

[Conditionally Reversing the Approval of a Final Mitigated Negative Declaration - Proposed 570 Market Street Project]

Motion conditionally reversing the approval by the Planning Commission of a Final Mitigated Negative Declaration under the California Environmental Quality Act for the proposed 570 Market Street project, subject to the adoption of written findings of the Board in support of this determination.

WHEREAS, The Planning Commission (Commission) approved a Final Mitigated Negative Declaration (FMND) for the proposed project at 570 Market Street (Project) on May 1, 2025; and

WHEREAS, The 7,045-square-foot Project site is located on the north side of Market Street within the triangular block bound by Market Street to the southeast, Sutter Street to the north, and Montgomery Street to the west, in the Financial District neighborhood, in a C-3-O (Downtown Office) use district and a 300-S height and bulk district; and

WHEREAS, The Project site is occupied by two separate two-story commercial buildings over a shared one-story basement level of approximately 16,195-gross-square feet; it is relatively flat and does not have any curb cuts; and there are currently two sidewalk trees on the Project’s Market Street frontage; and

WHEREAS, The Project would demolish the two existing two-story-over-basement buildings and construct a 29-story, approximately 300-foot-tall building containing hotel use; it would provide approximately 3,400 gross square feet of retail space on the ground floor and mezzanine levels fronting Market Street and an approximately 123,000-square-foot hotel space that would accommodate about 211 guest rooms; it would also provide approximately 4,200 gross square feet of privately owned public open space (POPOS), which would include

1 a 2,300-square-foot outdoor terrace and 1,900 square feet of indoor support space for the
2 dedicated public entrance and elevator lobby to the POPOS; and

3 WHEREAS, The Project would be supported on a hybrid foundation that would consist
4 of a four-foot mat slab supporting the approximate southern half of the building, while the
5 remaining building portion would be supported by a 6- to 10-foot foundation bearing on 6-foot-
6 diameter piles that would be drilled approximately 40 feet into bedrock, for a total length of
7 around 160 feet under the mat slab; and

8 WHEREAS, Project construction is anticipated to last approximately 24 months and
9 would require excavation of the total site footprint (7,045 square feet) to approximately 7 to 13
10 feet below ground surface (bgs), require removal of approximately 3,900 cubic yards of soil;
11 and

12 WHEREAS, On October 1, 2019, Melinda Sarjapur, of Reuben, Junius & Rose LLP, on
13 behalf of Frontier Group LLC (Project Sponsor) filed a project application with the Planning
14 Department (Department) for the Project; and

15 WHEREAS, On October 30, 2024, the Department issued a Preliminary Mitigated
16 Negative Declaration (PMND) for the Project, determining that it could not have a significant
17 impact on the environment; and

18 WHEREAS, On November 20, 2024, Brian Flynn, on behalf of BCal 44 Montgomery
19 Property LLC, and Edward Shaffer, on behalf of Chelsea Pacific Group, LLC, owner of the
20 adjacent 564 Market Street (also known as the Chancery Building), filed separate appeals of
21 the PMND with the Planning Commission; and

22 WHEREAS, On November 20, 2024, the 20-day appeal period ended; however, at the
23 time of PMND publication, two technical appendices were inadvertently not available for public
24 review on the department website, and as a result, the comment period was extended by an
25 additional 20 days to December 12, 2024, once the appendices became available; and

1 WHEREAS, After several continuances of the appeal hearing and the filing of
2 supplemental letters of appeal, on May 1, 2025, the Commission denied the appeal of the
3 PMND and approved the Final Mitigated Negative Declaration; and

4 WHEREAS, On September 11, 2025, the Commission approved the Downtown Project
5 Authorization and Conditional Use Authorization for the Project, adopting the FMND, including
6 the Mitigation Monitoring and Reporting Program (MMRP), which was adopted as a condition
7 of approval; and

8 WHEREAS, On October 10, 2025, Brian Flynn of Lozeau Drury LLP on behalf of BCal
9 44 Montgomery Property LLC and Anna Shimko of Burke, Williams & Sorensen, LLP on
10 behalf of Chelsea Pacific Group, LLC CPH 54, LP (Appellants) submitted separate appeals of
11 the FMND to the Board of Supervisors; and

12 WHEREAS, The Commission's approval of the Downtown Project Authorization and
13 the Conditional Use Authorization constitutes the approval action for purposes of Chapter 31;
14 and

15 WHEREAS, The Planning Department's Environmental Review Officer, by
16 memorandum to the Clerk of the Board dated October 15, 2025, determined that the appeals
17 had been timely filed; and

18 WHEREAS, On November 18, 2025, the Board of Supervisors held a duly noticed
19 public hearing to consider the appeal of the FMND filed by Appellants; and

20 WHEREAS, In reviewing the appeals of the FMND, the Board of Supervisors reviewed
21 and considered the environmental determination, the appeal letters, the responses to the
22 appeal documents that the Planning Department and the project sponsor prepared, the other
23 written records before the Board of Supervisors and all of the public testimony made in
24 support of and opposed to the appeal; and
25

1 WHEREAS, The written record and oral testimony in support of and opposed to the
2 appeal and deliberation of the oral and written testimony at the public hearing before the
3 Board of Supervisors by all parties and the public in support of and opposed to the appeal of
4 the FMND is in the Clerk of the Board of Supervisors File No. 251034, and are incorporated in
5 this motion as though set forth in its entirety; now, therefore, be it

6 MOVED, That this Board of Supervisors conditionally reverses the Planning
7 Commission's FMND, subject to the adoption of written findings of the Board in support of this
8 determination.

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