, and will receive a signal timing upgrade, new curb ramps, crosswalks and other pedestrian safety enhancements. Therefore, the Sponsor will coordinate with MTA on these design changes as it constructs the new bulb-out at 26th Street and South Van Ness Avenue to be consistent with other improvements planned for this intersection.

- E. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

The Project is not located in close proximity to an Urban Bird Refuge and meets the requirements of feature-related standards by not including any unbroken glazed segments 24 sq. ft. and larger in size. Therefore, the Project complies with Planning Code Section 139.

- F. **Dwelling Unit Exposure.** Planning Code Section 140 requires the windows of at least one room in each dwelling unit to face directly on an open area that includes a public street, public alley at least 20 feet in width, side yard at least 25 feet in width, rear yard meeting the requirements of the Planning Code, or an inner court or a space between separate buildings on the same lot) which is unobstructed and is no less than 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 in every horizontal dimension at each subsequent floor.

The Project organizes all of the dwelling units to face South Van Ness Avenue, 26th Street, Shotwell Street or the inner courtyard. Due the "L" shape of the Project site and the reduced horizontal dimension of the courtyard at both ends of the building, three units on the fifth floor and two units on the sixth floor do not meet the exposure requirement. The encroachment of these units into the required open air space at the fifth and sixth floors is minimal. Therefore, the Project is seeking a modification to the dwelling unit exposure requirements for five dwelling units as part of the Planned Unit Development.

- G. **Street Frontages in Neighborhood Commercial Districts.** Planning Code Section 145.1 requires the following for street frontages in Neighborhood Commercial Districts: (1) not more than 1/3 the width of the building facing the street may be devoted to ingress/egress to parking; (2) off-street parking at street grade must be set back at least 25 feet; (3) "active" use shall be provided within the first 25 feet of building depth at the ground floor; (4) ground floor non-residential uses in shall have a floor-to-floor height of 14-feet; (5) frontages with active uses shall be fenestrated with transparent windows; and, (6) decorative railings or grillwork placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular views

The Project meets the following requirements of Section 145.1: (1) the only automobile access to the Project is located at the portion of Shotwell Street that runs diagonal to the remainder of the street where a single 18-ft. wide garage door is proposed that is equal to 12.4 percent of the 145 feet of the Shotwell Street frontage; (2) the Project site decreases approximately ten feet in elevation from the front to the rear of the property and all proposed parking is located below grade at the basement level garage; (3) active uses including a corner commercial storefront, six trade shops, a residential amenity room and dwelling units with elevated stoops that have direct access to the public street are proposed along all three frontages of the building; (4) the corner commercial space at the ground floor will have a generous floor-to-ceiling height of 20-feet; and (5) significantly more than two-thirds of the total street frontages are fenestrated with transparent windows.

However, the six trade shops along 26th Street will each have a floor-to-ceiling height of 11-feet, which is less than the minimum required 14-feet. To mitigate this impact and promote an attractive, clearly defined street frontage that is pedestrian-oriented and fine-grained, the trade shops will be designed with wide openings that incorporate roll-up doors to provide direct access to the shops by the public during business hours. Therefore, the Project seeking a modification to the 14-foot minimum clear ceiling height requirement for the street-fronting trade shops units as part of the Planned Unit Development.

- H. **Off-Street Parking.** Planning Code Section 151 principally permits 0.5 parking spaces per dwelling unit, and up to 0.75 spaces with Conditional Use authorization. Additionally, one off-street space for every 500 square-feet of occupied general retail uses is also permitted. The Project is principally permitted to have 79 residential spaces and ten commercial spaces, for a total of 89 spaces.

The Project proposes a total of 79 residential parking spaces in addition to three car-share spaces, and no accessory commercial parking. Therefore, the Project complies with Planning Code Section 151.1.

- I. **Off-Street Freight Loading.** Planning Section 152 requires one off-street loading space for residential buildings that are between 100,001 and 200,000 gross square feet in area.

The Project includes approximately 138,922 sq. ft. of residential uses and requires at least one off-street freight loading space. The Project provides two off-street service vehicle spaces at the basement level garage near South Van Ness Avenue and is requesting an exception to this requirement for one on-street freight loading space on 26th Street as part of the Planned Unit Development.

- J. **Bicycle Parking.** Planning Code Section 155.2 requires one Class 1 bicycle parking space for each dwelling unit up to 100 units, and one Class 1 space for every four units above a density of 100 dwelling units. Additionally, one Class 2 space for every 20 units is required, and each 2,500 sq. ft. of occupied commercial floor area. The Project is required to have a minimum of 114 Class 1 and ten Class 2 bicycle parking spaces.

The Project includes a total of 150 Class 1 spaces located in two separate rooms at the basement level that have independent access to/from Shotwell Street and South Van Ness Avenue and eight Class 2 parking spaces at the corner of 26th Street and South Van Ness Avenue. Therefore, the Project complies with Planning Code Section 155.2.

- K. **Curb Cuts.** Planning Code Section 155(l) limits driveways crossing sidewalks to be no wider than necessary for ingress and egress, and shall be arranged to minimize the width and frequency of curb cuts to maximize on-street parking spaces and minimize conflicts with pedestrian and transit movements.

The Project will utilize an existing 20-ft. wide curb cut along the portion of Shotwell Street that runs diagonal to the remainder of the street to provide ingress/egress to the basement level garage, will not eliminate any on-street parking spaces and will not result in any conflicts with pedestrians or transit movement in compliance with Planning Code Section 155.

- L. **Car Share Requirements.** Planning Code Section 166 requires one car-share parking space for projects with 50 to 200 residential units.

The Project provides three car share spaces at the basement level garage to serve the 157 dwelling units and complies with Planning Code Section 166.

- M. **Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units in compliance with Planning Code Section 167.

- N. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40 percent of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30 percent of the total number of proposed dwelling units contain at least three bedrooms.

The Project provides 88 studios, five one-bedroom and 64 two-bedroom units that are equal to 41 percent of the unit mix, which meets the requirements of Planning Code Section 207.6.

- O. **Shadow Analysis.** Pursuant to Planning Code Section 295, projects over 40 feet in height that will cast any shade or shadow upon any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission requires approval by the Planning Commission pursuant to the provisions of Section 295.

A preliminary shadow analysis conducted by the Planning Department based on the plans submitted indicates that there would be no shadows cast on properties under the jurisdiction of the Recreation and Park Department. Therefore, the Project complies with Planning Code Section 295.

- P. **Transportation Sustainability Fee.** Planning Code Section 411A imposes a Transportation Sustainability Fee ("TSF") that would apply to large projects such as 1515 South Van Ness Avenue. The TSF (Ordinance No. 200-15) that was adopted and went into effect on December 25, 2015 provides that residential, non-residential and PDR uses shall pay the TSF to address the burden that new development will create on the City's transportation network, including all modes of transportation. The TSF will provide revenue that is significantly below the costs that SFMTA and other transit providers will incur to mitigate the transportation infrastructure and service needs resulting from the development.

The Project includes approximately 147,804 gross sq. ft. of new development that is subject to the Transportation Sustainability Fee, as outlined in Planning Code Section 411A. However, the Project will receive a credit for the existing 31,680 sq. ft. of PDR use on the Project site. These fees must be paid prior to the issuance of the building permit application.

- Q. **Child Care Requirement for Residential Projects.** Planning Code Section 414A requires the Department to determine the applicability of Section 414A to any development project requiring a First Construction Document and, if Section 414A is applicable, the number of gross square feet of space subject to its requirements, and shall impose these requirements as a condition of approval for issuance of the First Construction Document for the development project to mitigate the impact on the availability of child-care facilities that will be caused by the residents attracted to the proposed development project.

The Project proposes 157 new dwelling units totaling 138,922 sq. ft. and will be required to pay a fee for each net new gross square feet of residential development. These fees must be paid prior to the issuance of the building permit application.

- R. **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, these requirements would apply to projects that consist of 10 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 and 415.6, the current Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 12% of the proposed dwelling units as affordable. This requirement 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. Recently adopted Ordinance No. 76-16 (File No. 160255) will become effective after the election is certified and includes grandfathering provisions for projects that were submitted to the Planning Department prior to January 12, 2016.

The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and 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 by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project or submit to the Department a contract demonstrating that the project's on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. and submits an Affidavit of such to the Department. All such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Mayor's Office Housing and the City Attorney's Office. The Project Sponsor has indicated the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions provided by the City and approved herein. The Project Sponsor submitted such Affidavit on January 16, 2016 and a draft of the Costa Hawkins agreement on July 11, 2016. The EE application was submitted on December 3, 2014. Pursuant to Planning Code Section 415.3 and 415.6 the current on-site requirement is 12%. Nineteen (19) units [ten (10) studios, one (1) one-bedroom and eight (8) two-bedroom] of the 157 units provided will be affordable rental units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable. The Project must execute the Costa Hawkins agreement prior to Planning Commission approval or must revert to payment of the Affordable Housing Fee.

- S. **Eastern Neighborhood Infrastructure Impact Fees.** Planning Code Section 423 is applicable to any development project in the Eastern Neighborhoods Program Area which results in at least one net new residential unit or the new construction of a non-residential use.

The Project includes the construction of approximately 138,922 gross sq. ft. of new residential space and 5,241 gross sq. ft. of commercial use. These uses are subject to Eastern Neighborhood

Infrastructure Impact Fees as outlined in Planning Code Section 423 and must be paid prior to the issuance of the building permit.

7. **Conditional Use Authorization for Development of Large Lots.** Planning Code Section 121.1 establishes the following additional criteria the Planning Commission shall consider for new construction on lots of the same size or larger than 10,000 sq. ft. in the Mission Street NCT District:

- A. The mass and façade of the proposed structure are compatible with the existing scale of the district.

The proposed structure includes a mass and façade that takes cues from the existing structure and surrounding neighborhood with a combination of residential, commercial and industrial uses that are two to four stories in height to create a building that is the scale envisioned for this large site. The proposed development breaks up the massing by creating three distinct frontages and building features to visually break up the massing. Modulation is also incorporated on all floors and all sides of the structure to present a façade that is varied and interesting on a pedestrian level as well as on a larger scale.

- B. The façade of the proposed structure is compatible with the design features of adjacent facades that contribute to the positive visual quality of the district.

The Project's design reflects the influences of the surrounding neighborhood and the site, and takes cues from the existing structure. The design integrates the rhythm of the existing bays in the commercial unit at the corner of South Van Ness Avenue and 26th Street and includes pedestrian scale walk-up units along 26th Street, across from the existing residential uses. Along South Van Ness Avenue, the design and façade reflects the more commercial and vibrant nature of the frontage, whereas along 26th Street and Shotwell Street, a more residential and smaller scale design is proposed to coincide with the more residential character of those streets. By breaking the design and massing into three distinct parts the building integrates well into the neighborhood and creates a positive visual addition to the neighborhood and district.

8. **Conditional Use Authorization.** Planning Code Section 303 establishes criteria for the 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 surrounding neighborhood is comprised of a mix of residential and commercial buildings. To the west across South Van Ness Avenue are two story structures consisting of residential over ground floor automotive and retail uses. To the north across 26th Street are a two to three story multi-family residential development and a single-story automotive repair use. Across Shotwell Street to the east are several four story multi-family dwelling units and immediately adjacent to the Project site, to the

south, are retail and automotive repair uses. In general, the Project Site is surrounded by predominately single- and multi-family residential uses to the north and south and commercial and industrial uses to the east and west.

The primarily residential use of the Project is consistent with the goals and objectives of the Mission Area Plan of the Eastern Neighborhoods Planning Area. In addition, the proposed commercial ground floor retail would activate the street level and serve the adjacent residential neighborhood. All building frontages will include improved pedestrian amenities such as landscaping and sidewalk improvements to create a pedestrian scale that is compatible with the surrounding neighborhood. The 0.8 acre Project site is large and the density and intensity proposed is compatible with the surrounding neighborhood and is desired given 1515 South Van Ness Avenue's location along major roadways and transit corridors. The use of the Project site for residential uses is also compatible with the surrounding character of the neighborhood and community.

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

The Project site consists of an irregularly-shaped 35,714 sq. ft. lot with frontages along South Van Ness Avenue, 26th Street and Shotwell Street. A 31,680 square foot structure and associated surface parking lot currently exists on the Project site and would be demolished as part of the Project. Given the irregular lot shape, the Project proposes a single structure that maintains the street wall along all frontages but also provides an interior courtyard adjacent to the properties to the south to establish a mid-block pattern of open space for future block development.

The proposed structure conforms to the Planning Code requirements for height and bulk and steps down in height from South Van Ness Avenue to Shotwell Street. The Project site is also within two height districts and the proposed development complies with these 55- and 65-foot districts, which bisect along 26th Street, and provides a transition in vertical and horizontal massing where the height district change occurs.

2. 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;

The Project includes 157 new dwelling units on a site adjacent to South Van Ness Avenue and just north of Cesar Chavez Street, which two major arterial roadways providing vehicular and transit access throughout the City. The Project proposes 82 off-street parking spaces including three dedicated car share spaces in a 32,473 sq. ft. underground garage accessed through an 18-ft. wide drive aisle off Shotwell Street. The proposed parking ratio is 0.50 spaces per dwelling unit and the Project includes one on-street loading space along 26th Street. The Project also includes 150 Class 1 bicycle parking spaces at the basement level and ten Class 2 bicycle parking spaces adjacent to the residential entry. Pedestrian access to the Project will be via the main lobby along

26th Street and secondary access will be provided via the leasing office along South Van Ness Avenue.

The Project is adjacent to an established street network of north-south and east-west arterials, and will not impact the accessibility or traffic patterns in the surrounding roadways. For these reasons, the Project will not result in parking or traffic that would be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity.

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

The Project would not create any noxious or offensive emissions such as noise, glare, dust and odor during construction or operation. All construction activities will comply with the San Francisco Building Code requirements for construction, which includes compliance with air quality control measures for dust and odor. The design of the façade will include non-reflective materials and will not result in or create glare. Operation of the Project site as a primarily residential development will not generate noxious or offensive emissions such as noise or odor.

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

The Project will comply with the City's Better Streets Plan and will include active ground floor uses and significant new landscaping and streetscape improvements. The structure will be set back along South Van Ness Avenue to provide additional landscaping and interest at a pedestrian scale along this frontage. Along 26th Street, walk-up dwelling units are proposed that include small landscaped porches and other green areas. New street trees are proposed along all frontages as well as landscape planters and other pedestrian improvements.

The Project includes significant open areas for use by the residents including 1,000 sq. ft. of private open space through at-grade private yards and 15,508 sq. ft. of common open space through a 6,853 sq. ft. ground floor patio courtyard and an 8,655 sq. ft. rooftop deck. In addition, there is 842 sq. ft. of other non-code compliant open space. In total, the Project is proposing 17,350 square feet of open areas for future residents. All parking facilities are located off-street and screened, as applicable, with adjacent landscaping enhancements. Additional lighting is also provided adjacent to these areas for pedestrian safety and to indicate the location of vehicular ingress and egress.

- 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 procedures for Planned Unit Developments under Planning Code Section 304 are intended for projects on sites of considerable size, developed as integrated units and designed to produce an environment of stable and desirable character which will benefit the occupants, the neighborhood and the City as a whole. In cases of outstanding overall design, complementary to the design and values of

the surrounding area, such a project may merit a well-reasoned modification of certain provisions contained elsewhere in this Code. As discussed above, the Project requests modifications from the minimum rear yard, dwelling unit exposure, ground floor frontages and off-street loading requirements of Planning Code Sections 134, 140, 145.1 and 152, respectively. Otherwise, the Project meets all of the applicable provisions of the Planning Code and the General Plan.

- D. Such use or feature as proposed will provide development that is in conformity with the stated purpose of the applicable Use District; and

The Project is located within the Mission Street NCT Zoning District that has controls designed to permit moderate-scale buildings. New neighborhood-serving commercial development is encouraged mainly at the ground story with most commercial uses prohibited above the second story. A continuous retail frontage is promoted by requiring ground floor commercial uses in new developments and prohibiting curb cuts. Housing development in new buildings is encouraged above the ground story. Housing density is not controlled by the size of the lot but by physical envelope controls. The Project conforms to the stated purpose of this district and is an appropriate in-fill development that will add 157 new dwelling units to the City's housing stock and 5,241 square feet of commercial space in an area that encourages the development of high-density, mid-rise housing and continuous ground floor commercial frontage with pedestrian-oriented retail activities.

- E. The use or feature satisfies any criteria specific to the use or feature in Subsections (g), et seq. of this Section.

The Project does not require Conditional Use Authorization for any use or feature listed in Subsection (g) et seq.

9. **Planned Unit Development.** Planning Code Section 304 establishes that in addition to the criteria applicable to conditional uses stated in Section 303, the proposed development shall also meet the following criteria:

- A. Affirmatively promote applicable objectives and policies of the General Plan;

The Project promotes the applicable objectives and policies of the General Plan as described below.

- B. Provide off-street parking adequate for the occupancy proposed;

The Project would provide 79 private accessory residential parking spaces, that is equal to 0.5 parking spaces per dwelling unit, which is consistent with the principally permitted parking under the Planning Code.

- C. Provide open space usable by the occupants and, where appropriate by the general public, at least equal to the open spaces required by this Code;

The Project includes significant open areas for use by the residents including 1,000 sq. ft. of private open space through at-grade private yards and 15,508 sq. ft. of common open space through a 6,853 sq.

ft. ground floor patio courtyard and an 8,655 sq. ft. rooftop deck. In addition, there is 842 sq. ft. of other non-code compliant open space. In total, the Project is proposing 17,350 square feet of open areas for future residents.

- D. Be limited in dwelling unit density to less than the density that would be allowed by Article 2 of the Code for a district permitting a greater density, so that the Planned Unit Development would not be substantially equivalent to a reclassification of property;

The Project Site is located in the Mission Street NCT District where there is no defined limit on residential density. Rather, limits to density are restricted by physical envelope controls and Urban Design Guidelines of the Planning Code. In addition, density is limited by Planning Code Section 207.6, which provides that 40 percent of the total number of dwelling units must be two plus bedroom units or 30 percent of the total number of dwelling units must be three plus bedroom units. The Project is proposing that 64 of the 157 dwelling units (40.8%) would be two bedroom units. Thus, the proposed PUD for the Project is not equivalent to a reclassification of the property

- E. Under no circumstances be excepted from any height limit established by Article 2.5 of this Code;

The Project does not exceed the applicable height limits in which it is located. The Project maintains a height of 55-ft within the 55-X portion of the site, and a height of 65-ft within the 65-X portion of the site.

- F. In NC Districts, be limited in gross floor area to that allowed under the floor area ratio limit permitted for the district in Section 124 and Article 7 of this Code;

The Project proposes 5,241 sq. ft. of commercial space that is equal to a floor ratio of 0.14 to 1 and therefore complies with Planning Code Sections 124 and 736.20.

- G. In NC Districts, not violate the use limitations by story set forth in Article 7 of this Code;

The proposed Project complies with this criterion because commercial and other residential accessory active uses will occupy the ground floor and residential uses will occupy the upper floors, consistent with the use limitations of the Mission Street NCT District pursuant to Planning Code Section 736.

- H. In RTO and NCT Districts, include the extension of adjacent alleys or streets onto or through the site, and/or the creation of new publicly accessible streets or alleys through the site as appropriate, in order to break down the scale of the site, continue the surrounding existing pattern of block size, streets and alleys;

The Project site is an irregularly shaped lot located just north of Cesar Chavez Street along South Van Ness Avenue within the Mission Street NCT District, which is not subject to the mid-block alley controls under Section Planning Code Section 270.2. Additionally, the lot tapers from 26th Street to Shotwell Street and does not provide the width, depth or location on the block for an appropriate mid-block cut through or access.

- I. Provide street trees as per the requirement of Section 138.1 of the Code;

The Project will comply with this criterion by providing the minimum required street trees as an element of the streetscape plan the Sponsor will develop and construct in collaboration with the Planning Department to be consistent with the Better Streets Plan.

- J. Provide landscaping and permeable surfaces in any required setbacks in accordance with Section 132 (g) and (h).

The Project will comply with this criterion by providing landscaping and permeable surfaces as part of the streetscape plan that the Sponsor will develop and construct in collaboration with the Planning Department to be consistent with the Better Streets Plan.

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

HOUSING ELEMENT

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 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

Policy 1.2

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

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 is a higher density residential development, which provides up to 157 new dwelling units in a mixed-use area that was recently rezoned as part of a long range planning goal to create a cohesive residential and mixed-use neighborhood. The Project will provide nineteen on-site affordable housing units for rent, which assist in meeting the City's affordable housing goals. The Project is also in close proximity to numerous public transportation options.

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

Policy 4.1

Develop new housing, and encourage the remodeling of existing housing, for families with children.

Policy 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

Policy 4.5

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

The Project will add 157 dwelling units to the City's housing stock, and meets the affordable housing requirements by providing for nineteen on-site permanently affordable units for rent.

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 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.6

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

Policy 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

OBJECTIVE 12

BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

Policy 12.2

Consider the proximity of quality of life elements such as open space, child care, and neighborhood services, when developing new housing units.

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 13.1

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

The Project responds to the site's mixed-character by providing new dwelling units, which appropriately address the adjacent residential, light industrial and retail commercial uses. The Project appropriately responds to the varied character of the larger neighborhood, and the building's facades provide a unique expression not commonly found within the surrounding area, while providing for a contrasting material palette. The Project site is ideally situated with easy access to transit routes along Mission Street and Cesar Chavez Street, and is within walking distance to the 24th Street Bay Area Regional Transit (BART) station that promotes "smart" regional growth.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 6. MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.9

Regulate uses so that traffic impacts and parking problems are minimized.

The project proposes 79 off-street parking spaces and three designated car-share spaces in an underground garage that are accessed by a single 20-foot wide vehicular driveway and curb cut along Shotwell Street. Two service vehicle loading spaces are also located in the garage and one on-street freight loading space is also proposed on 26th Street. The location of the basement level parking entrance/exit is the most appropriate for the project, ensures active uses are located along all the street frontages, and minimizes any conflicts with the pedestrian and transit movements.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 4:

PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.5:

Require private usable outdoor open space in new residential development.

Policy 4.6:

Assure the provision of adequate public open space to serve new residential development.

The Project provides 6,853 sq. ft. of usable common open space through a ground floor inner courtyard that measures 130-ft. by 110-ft. at its widest point to allow the minimum required amount of sunlight penetration. An additional 8,655 sq. ft. of common open space is provided by a roof deck at the sixth floor of the building. The Project also provides a combined 1,000 sq. ft. of private open space for ten ground floor units that open onto the inner courtyard. Although the Project also provides an additional 842 sq. ft. of non-compliant open space, the 15,508 sq. ft. of common usable open space exceeds the 14,700 sq. ft. that are required by the remaining 147 units. Therefore, the Project complies with Planning Code Sections 135 and 736.93.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24:

IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2:

Maintain and expand the planting of street trees and the infrastructure to support them.

Policy 24.3:

Install pedestrian-serving street furniture where appropriate.

Policy 24.4:

Preserve pedestrian-oriented building frontages.

The Project includes active uses including a corner commercial storefront with a generous floor-to-ceiling height of 20-feet, six trade shops that will have large roll-up doors, a residential amenity room and dwelling units with elevated stoops that have direct access to the public street along all three frontages of the building that would also be more than two-thirds fenestrated with transparent windows. The Project will include a streetscape plan that will comply with the City's Better Streets Plan and include new street trees, landscape planters, sidewalk and other pedestrian improvements to further activate the building frontages.

OBJECTIVE 28:
PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1:
Provide secure bicycle parking in new governmental, commercial, and residential developments.

Policy 28.3:
Provide parking facilities which are safe, secure, and convenient.

The Project includes 150 Class 1 bicycle parking spaces and ten Class 2 bicycle parking spaces in secure, convenient locations, thus meeting the amount required by the Planning Code.

OBJECTIVE 34:
RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.1:
Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3:
Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

Policy 34.5:
Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

The Project adheres to the principally permitted parking amounts within the Planning Code. The 82 proposed parking spaces are adequate for the Project that are accessed by one access point using an existing driveway that will not eliminate any existing on-street parking spaces.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1:
EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.3:

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

Policy 1.7:

Recognize the natural boundaries of districts, and promote connections between districts.

OBJECTIVE 3:

MODERATION OF 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 3.3:

Promote efforts to achieve high quality of design for buildings to be constructed at prominent locations.

Policy 3.4:

Promote building forms that will respect and improve the integrity of open spaces and other public areas

OBJECTIVE 4:

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

Policy 4.5:

Design walkways and parking facilities to minimize danger to pedestrians.

Policy 4.13:

Improve pedestrian areas by providing human scale and interest.

The Project's design reflects the influences of the surrounding neighborhood and the site, taking cues from the existing structure. The Project site includes three very distinct frontages and the building design responds to this unique context by breaking the building into three separate parts creating different visual experiences across the Project frontage. This change also affords the opportunity to create a different pedestrian experience at ground floor level on all three streets. The Project site includes a unique signature element at the corner of 26th Street and South Van Ness Avenue, and the building's massing is broken down and modulated with elements such as ground floor setbacks, bay windows, private patios and decks, and window variation. The exterior cladding is also varied with an expanded color palette to add to the scale and diversity of the building, integrating it into uniquely vibrant neighborhood.

MISSION AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1

STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK

Policy 1.1.8

While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

OBJECTIVE 1.2

IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.

Policy 1.2.1

Ensure that in-fill housing development is compatible with its surroundings.

Policy 1.2.3

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

Policy 1.2.4

Identify portions of the Mission where it would be appropriate to increase maximum heights for residential development.

Housing

OBJECTIVE 2.1

ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

Policy 2.1.1

Require developers in some formally industrial areas to contribute towards the City's very low-, low-, moderate- and middle-income needs as identified in the Housing Element of the General Plan.

OBJECTIVE 2.3

ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES

Policy 2.3.3

Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments unless all Below Market Rate units are two or more bedrooms.

Policy 2.3.5

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

Policy 2.3.6

Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

Built Form

OBJECTIVE 3.1

PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER

Policy 3.1.1

Adopt heights that are appropriate for the Mission's location in the city, the prevailing street and block pattern, and the anticipated land uses, while preserving the character of its neighborhood enclaves.

Policy 3.1.8

New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

OBJECTIVE 3.2

PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM

Policy 3.2.1

Require high quality design of street-facing building exteriors.

Policy 3.2.3

Minimize the visual impact of parking.

Policy 3.2.4

Strengthen the relationship between a building and its fronting sidewalk.

Policy 3.2.6

Sidewalks abutting new developments should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.

Transportation

OBJECTIVE 4.7

IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN THE MISSION

Policy 4.7.2

Provide secure, accessible and abundant bicycle parking, particularly at transit stations, within shopping areas and at concentrations of employment.

OBJECTIVE 4.8

ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS

Policy 4.8.1

Continue to require car-sharing arrangements in new residential and commercial developments, as well as any new parking garages.

Streets & Open Space

OBJECTIVE 5.3

CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS AND ECOLOGICAL SUSTAINABILITY OF THE NEIGHBORHOOD.

Policy 5.3.1

Redesign underutilized portions of streets as public open spaces, including widened sidewalks or medians, curb bulb-outs, "living streets" or green connector streets.

Policy 5.3.2

Maximize sidewalk landscaping, street trees and pedestrian scale street furnishing to the greatest extent feasible.

The Project includes the demolition of 35,714 sq. ft. of PDR space that served as the headquarters for the locally based McMillan Electric Company. This light industrial and commercial use is encouraged to be retained within the Mission, as it provides blue-collar jobs, assists in diversifying the neighborhood economy and provides a valued community resource. Although the Project results in a loss of PDR space, the development at 1515 South Van Ness Avenue includes a significant amount of new housing, including on-site BMR units as well as a diversity of housing types from small studios to larger family-sized units. The Project is made possible as the result of the sale of the subject parcels by the McMillan Electric Company which has already re-located to another location 1.5 miles away on Cesar Chavez Street. Overall,

the Project includes appropriate uses encouraged by the Area Plan for this location. The Project provides 157 new dwelling units that will be available for rent. In addition, the Project is designed to meet the prescribed height and bulk limits, and includes the appropriate dwelling unit mix with more than 40% or 64 units having two bedrooms. The Project introduces a contemporary architectural vocabulary that is sensitive to the prevailing scale and neighborhood fabric and provides a high quality designed exterior that features a variety of materials, colors and textures including fiber cement board vertical siding, smooth cement plaster, durable wood tone solid composite paneling, metal siding, aluminum storefronts, iron and glass railings, and dark bronze frame aluminum windows. The Project provides ample private and common open space and also improves the public rights-of-way with new streetscape improvements, street trees and landscaping. The Project minimizes the impact of off-street parking in an underground garage and is in proximity to numerous public transit options. The Project is also compatible with the surrounding residential, commercial and light industrial land uses. The Project will also pay the appropriate development impact fees, including the Eastern Neighborhoods Impact Fees. Despite the loss of PDR space, on balance, the Project meets the Objectives and Policies of the Mission Area Plan.

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 Project Site is currently occupied by a commercial building and associated parking lot for McMillan Electric Company, an electrical contractor. The Project would demolish this building and develop a new mixed-use residential building with 157 dwelling units, six trade shops and 1,074 square-feet of ground floor commercial space. Thus, the Project would provide new, commercial retail space for the residents and adjacent residential neighborhood. In addition, the new residents of the project would frequent the nearby existing retail uses.

- 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 site is located in a mixed-use neighborhood that proposes to provide 157 new, high quality residences, a corner retail storefront and six trade shop spaces for local artisans and makers. The Project embraces the character of the existing neighborhood in its design and quality of craftsmanship and is providing unit sizes compatible with the location.

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

The Project does not currently possess any existing affordable housing. The Project will comply with the City's Inclusionary Housing Program by providing nineteen below-market rate dwelling units for rent. Therefore, the Project will increase the stock of affordable housing units in the City.

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

The Project is primarily a residential project that will create minimal, if any, new commuter traffic that could over burden local streets or impact neighborhood parking. The Project would provide 81 off-street parking spaces including two car share spaces that is equal to 0.5 spaces per dwelling unit.

- 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 does not include commercial office development. The Project proposes a mixed-use residential and retail commercial development that will be consistent with the existing character of the Mission neighborhood. The previous owner and occupant, McMillan Electric Company has relocated to 1950 Cesar Chavez Street, which is located approximately 1.1 miles from 1515 South Van Ness Avenue. Its new location is more easily served by large trucks and is located in a predominately industrial and commercial neighborhood that is more compatible with its light industrial use. The Project will not result in the loss of a locally owned company or the displacement of any jobs.

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

The Project will be designed and constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the Property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

The Project site does not currently contain any City Landmarks or historic buildings.

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

The Project will not cast new shadows on property under the jurisdiction of the Recreation and Park Commission, and is a distance away that it will not impact parks or open spaces or their sunlight or vistas.

9. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.

10. 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.
11. 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. 2014.1020CUA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated March 21, 2016, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 303 and 304 Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 19727. 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 August 11, 2016.



Jonas P. Ionin
Commission Secretary

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

**Motion No. 19727
August 11, 2016**

**CASE NO. 2014.1020CUA
1515 South Van Ness Avenue**

NAYS: None

ABSENT: Wu

ADOPTED: August 11, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a Conditional Use to allow demolition of the existing structures and construction of a 188,277 gross square feet, 55 to 65 feet tall and five- to six-story building that includes 138,922 square feet of residential uses for up to 157 dwelling units, 5,241 square feet of commercial spaces including one retail commercial storefront and six trade shops and a 32,473 square feet partially underground garage for 82 accessory automobile and 150 bicycle parking spaces on a development site more than 10,000 square feet in area, and to allow modifications to the requirements for rear yard pursuant to Planning Code Section 134, dwelling unit exposure pursuant to Planning Code Section 140, ground floor street frontages in Neighborhood Commercial districts pursuant to Planning Code Section 145.1 and off-street freight loading pursuant to Planning Code Section 152, for the property located at 1515 South Van Ness Avenue, Block 6571 and Lots 001, 001A and 008, pursuant to Planning Code Sections 121.1, 303 and 304 within the Mission Street Neighborhood Commercial Transit (NCT) Zoning District and the 55/65-X Height and Bulk Districts; in general conformance with plans, dated July 27, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2014.1020CUA and subject to conditions of approval reviewed and approved by the Commission on August 4, 2016, under Motion No. 19727. 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 August 11, 2016 under Motion No. 19727.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19727 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. **Mitigation Measures.** Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2014.1020ENV) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

DESIGN – COMPLIANCE AT PLAN STAGE

7. **Final Materials.** The Project Sponsor shall continue to work with the Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review 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
8. **Commercial Uses.** The Project Sponsor shall continue to work with the Planning Department to incorporate trade shop and other Code compliant uses consistent with the Latino Cultural District.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
9. **Streetscape Plan.** Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with the Department of Public Works and the Metropolitan Transportation Agency, to refine the design and programming of the Streetscape Plan so that the plan generally will meet the standards of the Better Streets Plan, and all applicable City standards. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
10. **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 architectural addenda. 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
11. **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

12. **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:

- 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;
- On-site, in a driveway, underground;
- On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- On-site, in a ground floor façade.
- 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;
- Public right-of-way, underground; and based on Better Streets Plan guidelines;
- Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- 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>

PARKING AND TRAFFIC

13. **Unbundled Parking.** All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

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

14. **Parking Maximum.** Pursuant to Planning Code Section 151.1, the Project shall provide no more than 79 off-street accessory residential spaces.

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

15. **Car Share Requirement.** Pursuant to Planning Code Section 166, the Project shall provide at least two, and not more than five additional dedicated car-share parking spaces. The required car-share spaces shall be made available, at no cost, to a certified car-share organization for purposes of providing car-share services for its car-share service subscribers.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
16. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 150 Class 1 bicycle parking spaces and ten (10) Class 2 bicycle parking spaces for the 157 dwelling units and 5,241 sq. ft. of commercial space.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
17. **Managing Traffic During Construction.** The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
18. **Parking for Affordable Units.** All off-street parking spaces shall be made available to Project residents only as a separate “add-on” option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner’s rules be established, which prevent or preclude the separation of parking spaces from dwelling units.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

PROVISIONS

19. **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 Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
20. **Transportation Sustainability Fee.** Pursuant to Planning Code Section 411A, the Project Sponsor shall pay the Transit Sustainability Fee (TSF) as required by and based on drawings submitted with the Building Permit Application. Prior to the issuance of a temporary certificate of occupancy, the Project Sponsor shall provide the Planning Director with certification that the fee has been paid.

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

21. **Residential Childcare Impact Fee.** Pursuant to Planning Code Section 414A, the Project Sponsor shall comply with the Residential Childcare Impact Fee provisions through payment of an Impact Fee pursuant to Article 4.

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

22. **Eastern Neighborhoods Infrastructure Impact Fee.** Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.

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

23. **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. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

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

MONITORING

24. **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

25. **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

26. **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>

27. **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>

28. **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

29. **Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

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

INCLUSIONARY AFFORDABLE HOUSING PROGRAM

30. **Number of Required Units.** Pursuant to Planning Code Section 415.6, the Project is currently required to provide 12% of the proposed dwelling units as affordable to qualifying households, 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. Recently adopted Ordinance No. 76-16 (File No. 160255) will become effective after the election is certified and includes grandfathering provisions for projects that were submitted to the Planning Department prior to January 12, 2016. The Project contains 157 units; therefore, 19 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the 19 affordable units on-site. If the Project is subject to a different requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements at the time of compliance. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

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.

- 1) **Unit Mix.** The Project contains 88 studios, 5 one-bedroom, and 64 two-bedroom units. Therefore, the required affordable unit mix is 10 studios, 1 one-bedroom, and 8 two-bedrooms, or the unit mix that may be required if the inclusionary housing requirements change as discussed above. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.

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.

- 2) **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.

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.

- 3) **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than twelve percent (12%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.

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.

- 4) **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.

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.

- 5) **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 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 MOHCD at 1 South Van Ness Avenue or on the Planning Department or Mayor's Office of Housing'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.

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 affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- b. If the units in the building are offered for rent, the affordable unit(s) shall be rented to qualifying households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average fifty-five (55) percent of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco," but these income levels are subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the Project is subject to a different income level requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements. The initial and subsequent rent level of such units shall be calculated according to the Procedures Manual. Limitations on (i) occupancy; (ii) lease changes; (iii) subleasing, and; are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.
- d. Required parking spaces shall be made available to renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements 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.

- f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions (as defined in California Government Code Section 65915 et seq.) provided herein. The Project Sponsor has executed the Costa Hawkins agreement and will record a Memorandum of Agreement prior to issuance of the first construction document or must revert payment of the Affordable Housing Fee.
- g. If the Project Sponsor 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 Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.