



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 20035

HEARING DATE: OCTOBER 19, 2017

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Case No.: **2015-005848GPA**
Project Address: **1601-1645 Market Street (aka 1629 Market St Mixed-Use Project)**
Existing Zoning: NCT-3 (Neighborhood Commercial, Moderate Scale) Zoning District;
P (Public) Zoning District
OS, 40-X and 85-X Height and Bulk Districts
Proposed Zoning: NCT-3 (Neighborhood Commercial, Moderate Scale) Zoning District;
P (Public) Zoning District
OS, 68-X and 85-X Height and Bulk Districts
Block/Lot: 3505/001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A, 034, 035
Project Sponsor: Strada Brady, LLC
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RESOLUTION RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE AMENDMENTS TO MAP NO. 01 AND MAP NO. 03, AND POLICY 7.2.5 OF THE MARKET & OCTAVIA AREA PLAN, AND MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1, AND FINDINGS UNDER PLANNING CODE SECTION 340 AND THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, Section 4.105 of the Charter of the City and County of San Francisco provides to the Planning Commission the opportunity to periodically recommend General Plan Amendments to the Board of Supervisors; and

WHEREAS, pursuant to Planning Code Section 340(C), the Planning Commission (“Commission”) initiated a General Plan Amendment for the 1629 Market Street Mixed-Use Project (“Project”), per Planning Commission Resolution No. 19994 on September 14, 2017.

WHEREAS, these General Plan Amendments would enable the Project. The Project is a new mixed-use development with new residential, retail, and institutional uses, as well as a publicly-accessible open space. The Project would demolish the existing UA Local 38 building, demolish the majority of the Lesser Brothers Building at 1629-1645 Market Street, and rehabilitate the Civic Center Hotel at 1601 Market Street, as well as demolish the 242-space surface parking lots on the project site. The Project would construct a total of five new buildings on the project site, including a new UA Local 38 Building, and a 10-story addition to the Lesser Brothers Building with ground-floor retail/restaurant space at the corner of Brady and Market Streets (“Building A”). A new 10-story residential building with ground-floor retail/restaurant space (“Building B”) would be constructed on Market Street between the new UA Local 38 building and Building A. A nine-story residential building would be constructed at the end of Colton Street and south of Stevenson Street (“Building D”). The five-story Civic Center Hotel (also referred to as “Building C”), would be rehabilitated to contain residential units and ground-floor retail/restaurant space, and a new six-story Colton Street Affordable Housing building would be

constructed south of Colton Street as part of the proposed project. Overall, the proposed project would include construction of 455,900 square feet of residential use that would contain up to 484 residential units and up to 100 affordable units in the Colton Street Affordable Housing building, for a total of up to 584 units. In addition, the Project would include 32,100 square feet of union facility use, 13,000 square feet of ground-floor retail/restaurant use, and 33,500 square feet of publicly-accessible and residential open space. As part of the project, the Project Sponsor would develop a new privately-owned publicly-accessible open space at the northeast corner of Brady and Colton Streets.

WHEREAS, these General Plan Amendments would amend Map No. 01, Map No. 3, and Policy 7.2.5 of the Market & Octavia Area Plan to reference and permit implementation of the 1629 Market Street Mixed-Use Project.

WHEREAS, this Resolution approving these General Plan Amendments is a companion to other legislative approvals relating to the 1629 Market Street Mixed-Use Project, including recommendation of approval of Planning Code Text Amendments and Zoning Map Amendments, and recommendation for approval of the Development Agreement.

WHEREAS, on October 19, 2017, the Planning Commission reviewed and considered the Final EIR for the 1629 Market Street Mixed Project (FEIR) and found the FEIR to be adequate, accurate and objective, thus reflecting the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR, and approved the FEIR for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31.

WHEREAS, on October 19, 2017, by Motion No. 20033, the Commission certified the Final Environmental Impact Report for the 1629 Market Street Mixed-Use Project as accurate, complete and in compliance with the California Environmental Quality Act ("CEQA").

WHEREAS, on October 19, 2017, the Commission by Motion No. 20034 approved California Environmental Quality Act (CEQA) Findings, including adoption of a Mitigation Monitoring and Reporting Program (MMRP), under Case No. 2015-005848ENV, for approval of the Project, which findings are incorporated by reference as though fully set forth herein.

WHEREAS, the CEQA Findings included adoption of a Mitigation Monitoring and Reporting Program (MMRP) as Attachment B, which MMRP is hereby incorporated by reference as though fully set forth herein and which requirements are made conditions of this approval.

WHEREAS, on October 19, 2017, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on General Plan Amendment Application Case No. 2015-005848GPA.

WHEREAS, a draft ordinance, substantially in the form attached hereto as Exhibit A, approved as to form, would amend Map No. 01, Map No. 03 and Policy 7.2.5 of the Market & Octavia Area Plan.

NOW THEREFORE BE IT RESOLVED, that the Planning Commission hereby finds that the General Plan Amendments promote the public welfare, convenience and necessity for the following reasons:

1. The General Plan Amendments would help implement the 1629 Market Street Mixed-Use Project development, thereby evolving currently under-utilized land for needed housing, commercial space, and open space.

2. The General Plan Amendments would help implement the 1629 Market Street Mixed-Use Project, which in turn will provide employment opportunities for local residents during construction and post-occupancy, as well as a new open space for new and existing residents.
3. The General Plan Amendments would help implement the 1629 Market Street Mixed-Use Project by enabling the creation of a new mixed-use development. This new development would integrate with the surrounding City fabric and the existing neighborhood as outlined in the Market & Octavia Area Plan.
4. The General Plan Amendments would enable the construction of a new vibrant, safe, and connected neighborhood, including a new publicly-accessible open space. The General Plan Amendments would help ensure a vibrant neighborhood with active streets and open spaces, high quality and well-designed buildings, and thoughtful relationships between buildings and the public realm.
5. The General Plan Amendments would enable construction of new housing, including new on-site affordable housing and new supportive housing. These new uses would create a new mixed-use development that would strengthen and complement nearby neighborhoods.
6. The General Plan Amendments would facilitate the preservation and rehabilitation of Civic Center Hotel--an important historic resource.

AND BE IT FURTHER RESOLVED, that the Planning Commission finds these General Plan Amendments are in general conformity with the General Plan, and the Project and its approvals associated therein, all as more particularly described in Exhibits A (Legal Description), B (Project Description and Site Plan), and E (Approvals) to the Development Agreement on file with the Planning Department in Case No. 2015-005848DVA, are each on balance, consistent with the following Objectives and Policies of the General Plan, as it is proposed to be amended as described herein, and as follows:

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 1.3

Work proactively to identify and secure opportunity sites for permanently affordable housing.

Policy 1.8

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

Policy 1.10

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

OBJECTIVE 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 4.2

Provide a range of housing options for residents with special needs for housing support and services.

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 is a mixed-use development that will contain up to 584 dwelling units, approximately 26-28% of which will be affordable to low- and very low-income residents. These affordable units include inclusionary affordable units and a standalone supportive housing building for formerly homeless individuals providing approximately 100 units through a unique arrangement between the Project Sponsor and Community Housing Partnership. As detailed in the Development Agreement, the Project exceeds the Planning Code's inclusionary affordable housing requirements, and will provide an approximately 26-28% level of on-site affordable housing at Project buildout. The Project is located near major public transportation in an area that is easily accessible for bicyclists and pedestrians.

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 11.6

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

Policy 11.7

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

The Project, as described in the Development Agreement, renovates and rehabilitates the existing Civic Center Hotel for residential uses, retaining the building's exterior character-defining features, including the building's height and massing, three brick-clad street-facing elevations on Market, 12th, and Stevenson Streets, cast stone and sheet metal ornament on the Market and 12th Street facades, street-level storefronts, regular pattern of double-hung windows, and neon blade sign. The Project would retain the entire 140-foot-long Market Street façade of the Lesser Brothers Building, which is the building's primary façade and only façade with ornamentation, including the following character-defining features: the façade's single-story height, storefronts divided by piers and capped by wood-frame transoms, stucco-clad and cast cement frieze and cornice, and tile-clad pent roof. In addition, the Project would retain 80 percent (48 of 60 feet) of the west (Brady Street) façade, as well as 40 percent (24 of 60 feet) of the east façade, which currently abuts 1621 Market Street. The Lesser Brothers Building's single-story height and massing would be eliminated, but the Market Street façade and portions of the Brady Street façade and newly exposed east façade would remain visible as a single-story element. The retained façades would be incorporated into the new 85-foot-tall structure containing mixed residential and retail/restaurant uses, with a 10-foot setback, irregularly-spaced, multi-story rectangular bay windows and a new material palette providing contrast with the historic façades, while aligning rectangular bays with storefronts in the retained façades to create a geometric relationship between old and new construction. These historic resources would be incorporated as integral parts of the overall Project design, massing, and street wall context for Market and 12th Streets. The Project's high-quality architectural and landscape design encourages variety, compatibility with the surrounding context, and strong urban design with prominent corners at 12th and Brady Streets. The Project has been designed to promote community interaction, both within the Project through common residential open space and with the broader community, through access to the public open space.

OBJECTIVE 12:

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

Policy 12.1

Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

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.

The Project balances housing with new and improved infrastructure and related public benefits. The Project is located along major transit corridors within close proximity to major regional and local public transit lines. The Project includes incentives for use of transit, walking, and bicycling through its TDM program. In addition, the Project's streetscape design would enhance vehicular, bicycle, and pedestrian access and connectivity through the site. The new and rehabilitated buildings constructed as part of the Project would rely on transit use and is easily accessed by bicyclists and pedestrians. The Project is located in an area that is well-served by retail and other neighborhood services.

The Project will provide approximately 33,500 square feet of open space, including approximately 23,400 square feet of privately-owned, publicly-accessible open space that will create a community benefit for the neighborhood, in furtherance of the Market & Octavia Area Plan.

The Project contributes substantially to quality of life elements such as open space, affordable housing, and streetscape improvements.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1:

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development that has substantial undesirable consequences that cannot be mitigated.

The Project would provide a distinct mixed-used development with residential (including substantial new affordable housing), union hall, retail, and open space uses, leveraging the Project site's location along major transit corridors and allowing people to work and live within close proximity to transit. The Project would incorporate varying heights, massing, and scale, creating a strong, consistent streetwall along Market Street. The Project would create appropriate density at a location that is well served by transit and would include substantial new on-site open space to support and activate the new active ground floor and open space uses in the Project and to serve the broader neighborhood.

The Project would help meet the job creation goals established in the City's Economic Development Strategy by generating new employment opportunities and stimulating job creation. The Project would also construct high-quality housing with sufficient density to contribute to 24-hour activity on the Project site, while offering a mix of unit types, sizes, and levels of affordability to accommodate a range of potential residents. The Project would facilitate a vibrant, interactive ground plane for Project and neighborhood residents, commercial users, and the public, with public spaces providing ample opportunities for recreation, and adjacent ground floor building spaces that would maximize circulation between, and cross-activation of, interior and exterior spaces.

OBJECTIVE 3:

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

Policy 3.2

Promote measures designed to increase the number of San Francisco jobs held by San Francisco residents.

The Project would help meet the job creation goals established in the City's Economic Development Strategy by generating new employment opportunities, and by providing expanded employment opportunities for City residents at varying employment levels both during and after construction. The Development Agreement's

community benefit programs include commitments to construction and operations workforce first source hiring, as well as local business enterprise requirements for construction and end use jobs.

TRANSPORTATION ELEMENT

OBJECTIVE 2:

USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

Policy 2.1

Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development, and coordinate new facilities with public and private development.

Policy 2.5

Provide incentives for the use of transit, carpools, vanpools, walking and bicycling and reduce the need for new or expanded automobile and automobile parking facilities.

The Project is located in a transit-rich location, within close proximity to Muni's Van Ness station, BART and Muni's Civic Center station, and numerous bus and streetcar lines running down Market Street. The Project includes a detailed, TDM program tailored to the Project uses, with various performance measures, monitoring and enforcement measures designed to incentivize use of transit and other alternatives to single occupancy vehicle trips. The Project's design, including its streetscape elements, is intended to promote and enhance walking and bicycling opportunities.

OBJECTIVE 23:

IMPROVE THE CITY'S PEDESTRIAN CIRCULATION SYSTEM TO PROVIDE FOR EFFICIENT, PLEASANT, AND SAFE MOVEMENT.

Policy 23.1

Provide sufficient pedestrian movement space with a minimum of pedestrian congestion in accordance with a pedestrian street classification system.

The Project will encourage pedestrian access within the Project site through north/south and east/west access to the proposed publicly accessible open space, with mid-block passages and related streetscape improvements. Stevenson Street and Colton Street would receive pedestrian-friendly improvements and amenities, and passageways through the block would be recreated; at present, those passageways are largely blocked by surface parking lots. All streetscape improvements would be consistent with the Better Streets Plan.

URBAN DESIGN ELEMENT

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 1.2

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

Policy 1.3

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

The Project would re-establish north/south and east/west connections through the block via pedestrian walkways and pedestrian-friendly street improvements. New buildings would range in height from 58 to 85 feet, complementing the existing historic Civic Center Hotel building (57 feet tall) and incorporating the Lesser Brothers Building as integral parts of the overall Project design, massing, and street wall context for Market and 12th Streets, with strong urban design and prominent corners at 12th and Brady Streets. The Civic Center Hotel building would retain its exterior character-defining features, and the new adjacent UA Local 38 building would be set back three feet to provide separation, with vertically-oriented fenestration and bays that complement the Civic Center Hotel's Market Street façade, and would provide a visual buffer between the Civic Center Hotel and taller construction at Building B. At the Lesser Brothers Building, new construction would be set back 10 feet from the retained façades, with irregularly-spaced, multi-story rectangular bay windows and a new material palette providing differentiation between the new construction and the resource, with alignment of the rectangular bays and the storefronts in the retained façades creating a compatible relationship between the structures. Although the Lesser Brothers Building's single-story height and massing would be eliminated, the entire Market Street façade and portions of the other retained façades would remain visible as a single-story element. Accordingly, the Project's new construction and rehabilitation of the Civic Center Hotel, along with its incorporation of the Lesser Brothers Building, would be compatible with, yet differentiated from, those resources and other nearby historic resources.

OBJECTIVE 2:

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.4

Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.

Policy 2.5

Use care in remodeling of older buildings, in order to enhance rather than weaken the original character of such buildings.

The Project would retain and rehabilitate the Civic Center Hotel, in compliance with the Secretary of the Interior's Standards, and would promote preservation of the historic resource by repurposing it within a modern mixed-use development while retaining the resource's exterior character-defining features. The adjacent new UA Local 38 building would be set back three feet from the Civic Center Hotel to provide separation, with vertically-oriented fenestration and bays that complement the Civic Center Hotel's Market Street façade, and would provide a visual buffer between the Civic Center Hotel and taller construction at Building B. Although the Lesser Brothers Building's single-story height and massing would be eliminated, the entire Market Street façade and portions of the other retained façades would remain visible as a single-story element. Construction of the mixed-use building with residential and retail/restaurant uses above the retained facades of the Lesser

Brothers Building would be set back 10 feet from those retained facades, with features such as rectangular bay windows and a new material palette that differentiate new construction from the retained resource, while also creating a compatible relationship between the structures allowing for continued visibility of much of the façade as a single-story element. Accordingly, new construction would be compatible with, yet differentiated from, the existing historic context.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 1:

ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM.

Policy 1.1

Encourage the dynamic and flexible use of existing open spaces and promote a variety of recreation and open space uses, where appropriate.

The Project would create approximately 33,500 square feet of open space, including approximately 23,400 square feet of privately-owned, publicly-accessible open space that will create a community benefit for the neighborhood, in furtherance of the Market & Octavia Plan, and substantially increasing the amount of open space in the neighborhood. The publicly-accessible open space would consist of both passive recreation and more active recreation opportunities, such as a children's play area, and will encourage socialization and community building. The Project would provide approximately 10,100 square feet of common residential open space for the benefit of the Project's residents.

Policy 1.12

Preserve historic and culturally significant landscapes, sites, structures, buildings and objects.

See Discussion in Urban Element Objective 2, Policy 2.4 and 2.5, which is incorporated by reference.

MARKET & OCTAVIA AREA PLAN

Land Use and Urban Form

OBJECTIVE 1.1:

CREATE A LAND USE PLAN THAT EMBRACES THE MARKET AND OCTAVIA NEIGHBORHOOD'S POTENTIAL AS A MIXED-USE URBAN NEIGHBORHOOD.

Policy 1.1.2

Concentrate more intense uses and activities in those areas best served by transit and most accessible on foot.

Policy 1.1.5

Reinforce the importance of Market Street as the city's cultural and ceremonial spine.

OBJECTIVE 1.2:

ENCOURAGE URBAN FORM THAT REINFORCES THE PLAN AREA'S UNIQUE PLACE IN THE CITY'S LARGER URBAN FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

Policy 1.2.2

Maximize housing opportunities and encourage high-quality commercial spaces on the ground floor.

Policy 1.2.7

Encourage new mixed-use infill on Market Street with a scale and stature appropriate for the varying conditions along its length.

Housing

OBJECTIVE 2.2:

ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA.

Policy 2.2.2

Ensure a mix of unit sizes is built in new development and is maintained in existing housing stock.

Policy 2.2.4

Encourage new housing above ground-floor commercial uses in new development and in expansion of existing commercial buildings.

OBJECTIVE 2.4:

PROVIDE INCREASED HOUSING OPPORTUNITIES AFFORDABLE TO HOUSEHOLDS AT VARYING INCOME LEVELS.

Building With a Sense of Place

OBJECTIVE 3.1:

ENCOURAGE NEW BUILDINGS THAT CONTRIBUTE TO THE BEAUTY OF THE BUILT ENVIRONMENT AND THE QUALITY OF STREETS AS PUBLIC SPACE.

Policy 3.1.1

Ensure that new development adheres to principles of good urban design.

OBJECTIVE 3.2:

PROMOTE THE PRESERVATION OF NOTABLE HISTORIC LANDMARKS, INDIVIDUAL HISTORIC BUILDINGS, AND FEATURES THAT HELP TO PROVIDE CONTINUITY WITH THE PAST.

Policy 3.2.1

Promote the preservation of notable historic landmarks, individual historic buildings, and features that help to provide continuity with the past.

Policy 3.2.2

Encourage rehabilitation and adaptive reuse of historic buildings and resources.

Policy 3.2.10

Apply the "Secretary of the Interior's Standards for the Treatment of Historic Properties" for all projects that affect individually designated buildings at the local, state, or national level.

Policy 3.2.12

Preserve the cultural and socio-economic diversity of the plan area through preservation of historic resources.

Policy 3.2.13

To maintain the City's supply of affordable housing, historic rehabilitation projects may need to accommodate other considerations in determining the level of restoration.

Streets and Open Spaces

OBJECTIVE 4.3:

REINFORCE THE SIGNIFICANCE OF THE MARKET STREET STREETScape AND CELEBRATE ITS PROMINENCE AS SAN FRANCISCO'S SYMBOLIC "MAIN STREET."

POLICY 4.3.1

Recognize the importance of the entire Market Street corridor in any improvements to Market Street proposed for the plan area.

A New Neighborhood in SoMa West

OBJECTIVE 7.2:

ESTABLISH A FUNCTIONAL, ATTRACTIVE AND WELL-INTEGRATED SYSTEM OF PUBLIC STREETS AND OPEN SPACES IN THE SOMA WEST AREA TO IMPROVE THE PUBLIC REALM.

Policy 7.2.5 (As Amended)

Make pedestrian improvements within the block bounded by Market, Twelfth, Otis, and Gough Streets and redesign Twelfth Street between Market and Mission Streets, creating a new park and street spaces for public use, and new housing opportunities.

The Market & Octavia Plan anticipated development of the Project site with a new park and housing opportunities, as part of a broader effort to create a vibrant, dense, mixed-use urban neighborhood taking advantage of Market Street and the ample nearby transit opportunities. The Project is consistent with the objectives and policies of the Market & Octavia Plan, and with the specific Policy 7.2.5 outlined for the Project site, with amendments to reflect the proposed private development of the publicly accessible open space and coordination with BART regarding the adjacent BART-owned parcel. The Project would concentrate new units of market-rate and affordable housing within close proximity to transit and ample pedestrian and bicycle facilities. The Project's design would improve and enhance the street wall context for Market and 12th Streets, with strong urban design and prominent corners at 12th and Brady Streets, in recognition of Market Street's current and historic importance. Up to 584 housing units would be provided on an infill site, including a

substantial amount of affordable housing on-site, with an appropriate mix of unit sizes and types to accommodate a diverse range of individuals and families, while also creating retail and restaurant spaces that reinforce the Market and Octavia Plan Area's uniqueness, physical fabric, and character. The Project would rehabilitate the Civic Center Hotel while retaining all of its exterior character-defining features, integrating adjacent construction in a manner that provides separation and a visual buffer between the retained Civic Center Hotel and taller Project buildings. The Project would retain the entire 140-foot-long Market Street façade of the Lesser Brothers Building, which is the building's primary façade and only façade with ornamentation, including the following character-defining features: the façade's single-story height, storefronts divided by piers and capped by wood-frame transoms, stucco-clad and cast cement frieze and cornice, and tile-clad pent roof. Although the Lesser Brothers Building's single-story height and massing would be eliminated, the Market Street façade and portions of the Brady Street façade and newly exposed east façade would remain visible as a single-story element. The retained façades would be incorporated into the new 85-foot-tall structure containing mixed residential and retail/restaurant uses, with a 10-foot setback, irregularly-spaced, multi-story rectangular bay windows and a new material palette providing contrast with the historic façades, while aligning rectangular bays with storefronts in the retained façades to create a geometric relationship between old and new construction. The Project's incorporation of the Lesser Brothers Building strikes a balance between preservation, urban design, and maximizing housing opportunities—including affordable housing—on transit-rich infill sites.

The Project would be consistent with Policy 7.2.5, with the amendments discussed above, as well as Maps 1 ("Land Use Districts") and 3 ("Height Districts"), which would be amended to reflect the configuration of the privately-owned publicly accessible open space and the increase in height at the Colton Street Affordable Housing Building site from 40-X to 68-X to allow for up to 100 supportive housing units for formerly homeless individuals to be built.

AND BE IT FURTHER RESOLVED, that the Planning Commission finds these General Plan Amendments are in general conformity with the Planning Code Section 101.1, and the Project and its approvals associated therein, all as more particularly described in Exhibits A (Legal Description), B (Project Description and Site Plan), and E (Approvals) to the Development Agreement on file with the Planning Department in Case No. 2015-005848DVA, are each on balance, consistent with the following Objectives and Policies of the General Plan, as it is proposed to be amended as described herein, and as follows:

- 1) *That existing neighbor-serving retail uses will be preserved and enhanced, and future opportunities for resident employment in and ownership of such businesses enhanced;*

The project site currently contains limited retail uses along the Market Street frontage. The site's retail uses will be retained and improved as part of a series of active spaces at the ground floor, with the total retail area expected to remain at approximately 13,000 square feet, as under existing conditions. The individual retail spaces are relatively small in size and allow for a variety of different users, providing opportunity for diverse neighborhood-serving retail, including for local businesses with local employees and ownership. As part of a new, vibrant mixed-use community, these retail spaces will have the opportunity to thrive with additional customers and improved facilities. In addition, future Project residents will patronize existing retail uses in the nearby neighborhood, enhancing the local retail economy. The Project will maintain and enhance existing retail storefronts on Market Street.

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

The Project is a mixed-use and mixed-income development, which provides a range of improvements, housing, and services that preserve the neighborhood's cultural and economic diversity. It includes approximately 584 units, approximately 26-28% of which will be affordable to low- and very low-income residents, and market rate units with a range of unit sizes to accommodate a diverse set of residents. These affordable units include affordable inclusionary units and the Supportive Housing Project's approximately 100 units, including integrated community and social service space. The Project will exceed the one-for-one replacement requirements of Administrative Code Chapter 41 by providing approximately 100 units of supportive housing on-site to replace the existing 71 protected market-rate residential hotel units in the Civic Center Hotel. This will be the first project to comply with Chapter 41 by including supportive housing within a new market-rate development to provide an integrated, mixed-income community. The Supportive Housing Project will offer vastly improved living conditions compared to the residential hotel units within the existing Civic Center Hotel—the new units will have private bathrooms and kitchenettes, and will benefit from community and social service space included in the building. The Project will be phased so that current residents can move directly into the new units and will not be displaced during construction, ensuring that all existing housing will be replaced with higher quality housing tied to social services. No Mayor's Office of Housing development grants will be required to build the Supportive Housing Project.

- 3) *That the City's supply of affordable housing be preserved and enhanced;*

The existing residential hotel units will be replaced with higher quality housing meeting modern Code requirements and tied to social services, and offered first to current permanent residents of the Civic Center Hotel. The Project will enhance the City's supply of affordable housing through its affordable housing commitments in the Development Agreement, which will result in a total of approximately 26-28% on-site affordable housing units.

- 4) *That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;*

The Project would not impede transit service or overburden streets and neighborhood parking. The Project does not include any additional commercial office uses that would generate commuter traffic, and the Project includes a robust transportation program with an on-site Transportation Demand Management (TDM) program. The Project locates housing and retail uses within close proximity to public transit on Market Street and Van Ness Avenue. Moreover, the Project contains new space for vehicle parking at a level that encourages transit and alternative modes of transportation while also ensuring sufficient parking capacity so that the Project would not overburden neighborhood parking.

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

The Project does not include additional commercial office development, and does not displace any industrial or service uses. The site will maintain and improve the existing UA Local 38 office and meeting hall, creating a visible and enhanced trade union work and meeting space. In addition, the restaurant

and retail uses would provide future opportunities for resident employment and ownership in the service sector.

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

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

- 7) *That landmarks and historic buildings be preserved;*

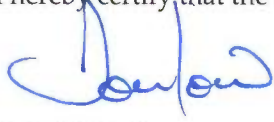
The Project would preserve and rehabilitate the Civic Center Hotel, adapting it to a modern residential use while maintaining its exterior character-defining elements through compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. The Project would retain the entire 140-foot-long Market Street façade of the Lesser Brothers Building, which is the building's primary façade and only façade with ornamentation, including most of the building's character-defining features. It would also retain 80 percent (48 of 60 feet) of the west (Brady Street) façade, as well as 40 percent (24 of 60 feet) of the east façade, which currently abuts 1621 Market Street. The Lesser Brothers Building's single-story height and massing would be eliminated, but the Market Street façade and portions of the Brady Street façade and newly exposed east façade would remain visible as a single-story element. The façades would be incorporated into the new 85-foot-tall structure containing mixed residential and retail/restaurant uses, set back 10 feet from the retained façade, in a manner that allows the Project to incorporate the Lesser Brothers Building as an integral part of the overall Project design, massing, and streetwall context for Market and 12th Streets, and maximizes the number of on-site affordable housing units as compared to alternatives with larger setbacks.

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

The Project site does not currently contain parks or open spaces, and the Project will create major new private and publicly-accessible open spaces on private property. The Project will not affect any of the City's existing parks or open space or their access to sunlight and vistas. The shadow diagrams prepared as part of the Project's environmental review demonstrate that the Project will not cast shadows on any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission. The location, orientation and massing of structures on the site has been designed to maximize solar access to the Project's open spaces, including the major new publicly accessible open space.

AND BE IT FURTHER RESOLVED, that pursuant to Planning Code Section 340, the Commission recommends to the Board of Supervisors **APPROVAL** of the aforementioned General Plan Amendments. This approval is contingent on, and will be of no further force and effect until the date that the San Francisco Board of Supervisors has approved the Zoning Map Amendment, Planning Code Text Amendment, and Development Agreement.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on October 19, 2017.



Jonas P. Ionin
Commission Secretary

AYES: Fong, Johnson, Koppel and Richards

NOES: None

ABSENT: Hillis, Melgar, and Moore

ADOPTED: October 19, 2017