



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion NO. 19505

HEARING DATE: November 12, 2015

Hearing Date: November 12, 2015
Case No.: 2012.1398E
Project Address: 1601-1677 Mariposa Street and 485-497 Carolina Street
Zoning: UMU (Urban Mixed Use) Use District
40-X Height and Bulk District
Showplace Square/Potrero Subarea of the Eastern Neighborhoods
Rezoning and Area Plan
Block/Lot: Block 4005/Lots: 001B and 004 and Block 4006/Lots 006, 010, 019, and 020
Project Sponsor: Related/Mariposa Development Co., LLC
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ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR A PROPOSED MIXED-USE PROJECT THAT INCLUDES APPROXIMATELY 408,160 SQUARE FEET OF RESIDENTIAL USES (APPROXIMATELY 299 UNITS), 9,555 GROSS SQUARE FEET (GSF) OF GROUND FLOOR COMMERCIAL (RETAIL AND RESTAURANT) AND PRODUCTION, DISTRIBUTION AND REPAIR (PDR) SPACE DISTRIBUTED THROUGHOUT BOTH EAST AND WEST BUILDINGS. THE PROJECT WOULD ALSO INCLUDE VEHICULAR PARKING AND BICYCLE PARKING, PRIVATE- AND PUBLICLY-ACCESSIBLE OPEN SPACE, AND STREETScape AND PUBLIC-REALM IMPROVEMENTS.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the final Environmental Impact Report identified as Case No. 2012.1398E, the "1601 Mariposa Street Mixed-Use Project" at 1601-1677 Mariposa Street and 485-497 Carolina Street.

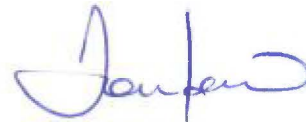
Street and various other parcels, above (hereinafter "Project"), based upon the following findings:

1. The City and County of San Francisco, acting through the Planning Department (hereinafter "Department") fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 *et seq.*, hereinafter "CEQA"), the State CEQA Guidelines (Cal. Admin. Code Title 14, Section 15000 *et seq.*, hereinafter "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31").
 - A. The Department determined that an Environmental Impact Report (hereinafter "EIR") was required and provided public notice of that determination by publication in a newspaper of general circulation on May 14, 2014.

- B. The Department held a public scoping meeting on June 13, 2014 in order to solicit public comment on the scope of the 1601 Mariposa Street Project's environmental review.
 - C. On December 17, 2014, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.
 - D. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site by Department staff on December 17, 2014.
 - E. On December 17, 2014, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.
 - F. Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on December 17, 2014.
2. The Commission held a duly advertised public hearing on said DEIR on January 22, 2015 at which opportunity for public comment was given, and public comment was received on the DEIR. The period for acceptance of written comments ended on February 17, 2015.
 3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 63-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Comments and Responses document, published on October 15, 2015, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.
 4. A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Comments and Responses document all as required by law.
 5. Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.
 6. On November 12, 2015, the Commission reviewed and considered the information contained in the FEIR and hereby does find that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code.

7. The project sponsor has indicated that the presently preferred project is the Preferred Project, analyzed in the Comments and Responses document, and as further refined as described in the various proposed approvals for the 1601 Mariposa project.
8. The Planning Commission hereby does find that the FEIR concerning File No. 2012.1398E reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the DEIR, and hereby does CERTIFY THE COMPLETION of said FEIR in compliance with CEQA and the CEQA Guidelines.
9. The Commission, in certifying the completion of said FEIR, hereby does find that the project described in the EIR:
 - A. Will have significant, project-specific effects on the environment by contributing considerably to existing LOS F conditions at one study intersections (i.e., Mariposa/Mississippi Streets); and
 - B. Will have significant cumulative effects on the environment by contributing to substantial delays at two study intersections (i.e., Mariposa/Mississippi Streets; 16th/Arkansas Streets) ; and
10. The Planning Commission reviewed and considered the information contained in the FEIR prior to approving the Project.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of November 12, 2015.



Jonas P. Ionin

Commission Secretary

AYES: Antonini, Hillis, Johnson, Fong, Moore, Richards and Wu
NOES: None
ABSENT: None
ADOPTED: November 12, 2015



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion NO. 19506

HEARING DATE: November 12, 2015

Case No.: 2012.1398E
Project Address: 1601-1677 Mariposa Street and 485-497 Carolina Street
Zoning: UMU (Urban Mixed Use) Use District
40-X Height and Bulk District
Showplace Square/Potrero Subarea of the Eastern Neighborhoods
Rezoning and Area Plan
Block/Lot: Block 4005/Lots: 001B and 004 and Block 4006/Lots 006, 010, 019, and 020
Project Sponsor: Related/Mariposa Development Co., LLC
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ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, INCLUDING FINDINGS OF FACT, FINDINGS REGARDING SIGNIFICANT IMPACTS AND SIGNIFICANT AND UNAVOIDABLE IMPACTS, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES, AND A STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO APPROVALS FOR THE PROJECT, LOCATED AT 1601 MARIPOSA STREET, TO DEMOLISH THREE EXISTING ONE- AND TWO-STORY COMMERCIAL, OFFICE AND WAREHOUSE BUILDINGS AND ASSOCIATED SURFACE PARKING LOTS, AND TO CONSTRUCT TWO FOUR-STORY MIXED-USE BUILDINGS, REFERRED TO AS THE "EAST" AND "WEST" BUILDINGS (APPROXIMATELY 331,534 GSF) WITH UP TO 299 DWELLING UNITS AND GROUND FLOOR COMMERCIAL SPACE (APPROXIMATELY 5,593 GSF OF RETAIL, 3,962 GSF OF PDR) AND BELOW GRADE PARKING FOR 249 VEHICLES.

PREAMBLE

On January 23, 2014, Related/Mariposa Development Company, LLC (Attn: Susan Smartt)(hereinafter "Project Sponsor") filed Application No. 2012.1398EX (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct two new four-story, 40-foot tall, mixed-use buildings, referred to as "East" and "West" Buildings (approximately 331,534 gsf) with up to 299 dwelling units and ground floor retail and PDR space at 1601 Mariposa Street (Block 4005 Lots 001B and 004; Block 4006, 010,019 and 020) in San Francisco, California.

On December 17, 2014, the Department published a Draft Environmental Impact Report ("DEIR") for the Project for public review (Case No. 2012.1398E). The DEIR was available for public comment until February 17, 2015. On January 22, 2015, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On October 15, 2015, the

Department published a Comments and Responses document, responding to comments made regarding the DEIR for the Project.

On November 12, 2015, at a duly noticed public hearing at a regularly scheduled meeting, the Planning Commission adopted these findings, including a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program.

MOVED, that the Commission hereby adopts the Project findings required by CEQA attached hereto as "Attachment A" including a Statement of Overriding Considerations, and adopts the MMRPs included as "Exhibit 1" to "Attachment A".

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of November 12, 2015.

Jonas P. Ionin
Commission Secretary

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

NOES: None

ABSENT: None

ADOPTED: November 12, 2015

Attachment A

California Environmental Quality Act Findings

PREAMBLE

In determining to approve the project described in Section I, below, the ("Project"), the San Francisco Planning Commission (the "Commission") makes and adopts the following findings of fact and decisions regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. ("CEQA"), particularly Section 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Section 15000 et seq. ("CEQA Guidelines"), Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Commission adopts these findings in conjunction with the Approval Actions described in Section I(c), below, as required by CEQA.

These findings are organized as follows:

Section I provides a description of the proposed project at 1601 Mariposa Street, the environmental review process for the Project, the City approval actions to be taken, and the location and custodian of the record.

Section II lists the Project's less-than-significant impacts that do not require mitigation.

Section III identifies potentially significant impacts that can be avoided or reduced to less-than-significant levels through mitigation and describes the disposition of the mitigation measures.

Section IV identifies significant project-specific or cumulative impacts that would not be eliminated or reduced to a less-than-significant level and describes any applicable mitigation measures as well as the disposition of the mitigation measures. The Final EIR identified mitigation measures to address these impacts, but implementation of the mitigation measures will not reduce the impacts to a less than significant level.

Sections III and IV set forth findings as to the mitigation measures proposed in the Final EIR. (The Draft EIR and the Comments and Responses document together comprise the Final EIR, or "FEIR.") Attachment B to the Planning Commission Motion contains the Mitigation Monitoring and Reporting Program ("MMRP"), which provides a table setting forth each mitigation measure listed in the Final Environmental Impact Report that is required to reduce a significant adverse impact.

Section V identifies the project alternatives that were analyzed in the EIR and discusses the reasons for their rejection.

Section VI sets forth the Planning Commission's Statement of Overriding Considerations pursuant to CEQA Guidelines Section 15093.

The MMRP for the mitigation measures that have been proposed for adoption is attached with these findings as **Attachment B** to this Motion. The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. Attachment B provides a table setting forth each mitigation measure listed in the FEIR that is required to reduce a significant adverse impact. Attachment B also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule. The full text of the mitigation measures is set forth in Attachment B.

These findings are based upon substantial evidence in the entire record before the Commission. The references set forth in these findings to certain pages or sections of the Draft Environmental Impact Report ("Draft EIR" or "DEIR") or the Comments and Responses document ("C&R") in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

I. PROJECT DESCRIPTION AND PROCEDURAL BACKGROUND

A. Project Description

The Project Sponsor proposes to demolish three existing one- and two-story commercial, office, and warehouse buildings and associated surface parking lots, and construct two four-story mixed-use buildings (referred to as the "East" and "West" Buildings) with below-grade parking on an approximately 3.36-acre project site located at 1601-1677 Mariposa Street and 485-497 Carolina Street in the Potrero Hill area of San Francisco. A maximum of 299 residential units and 9,555 square feet of ground floor commercial space would be distributed throughout both buildings. A two-level below-grade parking garage under the East Building would contain approximately 249 parking spaces and would be accessible from Arkansas Street (upper garage level) and 18th Street (lower garage level). The proposed East and West Buildings would have heights ranging from 31 feet to 40 feet. A total of approximately 42,777 gsf of publicly accessible and private open space would be developed throughout the project site. In addition, the project includes excavation and remediation of hazardous materials in site soils and treatment of groundwater, pursuant to an approved Response Plan and with oversight from the California Department of Toxic Substances Control (DTSC). A Vapor Intrusion Mitigation System would also be installed and a Land Use Covenant would be established implementing Institutional Controls, requiring soil covers, and prohibiting groundwater extraction and use to protect future site users from residual contamination.

The project site is within the Urban Mixed-Use (UMU) Zoning District. Per the San Francisco General Plan (General Plan), UMU is a land use designation intended to promote a vibrant mix of uses while maintaining the characteristics of this formerly industrial-zoned area. The project site is irregularly shaped and comprised of three adjacent lots currently developed with three separate one- and two-story structures constructed between 1940 and 1992 (plus two sheds and a trailer), 100 surface parking spaces, 15 bus parking spaces, and 6 loading spaces. The existing buildings comprise a total of 74,696 gsf. The one-story, approximately 54,360 gsf building at 1601 Mariposa Street includes office, retail, and warehouse uses formerly occupied by MacKenzie Warehouse Auto Parts. The neighboring 1677 Mariposa Street property is occupied by a bus depot operated by Coach 21, and includes 5 staff parking spaces, 15 bus parking spaces, areas for bus maintenance activities, a one-story 960 gsf office trailer and a

two-story 2,378 gsf warehouse/maintenance building. The property at 485-497 Carolina Street is occupied by a 16,510 gsf one-story commercial building which is divided into six separate suites occupied by six tenants with storage, office space, personal services and (Production, Distribution, and Repair) PDR uses.

B. Project Objectives

The Project Sponsor has developed the following objectives for the proposed project:

- ▶ Redevelop a large underutilized site with a range of dwelling units, ground floor commercial and retail uses, and open space amenities.
- ▶ Create a mixed-use project consistent with the Urban Mixed Use (UMU) zoning and the objectives and policies of the Showplace Square/Potrero Area Plan.
- ▶ Build a substantial number of residential units on the site to contribute to the City's General Plan Housing Element goals, ABAG's Regional Housing Needs Allocation for the City and County of San Francisco, and to respond to the City's current shortage of housing.
- ▶ Provide affordable dwelling units on-site, pursuant to the City's Inclusionary Affordable Housing Program.
- ▶ Provide neighborhood services in the immediate vicinity for future residents and adjacent neighbors.
- ▶ Create a development that is generally consistent with the height and bulk limits and other development controls recently established for the site in the Eastern Neighborhoods rezoning.
- ▶ Incorporate private open space for the use by project residents and publically accessible open space maintained by the project sponsor in an amount equal to or greater than required by the UMU zoning.
- ▶ Develop a feasible project capable of providing an adequate return on investment sufficient to attract both equity and debt financing.
- ▶ Remediate existing hazardous substances on the project site to protect future site users.

C. Project Approvals

The Project requires the following Planning Commission approvals:

- ▶ Planning Commission Certification of the EIR
- ▶ Findings of General Plan and Priority Policies consistency
- ▶ Large Project Authorization, which includes exceptions to the following Planning Code standards:
 - Planning Code Section 134 for the required rear yard

- Planning Code Section 152.1 for the required loading zones
- Planning Code Section 270.1 for the horizontal mass reduction
- Planning Code Section 145.1 for interior commercial floor-to-floor heights

Actions by Other City Departments and State Agencies

- ▶ Demolition and building permits (Department of Building Inspection)
- ▶ Approval of Color Curb Program for all proposed changes in loading zones and the reconfiguration/removal/addition of on-street parking spaces (San Francisco Municipal Transportation Agency)
- ▶ Approval of Lot Merger and Subdivision Map to merge and re-subdivide the separate lots that comprise the project site (San Francisco Department of Public Works and Board of Supervisors)
- ▶ Review of Dust Control Plan (San Francisco Department of Public Health)
- ▶ Review of California Land Use and Revitalization Act (CLRRA) Final Response Plan (California Department of Toxic Substances Control)
- ▶ Review of Asbestos Dust Mitigation Plan (Bay Area Air Quality Management District)

D. Environmental Review

The Project is within the Eastern Neighborhoods Area Plan area, the environmental impacts of which were examined in the Eastern Neighborhoods Program EIR (Eastern Neighborhoods PEIR). The Planning Commission (hereafter referred to as “Commission”) certified the Eastern Neighborhoods PEIR on August 7, 2008.

Section 15183 of the CEQA Guidelines provides an exemption from 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 has been certified, except as may be necessary to examine whether an project-specific effects are peculiar to the project or project site. Under this exemption, 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 the prior EIR for the underlying zoning or plan; c) are potentially significant off-site or cumulative impacts that were not discussed in the underlying EIR; or d) were previously identified as significant effects in the underlying EIR, but that have been determined to have a more severe adverse impact than that discussed in the underlying EIR.

Because this Project is within the Eastern Neighborhoods Plan Area, a community plan exemption (“CPE”) Checklist was prepared for the project to analyze whether it would result in peculiar, project-specific environmental effects that were not sufficiently examined in the Eastern Neighborhoods PEIR. The CPE Checklist (Appendix A to the Draft EIR) concluded that, with the exception of transportation and circulation, hazards and hazardous materials, and shadow, the proposed project would not result in

any new significant environmental impacts or impacts of greater severity than were analyzed in the Eastern Neighborhoods PEIR.

Thus, the Department determined that a focused Environmental Impact Report (hereinafter "EIR") should be prepared and published a NOP with a CPE Checklist under the Eastern Neighborhoods PEIR on May 21, 2014. Topics analyzed in the EIR were Transportation and Circulation, Shadow, and Hazards Recreation, and Hazardous Materials. Additionally, while the CPE Checklist determined that impacts related to Recreation would be less than significant, that topic was also evaluated in the EIR.

On December 17, 2014, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.

Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site by the Project Sponsor on December 17, 2014.

On December 17, 2014, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.

Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on December 17, 2014.

The Commission held a duly advertised public hearing on the DEIR on January 22, 2015, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for commenting on the EIR ended on February 17, 2015.

The Department prepared responses to comments on environmental issues received during the 63 day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Responses to Comments document, published on October 15, 2015, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.

A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Responses to Comments document all as required by law. The CPE Checklist is included as Appendix A to the DEIR and is incorporated by reference thereto.

Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.

On November 12, 2015, the Commission reviewed and considered the FEIR and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed

comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. The FEIR was certified by the Commission on November 12, 2015 by adoption of its Motion No. XXXXX.

E. Content and Location of Record

The record upon which all findings and determinations related to the adoption of the proposed project are based include the following:

- The FEIR, and all documents referenced in or relied upon by the FEIR, including the CPE Checklist prepared under the Eastern Neighborhoods PEIR;
- All information (including written evidence and testimony) provided by City staff to the Planning Commission relating to the FEIR, the proposed approvals and entitlements, the Project, and the alternatives set forth in the FEIR;
- All information (including written evidence and testimony) presented to the Planning Commission by the environmental consultant and subconsultants who prepared the FEIR, or incorporated into reports presented to the Planning Commission;
- All information (including written evidence and testimony) presented to the City from other public agencies relating to the project or the FEIR;
- All applications, letters, testimony, and presentations presented to the City by the Project Sponsor and its consultants in connection with the project;
- All information (including written evidence and testimony) presented at any public hearing or workshop related to the project and the EIR;
- The MMRP; and,
- All other documents comprising the record pursuant to Public Resources Code Section 21167.6(e).

The public hearing transcripts and audio files, a copy of all letters regarding the FEIR received during the public review period, the administrative record, and background documentation for the FEIR are located at the Planning Department, 1650 Mission Street, 4th Floor, San Francisco. The Planning Department, Jonas P. Ionin, is the custodian of these documents and materials.

F. Findings about Environmental Impacts and Mitigation Measures

The following Sections II, III and IV set forth the Commission's findings about the FEIR's determinations regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide the written analysis and conclusions of the Commission regarding the environmental impacts of the Project and the mitigation measures included as part of the FEIR and adopted by the Commission as part of the Project. To avoid duplication and redundancy, and because the Commission agrees with, and hereby adopts, the conclusions in the FEIR, these findings will not repeat

the analysis and conclusions in the FEIR but instead incorporate them by reference and rely upon them as substantial evidence supporting these findings.

In making these findings, the Commission has considered the opinions of staff and experts, other agencies, and members of the public. The Commission finds that (i) the determination of significance thresholds is a judgment decision within the discretion of the City and County of San Francisco; (ii) the significance thresholds used in the FEIR are supported by substantial evidence in the record, including the expert opinion of the FEIR preparers and City staff; and (iii) the significance thresholds used in the FEIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the Project. Thus, although, as a legal matter, the Commission is not bound by the significance determinations in the FEIR (see Public Resources Code, Section 21082.2, subdivision (e)), the Commission finds them persuasive and hereby adopts them as its own.

These findings do not attempt to describe the full analysis of each environmental impact contained in the FEIR. Instead, a full explanation of these environmental findings and conclusions can be found in the FEIR, and these findings hereby incorporate by reference the discussion and analysis in the FEIR supporting the determination regarding the project impact and mitigation measures designed to address those impacts. In making these findings, the Commission ratifies, adopts and incorporates in these findings the determinations and conclusions of the FEIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings.

As set forth below, the Commission adopts and incorporates the applicable mitigation measures found in the Eastern Neighborhoods PEIR and all of the mitigation measures set forth in the Project FEIR, which are set forth in the attached MMRP, to reduce the significant and unavoidable impacts of the Project. The Commission intends to adopt the mitigation measures proposed in the FEIR as well as the applicable mitigation measures proposed in the Eastern Neighborhoods PEIR. Accordingly, in the event a mitigation measure recommended in the FEIR or Eastern Neighborhoods PEIR has inadvertently been omitted in these findings or the MMRP, such mitigation measure is hereby adopted and incorporated in the findings below by reference. In addition, in the event the language describing a mitigation measure set forth in these findings or the MMRP fails to accurately reflect the mitigation measures in the FEIR or Eastern Neighborhoods PEIR due to a clerical error, the language of the policies and implementation measures as set forth in the FEIR or Eastern Neighborhoods PEIR shall control. The impact numbers and mitigation measure numbers used in these findings reflect the information contained in the FEIR and Eastern Neighborhoods PEIR.

In Sections II, III and IV below, the same findings are made for a category of environmental impacts and mitigation measures. Rather than repeat the identical finding to address each and every significant effect and mitigation measure, the initial finding obviates the need for such repetition because in no instance is the Commission rejecting the conclusions of the FEIR or the Eastern Neighborhoods PEIR or the mitigation measures recommended in the FEIR or in the Eastern Neighborhoods PEIR for the Project.

These findings are based upon substantial evidence in the entire record before the Planning Commission. The references set forth in these findings to certain pages or sections of the EIR or responses to comments in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

II. LESS-THAN-SIGNIFICANT IMPACTS

The CPE Checklist (Appendix A to the DEIR) and the Final EIR found that implementation of the Project would result in less-than-significant impacts in the following environmental topic areas: Land Use and Land Use Planning; Aesthetics; Population and Housing; Cultural and Paleontological Resources; Noise; Air Quality; Greenhouse Gas Emissions; Wind and Shadow; Recreation; Utilities and Service Systems; Public Services; Biological Resources; Geology and Soils; Hydrology and Water Quality; Mineral and Energy Resources; and Agriculture and Forest Resources.

Note: Senate Bill (SB) 743 became effective on January 1, 2014. Among other things, SB 743 added § 21099 to the Public Resources Code and eliminated the requirement to analyze aesthetics and parking impacts for certain urban infill projects under CEQA. The proposed project meets the definition of a mixed-use residential project on an infill site within a transit priority area as specified by Public Resources Code § 21099. Accordingly, the FEIR did not discuss the topic of Aesthetics, which are no longer considered in determining the significance of the proposed project's physical environmental effects under CEQA. The FEIR nonetheless provided visual simulations for informational purposes. Similarly, the FEIR included a discussion of parking for informational purposes. This information, however, did not relate to the significance determinations in the FEIR.

III. FINDINGS OF SIGNIFICANT IMPACTS THAT CAN BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT LEVEL THROUGH MITIGATION AND THE DISPOSITION OF THE MITIGATION MEASURES

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible. The findings in this section concern four potential impacts and mitigation measures proposed in the Eastern Neighborhoods PEIR and the CPE Checklist for this project and four potential impacts and mitigation measures proposed in the FEIR. These mitigation measures are included in the MMRP. A copy of the MMRP is included as Attachment B to the Planning Commission Motion adopting these findings. The CPE Checklist found that three mitigation measures identified in the Eastern Neighborhoods PEIR would be required for this project to eliminate or reduce to a less-than-significant level potential noise impacts of the Project, as set forth below. The CPE Checklist also found that one mitigation measure proposed in the Eastern Neighborhoods PEIR would be required for this project to avoid any potential adverse effect from the proposed project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a)(c). The FEIR found that four mitigation measures would be required for this project to reduce to a less than significant level hazards and hazardous materials impacts.

The Project Sponsor has agreed to implement the following mitigation measures to address a potential noise and archeological materials impacts identified in the CPE Checklist and FEIR. As authorized by CEQA Section 21081 and CEQA Guidelines Section 15091, 15092, and 15093, based on substantial evidence in the whole record of this proceeding, the Planning Commission finds that, unless otherwise stated, the Project will be required to incorporate mitigation measures identified in the FEIR and the Eastern Neighborhoods PEIR into the project to mitigate or to avoid significant or potentially significant environmental impacts. Except as otherwise noted, these mitigation measures will reduce or avoid the potentially significant impacts described in the Final EIR, and the Commission finds that these mitigation

measures are feasible to implement and are within the responsibility and jurisdiction of the City and County of San Francisco to implement or enforce.

Additionally, the required mitigation measures are fully enforceable and are included as conditions of approval in the Planning Commission's Large Project Authorization under Planning Code Section 329 and also will be enforced through conditions of approval in any building permits issued for the Project by the San Francisco Department of Building Inspection. With the required mitigation measures, these project impacts would be avoided or reduced to a less-than-significant level. The Planning Commission finds that the mitigation measures presented in the MMRP are feasible and shall be adopted as conditions of project approval.

The following mitigation measures would be required to reduce cultural and paleontological impacts, noise impacts, and hazards and hazardous materials impacts identified in the Eastern Neighborhoods PEIR and FEIR to a less-than-significant level:

Project Mitigation Measure 1: Archeological Testing (Implementing Eastern Neighborhoods PEIR Mitigation Measure J-2)

Impact CPE-1: Impacts to archaeological resources. The proposed project would include demolition of existing site buildings, excavation and soil disturbance, and construction activities; therefore, Eastern Neighborhoods PEIR Mitigation Measure J-2 Archeological Testing, addressing the potential impacts to archaeological resources, is required to reduce this impact to a less than significant level.

Project Mitigation Measure 2: Construction Noise (Implementing Eastern Neighborhoods PEIR Mitigation Measure F-2)

Impact CPE-2: Impacts associated with construction noise. The proposed project would include demolition, excavation and construction activities; therefore, Eastern Neighborhoods PEIR Mitigation Measure F-2 Construction Noise, addressing the potential impacts associated with construction noise, is required to reduce this impact to a less than significant level.

Project Mitigation Measure 3: Siting of Noise-Sensitive Uses (Implementing Eastern Neighborhoods PEIR Mitigation Measure F-4)

Impact CPE-3: Impacts associated with operation-period noise impacts to sensitive uses. The proposed project would include construction of new mixed-use buildings with residential and commercial uses; therefore, Eastern Neighborhoods PEIR Mitigation Measure F-4 Siting of Noise-Sensitive Uses, addressing the potential impacts to sensitive uses associated with operation-period noise, is required to reduce this impact to a less than significant level.

Project Mitigation Measure 4: Open Space in Noisy Environments (Implementing Eastern Neighborhoods PEIR Mitigation Measure F-6)

Impact CPE-4: Impacts associated with operation-period noise impacts to open space uses. The proposed project would include construction of new mixed-use buildings with residential and commercial uses; therefore, Eastern Neighborhoods PEIR Mitigation Measure F-6 Open Space in Noisy Environments, addressing the potential impacts to open space uses associated with operation-period noise, is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2a: Hazardous Building Materials (Implementing Eastern Neighborhoods PEIR Mitigation Measure L-1)

Impact HZ-2a: Potential release of hazardous materials during demolition. The proposed project would include demolition of existing site buildings; therefore, Eastern Neighborhoods PEIR Mitigation Measure L-1 Hazardous Building Materials, addressing the removal of hazardous building materials prior to demolition, is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2b: Hazardous Remedial Excavation Materials (Implementing Remedial Measures)

Impact HZ-2b: Potential release of hazardous materials during remedial excavation. The proposed project would include remedial excavation activities; therefore, a Remedial Design and Implementation Plan is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2c: Hazardous Construction Materials (Implementing Remedial Measures)

Impact HZ-2c: Potential release of hazardous materials during construction. The proposed project would include construction of site improvements; therefore, a Vapor Intrusion Mitigation System Remedial Design and Implementation Plan is required to reduce this impact to a less than significant level.

Project Mitigation Measure M-HZ-2e: Hazardous Operation Materials (Implementing Remedial Measures)

Impact HZ-2e: Potential release of hazardous materials during operation. The proposed project would include operation activities; therefore, Response Plan Certification, a Covenant to Restrict Use of Property, and Operations and Maintenance Agreement, and an Operations and Maintenance Plan are required to reduce this impact to a less than significant level.

IV. SIGNIFICANT IMPACTS THAT CANNOT BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT LEVEL

Based on substantial evidence in the whole record of these proceedings, the Planning Commission finds that there are significant project-specific and cumulative impacts that would not be eliminated or reduced to an insignificant level by the mitigation measures listed in the MMRP. The FEIR identifies two significant and unavoidable impacts on transportation and circulation.

The Planning Commission further finds based on the analysis contained within the FEIR, other considerations in the record, and the significance criteria identified in the FEIR, that feasible mitigation measures are not available to reduce the significant Project impacts to less-than-significant levels, and thus those impacts remain significant and unavoidable. The Commission also finds that, although measures were considered in the FEIR that could reduce some significant impacts, certain measures, as described in this Section IV below, are infeasible for reasons set forth below, and therefore those impacts remain significant and unavoidable or potentially significant and unavoidable.

Thus, the following significant impacts on the environment, as reflected in the FEIR, are unavoidable. But, as more fully explained in Section VI, below, under Public Resources Code Section 21081(a)(3) and (b), and CEQA Guidelines 15091(a)(3), 15092(b)(2)(B), and 15093, the Planning Commission finds that these impacts are acceptable for the legal, environmental, economic, social, technological and other benefits of the Project. This finding is supported by substantial evidence in the record of this proceeding.

Under Existing Plus Project conditions, the project would contribute to the existing unacceptable operating conditions at one intersection (Mariposa Street and Mississippi Street) by five percent or more. In addition, the project (combined with past, present, and reasonably foreseeable future projects) would result in a considerable contribution to significant cumulative traffic impacts at two intersections (16th Street and Arkansas Street, and Mariposa Street and Mississippi Street) by five percent or more. These impacts have been identified as significant, and no feasible mitigation measures have been identified to reduce these impacts to a less than significant level.

The FEIR identifies the following impacts on transportation and circulation, for which no feasible mitigation measures were identified:

Impact TR-2: The proposed project would cause a substantial increase in traffic that would substantially affect traffic operations at one of the 13 study intersections – Mariposa Street and Mississippi Street. No feasible mitigation measures were identified after consideration of several potential mitigation measures. For instance, while signalization at this intersection would reduce the project’s impacts to a less-than-significant level, San Francisco Municipal Transportation Agency (SFMTA) did not recommend signalization because the intersection has not been identified as a candidate or priority for signalization. Additionally, while other improvements such as the installation of a right-turn pocket at the intersection were also considered, SFMTA indicated that proposed traffic calming and pedestrian improvement projects planned for implementation at the intersection would preclude the installation of a turn-pocket. In a Memorandum dated March 10, 2014, Planning Department and SFMTA staff concluded that “the traffic patterns at this particular intersection are more effectively served by an all-way STOP control than by a traffic signal. The existing STOP sign on westbound Mariposa Street slows traffic on westbound Mariposa Street as it approaches Mississippi Street, where the land uses change from generally commercial to mostly residential. SFMTA does not want to encourage a substantial amount of through westbound movements on Mariposa Street west of Mississippi Street, which a traffic signal could encourage.” Therefore, no feasible mitigation measures were found to reduce the proposed project’s significant impact at the intersection of Mariposa Street and Mississippi Street to less-than-significant levels, rendering Impact TR-2 significant and unavoidable.

Impact C-TR-2: The proposed project, combined with past, present, and reasonably foreseeable future projects, would contribute considerably to significant cumulative traffic impacts at two of the 13 study intersections – 16th Street and Arkansas Street and Mariposa Street and Mississippi Street. No feasible mitigation measures were identified after consideration of several potential mitigation measures. For instance, signalization of the intersection at 16th Street and Arkansas Street was considered, however due to its location on the 16th Street corridor and proposed improvements related to the SFMTA’s Muni Forward project (which includes bus rapid transit improvements such as signal prioritization for buses along the 16th Street corridor), SFMTA did not recommend signalization of the intersection, which would not be consistent with the other proposed improvements along 16th Street. Additionally, the restriping

the northbound approach and adding a right-turn pocket at the 16th Street and Arkansas Street Intersection was considered in order to increase lane capacity, however the uncontrolled eastbound and westbound approaches restrict the ability for vehicles traveling in the northbound direction to turn on to 16th Street, rendering this measure infeasible. Similarly, signalization and other improvement measures at the Mariposa Street and Mississippi Street intersection were considered, but were deemed infeasible or otherwise incapable of improving operating conditions for the reasons stated above under Impact C-TR-2. Therefore, no feasible mitigation measures were found to reduce the proposed project's significant impact at the intersections of 16th Street and Arkansas Street and Mariposa Street and Mississippi Street to less-than-significant levels, rendering the Impact C-TR-2 significant and unavoidable.

V. EVALUATION OF PROJECT ALTERNATIVES

A. Alternatives Analyzed in the FEIR

This section describes the alternatives analyzed in the Project FEIR and the reasons for rejecting the alternatives as infeasible. CEQA mandates that an EIR evaluate a reasonable range of alternatives to the Project or the Project location that generally reduce or avoid potentially significant impacts of the Project. CEQA requires that every EIR also evaluate a "No Project" alternative. Alternatives provide a basis of comparison to the Project in terms of their significant impacts and their ability to meet project objectives. This comparative analysis is used to consider reasonable, potentially feasible options for minimizing environmental consequences of the Project.

The Planning Department considered a range of alternatives in Chapter 6 of the FEIR. The FEIR analyzed the No Project Alternative, the Reduced Density Alternative, and the Reduced Height on Mariposa Street Alternative. Each alternative is discussed and analyzed in these findings, in addition to being analyzed in Chapter 6 of the FEIR. The Planning Commission certifies that it has independently reviewed and considered the information on the alternatives provided in the FEIR and in the record. The FEIR reflects the Planning Commission's and the City's independent judgment as to the alternatives. The Planning Commission finds that the Project provides the best balance between satisfaction of Project objectives and mitigation of environmental impacts to the extent feasible, as described and analyzed in the FEIR.

B. Reasons for Approving the Project

- To increase the City's supply of housing in an area designated for higher density pursuant to the Eastern Neighborhoods Plan.
- To increase the City's supply of affordable dwelling units.
- To provide ground floor retail and PDR space.
- To construct a high-quality project with superior design and a sufficient number of dwelling units to produce a reasonable return on investment for the Project Sponsor and investors and attract investment capital and construction financing.
- To construct streetscape improvements that encourage and enliven pedestrian activity.
- To remediate the soil contamination present at the site.

- To improve the architectural and urban design character of the project site by replacing run-down structures with a high-quality residential project incorporating a superior design.
- To provide adequate parking and vehicular access to serve the needs of project residents and their visitors.

C. Evaluation of Project Alternatives

CEQA provides that alternatives analyzed in an EIR may be rejected if “specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible . . . the project alternatives identified in the EIR.” (CEQA Guidelines § 15091(a)(3).) The Commission has reviewed each of the alternatives to the Project as described in the FEIR that would reduce or avoid the impacts of the Project and finds that there is substantial evidence of specific economic, legal, social, technological and other considerations that make these Alternatives infeasible, for the reasons set forth below.

In making these determinations, the Planning Commission is aware that CEQA defines “feasibility” to mean “capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, legal, and technological factors.” The Commission is also aware that under CEQA case law the concept of “feasibility” encompasses (i) the question of whether a particular alternative promotes the underlying goals and objectives of a project, and (ii) the question of whether an alternative is “desirable” from a policy standpoint to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, legal, and technological factors.

1. No Project Alternative

Under the No Project Alternative, the Project Site would remain in its existing condition. The existing buildings would likely continue to remain in their current condition for the foreseeable future. Baseline conditions described in detail for each environmental topic in Chapter 4, Environmental Setting, Impacts and Mitigation Measures, would remain and none of the impacts associated with the Project would occur.

The three existing one- and two-story structures (plus two sheds and a trailer), 100 surface parking spaces, 15 bus parking spaces, and 6 loading spaces would be retained, and the total 74,696 gsf occupied by commercial, office, warehouse, and automotive uses, including 68,570 gsf of production, distribution and repair (PDR) uses would continue operating at the site. Building heights on the site would not be increased. No open space would be developed within the site and no changes to surrounding loading or curb space would occur. The existing underground storage tanks (USTs) would not be removed and associated soil contamination would not be remediated and removed.

The Planning Commission rejects the No Project Alternative as infeasible because it would fail to meet the Project Objectives and the City’s policy objectives for the following reasons:

- 1) The No Project Alternative would not meet any of the Project Sponsor’s objectives;
- 2) The No Project Alternative would be inconsistent with key goals of the Eastern Neighborhood Plan with respect to housing production. With no new housing created here and no construction, the No Project Alternative would not increase the City’s housing stock of both market rate and

affordable housing, would not create new job opportunities for construction workers, and would not expand the City's property tax base.

- 3) The No Project Alternative would leave the Project Site physically unchanged, and thus would not achieve any of the objectives regarding the redevelopment of a large underutilized site (primarily consisting of parking lots and limited commercial and PDR uses), creation of a mixed-use project within the UMU District, contribution to regional housing needs, provision of affordable dwelling units, provision of publicly-accessible open space, and provision of new neighborhood services.

For the foregoing reasons, the Planning Commission rejects the No Project Alternative as infeasible.

2. Reduced Density Alternative

The FEIR identified both the No Project Alternative and the Reduced Density Alternative as the environmentally superior alternatives.

The Reduced Density Alternative (Alternative B) would result in two, two- or three-story buildings not exceeding 30 feet in height, including alternating two or three floors of residential uses over a one-level subterranean garage, as opposed to the proposed project's buildings with heights ranging from 31 to 40 feet over a two-level, below-grade parking garage. The Reduced Density Alternative would include a total of 114 dwelling units and 106 off-street vehicle parking spaces, compared to the proposed project's 299 dwelling units and 249 vehicle parking spaces. The Reduced Density Alternative also would include 3,510 square feet of ground floor commercial space and a total building area of 145,070 gross square feet of total residential area, compared to 9,555 square feet of ground floor commercial space and a total building area of 427,570 gross square feet under the proposed project.

This alternative would include demolition of existing buildings and construction of an East and West Building, but with a smaller overall footprint and lower height than the proposed project. Additionally, this alternative would eliminate all of the project-specific and cumulative traffic-related significant and unavoidable impacts of the proposed project, reducing further the operational level of service impacts to all 13 study intersections to less-than-significant levels, and would further reduce less-than-significant shadow impacts.

The Planning Commission rejects the Reduced Density Alternative as infeasible because it would fail to meet the Project Objectives and City policy objections for the following reasons:

- 1) The Reduced Density Alternative would limit the project to 114 dwelling units; whereas the proposed project would provide 299 units to the City's housing stock and maximize the creation of new residential units. The City's important policy objective is to increase the housing stock whenever possible to address a shortage of housing in the City.
- 2) The proposed density would be consistent with other mixed-use residential developments in the vicinity, and the proposed project will enliven the surrounding streets, contribute to a safe, active neighborhood, while meeting the demands of the expanding San Francisco economy and growth in the project area.

- 3) The Reduced Density Alternative would create a project that would not fully utilize this site for housing production, thereby not fully satisfying General Plan policies such as Housing Element Policies 1.1 and 1.4, among others. While the Reduced Density Alternative would ameliorate the significant unavoidable impacts of the proposed project, the alternative would not create a project that is consistent with and enhances the existing scale and urban design character of the area or furthers the City's housing policies to create more housing, particularly affordable housing opportunities.
- 4) The Reduced Density Alternative is also economically infeasible. Large development projects are capital-intensive and depend on obtaining financing from equity investors to cover a significant portion of the project's costs, obtain a construction loan for the bulk of construction costs, and provide significant costs out-of-pocket. Equity investors require a certain profit margin to finance development projects and must achieve established targets for their internal rate of return and return multiple on the investment. Because the Reduced Density Alternative would result in a project that is significantly smaller than the Project, and contains 185 fewer residential units, the total potential for generating revenue is lower while the construction cost per square foot is higher due to lower economies of scale and the impact of fixed project costs associated with development. The reduced unit count would not generate a sufficient economic return to obtain financing and allow development of the proposed project and therefore would not be built.

The Project Sponsor had a memorandum entitled "Financial Feasibility Analysis of 1601 Mariposa Street Project" prepared by Seifel Consulting, Inc., which is included in the record. The memorandum concludes that the Reduced Density Alternative is not financially feasible because the development costs for the Reduced Density Alternative significantly exceed potential revenues, resulting in a negative developer margin or return. Specifically, implementation of the Reduced Density Alternative will result in total development costs of \$90 million for a total value of \$83 million, resulting in negative \$7 million developer margin or return. In addition, the Reduced Density Alternative does not meet either of the return thresholds as measured by either Yield On Cost or Return on Cost. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in the Reduced Density Alternative negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Project.

- 5) The Reduced Density Alternative would create a project with fewer housing units in an area well-served by transit, services and shopping and adjacent to employment opportunities which would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Reduced Density Alternative not meeting, to the same degree as the Project, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the Bay Area Air Quality Management District's ("BAAQMD") requirements for a GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options.

For the foregoing reasons, the Planning Commission rejects the Reduced Density Alternative as infeasible.

3. Reduced Height on Mariposa Street Alternative

The Reduced Height on Mariposa Street Alternative (Alternative C) would result in demolition of all existing buildings and surface pavements on the Project Site and development of residential, commercial, and light industrial uses within two buildings ranging from 20 to 40 feet in height, as opposed to the proposed project's buildings with heights ranging from 31 to 40 feet. The Reduced Height on Mariposa Street Alternative would include a total of 289 dwelling units and 254 off-street vehicle parking spaces, compared to the proposed project's 299 dwelling units and 249 vehicle parking spaces. The Reduced Height on Mariposa Street Alternative also would include 9,000 square feet of ground floor commercial space, 5,000 square feet of light industrial space for a total building area of 410,616 gross square feet, compared to 9,555 square feet of ground floor commercial space and a total building area of 427,570 gross square feet under the proposed project. This Alternative would further reduce the less-than-significant shadow impacts under the proposed project. This Alternative does not reduce any of the significant unavoidable transportation impacts of the project.

The Planning Commission rejects the Reduced Height on Mariposa Street Alternative because it would not reduce any of the significant unavoidable impacts of the proposed project and would not meet the Project Objectives or City policy objectives as well as the proposed project, for reasons including, but not limited to, the following:

- 1) The Reduced Height on Mariposa Street Alternative would limit the project to 289 dwelling units; whereas the proposed project would provide 299 units to the City's housing stock. The proposed density would be consistent with other mixed-use residential developments in the vicinity, and the proposed project will maximize the creation of new residential units, enliven the surrounding streets, contribute to a safe, active neighborhood, while meeting the demands of the expanding San Francisco economy and growth in the project area.
- 2) The Reduced Height on Mariposa Street Alternative would not successfully address any of the significant and unavoidable traffic-related project- and cumulative-level impacts of the proposed project, which are the only "significant and unavoidable" impacts of the project. The potential reduction of shadow impacts as a result of the Reduced Height on Mariposa Street Alternative would not avoid a significant impact because shadow impacts related to the proposed project were found to be less than significant.
- 3) The Reduced Height on Mariposa Street Alternative would create a project with fewer housing units in an area well-served by transit, services and shopping adjacent to employment opportunities which would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Reduced Height Alternative not meeting, to the same degree, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the BAAQMD requirements for a GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options. Any benefits that might be associated with this Alternative are not outweighed by the reduction in housing units.
- (4) The Reduced Height on Mariposa Street Alternative would create an awkward design along Mariposa Street where the building height would be limited to one story, which is inconsistent with the height of the buildings to the east and west and would not enclose Jackson Playground with a consistent street wall on its southern boundary.

For the foregoing reasons, the Planning Commission rejects the Reduced Height on Mariposa Street Alternative as infeasible.

VI. STATEMENT OF OVERRIDING CONSIDERATIONS

The Planning Commission finds that, notwithstanding the imposition of all feasible mitigation measures and alternatives, significant impacts related to Transportation and Circulation will remain significant and unavoidable. Pursuant to CEQA section 21081 and CEQA Guideline Section 15093, the Planning Commission hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the Project as set forth below independently and collectively outweighs these significant and unavoidable impacts and is an overriding consideration warranting approval of the Project. Any one of the reasons for approval cited below is sufficient to justify approval of the Project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission will stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this Section, and in the documents found in the record, as defined in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, the Planning Commission specifically finds that there are significant benefits of the Project to support approval of the Project in spite of the unavoidable significant impacts, and therefore makes this Statement of Overriding Considerations. The Commission further finds that, as part of the process of obtaining Project approval, significant effects on the environment from implementation of the Project have been eliminated or substantially lessened where feasible. All mitigation measures proposed in the FEIR and MMRP are adopted as part of the Approval Actions described in Section I, above.

Furthermore, the Commission has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following specific overriding economic, technological, legal, social and other considerations.

The Project will have the following benefits:

1. The Project would add up to 299 dwelling units to the City's housing stock.
2. The Project would increase the stock of permanently affordable housing by creating approximately 60 units affordable to low-income households on-site, a total exceeding the percentage required by the City's Affordable Inclusionary Housing Ordinance.
3. The project site is currently underused and the construction of up to 299 new housing units at this underutilized site will directly help to alleviate the City's housing shortage and lead to more affordable housing. A primary objective of the Eastern Neighborhood Area Plan is to increase housing locally through the build out of the plan area. The Project develops the project site in a manner envisioned by the Plan in its density and design.
4. The Project promotes a number of General Plan Objectives and Policies, including Housing Element Policy 1.1, which provides that "Future housing policy and planning efforts must take into account the diverse needs for housing;" and Policies 11.1, 11.3 and 11.6, which "Support

and respect the diverse and distinct character of San Francisco's Neighborhoods." San Francisco's housing policies and programs should provide strategies that promote housing at each income level, and furthermore identify sub-groups, such as middle income and extremely low income households that require specific housing policy. In addition to planning for affordability, the City should plan for housing that serves a variety of household types and sizes." The Project will provide a mix of housing types at this location, including 69 studio units, 109 one-bedroom units, 111 two-bedroom units, and 10 three-bedroom units, increasing the diversity of housing types in this area of the City.

4. The Project meets the City's *Strategies to Address Greenhouse Gas Emissions* and the BAAQMD requirements for a GHG reductions by maximizing development on an infill site that is well-served by transit, services and shopping and is suited for dense residential development, where residents can commute and satisfy convenience needs without frequent use of a private automobile and is adjacent to employment opportunities, in an area with abundant local and region-serving transit options. The Project would leverage the site's location and proximity to transit by building a dense mixed use project that allows people to live and work close to transit sources.
5. The Project's innovative design furthers Housing Element Policy 11.1, which provides that "The City should continue to improve design review to ensure that the review process results in good design that complements existing character."
6. The Project promotes a number of Showplace Square/Potrero Area Plan Objectives and Policies, including Policies 1.2.1 and 1.2.2, which "In areas of Showplace/Potrero where housing and mixed use is encouraged, maximize development potential in keeping with neighborhood character;" Policies 2.1.1 and 2.1.3, which "Ensure that a significant percentage of new housing created in the Showplace/Potrero is affordable to people with a wide range of incomes;" and Policies 2.3.1 and 2.3.3, which "Require that a significant number of units in new developments have two or more bedrooms []." As discussed in Paragraphs 2 and 4 above, the Project includes a mix of housing types, a substantial number of two-plus bedroom units, and creates 60 affordable housing units that will benefit low-income households.
7. The Project would construct a development that is in keeping with the scale, massing and density of other structures in the immediate vicinity.
8. The Conditions of Approval for the Project include all the mitigation and improvement measures that would mitigate the Project's potentially significant impact to insignificant levels, except for its impact on Transportation and Circulation.
9. The Project will create temporary construction jobs and permanent jobs in the retail and PDR sector. These jobs will provide employment opportunities for San Francisco residents, promote the City's role as a commercial center, and provide additional payroll tax revenue to the City, providing direct and indirect economic benefits to the City .
10. The Project will substantially increase the assessed value of the Project Site, resulting in corresponding increases in tax revenue to the City.

Having considered the above, the Planning Commission finds that the benefits of the Project outweigh the unavoidable adverse environmental effects identified in the FEIR, and that those adverse environmental effects are therefore acceptable.



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

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

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Planning Commission Motion No. 19507 HEARING DATE: NOVEMBER 12, 2015

Case No.: **2012.1398EX**
 Project Address: **1601 MARIPOSA STREET**
 Zoning: **UMU (Urban Mixed Use)**
 40-X Height and Bulk District
 Block/Lot: **4005/001B, 004**
 4006/006, 010, 019, 020
 Project Sponsor: **Related/Mariposa Development Co., LLC**
 Attn: Susan Smartt, Executive VP
 44 Montgomery Street, Suite 1300
 San Francisco, CA 94104
 Staff Contact: **Chris Townes – (415) 575-9195**
 chris.townes@sfgov.org

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO 1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, 2) GROUND FLOOR CEILING HEIGHT PURSUANT TO PLANNING CODE SECTION 145, 3) OFF-STREET LOADING PURSUANT TO PLANNING CODE SECTION 152, AND 4) HORIZONTAL MASS REDUCTION PURSUANT TO PLANNING CODE SECTION 270 TO ALLOW CONSTRUCTION OF TWO NEW FOUR-STORY, 40-FOOT TALL, MIXED-USE BUILDINGS, REFERRED TO AS THE “EAST” AND “WEST” BUILDINGS (APPROXIMATELY 350,851 GSF) WITH UP TO 299 DWELLING UNITS AND GROUND FLOOR COMMERCIAL SPACE (APPROXIMATELY 5,295 GSF OF RETAIL, 3,751 GSF OF PDR), LOCATED AT 1601 MARIPOSA STREET, LOTS 001B AND 004 IN ASSESSOR’S BLOCK 4005, AND, LOTS 006, 010, 019, AND 020 IN ASSESSOR’S BLOCK 4006 WITHIN THE UMU (URBAN MIXED USE) ZONING DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On January 23, 2014, Related/Mariposa Development Company, LLC (hereinafter "Project Sponsor") filed Application No. 2012.1398EX (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct two new four-story, 40-foot tall, mixed-use buildings, referred to as "East" and "West" Buildings (approximately 350,851 gsf) with up to 299 dwelling units and ground floor retail and PDR space at 1601 Mariposa Street (Block 4005 Lots 001B and 004; Block 4006 Lots 006, 010, 019 and 020) in San Francisco, California.

On December 17, 2014, the Department published a Draft Environmental Impact Report (“DEIR”) for the Project for public review (Case No. 2012.1398E). The DEIR was available for public comment until February 17, 2015. On January 22, 2015, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On October 15, 2015, the Department published a Comments and Responses document, responding to comments made regarding the DEIR for the Project.

On November 12, 2015, the Commission certified the FEIR for the Project as adequate, accurate and complete.

On November 12, 2015, the Commission adopted the CEQA Findings for the FEIR, prior to the approval of the Project (See Case No. 2012.1398E).

On November 12, 2015, the Planning Commission (“Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2012.1398EX.

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 Large Project Authorization requested in Application No. 2012.1398EX, 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 proposed *1601 Mariposa Street Mixed-Use Project* is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor’s Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east. The site is located within the Showplace Square/Potrero Hill Subarea of the Eastern Neighborhoods Rezoning and Area Plan. The site is within the UMU Zoning District and 40-X Height and Bulk District. The irregularly-shaped parcel has 185 feet of frontage along Mariposa Street, 280 feet along 18th Street, 300 feet along Carolina Street and 300 feet along Arkansas Street.

Currently, the site is developed with three separate structures composed around centrally-located surface parking of 100 parking spaces. These buildings include: a single-story warehouse/office building (MacKenzie Warehouse Auto Parts), a single-story industrial/office building (various tenants), and a two-story bus repair depot (Coach 21). The existing buildings total approximately 74,696 sf and consist of approximately 66,696 sf of PDR and 8000 sf of office space.

- 3. Surrounding Properties and Neighborhood.** The Project site generally covers the entire City block with exception at the northeast and southeast corners. Existing land uses about the project site at the northeast (along Mariposa and Arkansas Streets) and southwest (along 18th and Carolina Streets) corners of the City block. At the northeast corner there is a three- to four-story, school (Live Oak School)/office building with associated two-story recreation building. Live Oak School occupies approximately half of the three- to four-story building and is located immediately adjacent, along the parcel boundary, to the northeast portion of the project site. The private school provides K-8 education and has an enrollment of about 290 students. The other half of the building is occupied by various office tenants.

At the southwest corner, there are eight two-story commercial buildings whose ground floors are occupied by a variety of retail, design office, and service uses.

The blocks that surround the *1601 Mariposa Street Mixed Use Project* site include a variety of land uses, including commercial, residential, institutional, and recreational uses, as follows:

North. Jackson Playground is an approximately 4.41-acre park located immediately north of the project site, across Mariposa Street, within the P (Public) Zoning District. The park occupies two city blocks and includes a recreation building, sand-floor playground, picnic area, tennis courts, basketball courts, and two ball fields. A community garden is also located along the southern park boundary, starting from the Mariposa and Carolina Streets intersection extending eastward to about mid-block along Mariposa Street. First Spice Mixing Company, a spice manufacturer, is located northeast of the site at the northeast corner of Mariposa and Arkansas Streets. Mixed commercial and residential uses are located farther north, followed by a variety of uses associated with PDR uses. Downtown San Francisco is located less than two miles farther to the north.

South. The existing topography rises uphill immediately south of the site, across 18th Street. Land uses immediately across from the project site along 18th Street include a public school (International Studies Academy) located within the P (Public) Zoning District, described below, and a three-story mixed-use building on a property located within the UMU (Urban Mixed Use) Zoning District. The school is a 6th through 12th grade public school with an enrollment of about 530 students which occupies approximately three-quarters of three blocks bound by 18th, Arkansas, 19th, and De Haro Streets. The three-story building on the eastern portion of the block immediately across from the project site along 18th Street includes primarily ground floor artist's lofts with residential uses on the upper floors. A performing arts/community center is also located within this building.

West. Land uses immediately west of the project site, across Carolina Street, include the four-story Anchor Steam Brewery building and a three-story commercial building upon a City block that is located entirely within the PDR-1-G (Production, Distribution, Repair- 1- General) Zoning District. The brewery is located on the northern portion of the block bound by Mariposa, Carolina, 18th and De Haro Streets. The building on the southern portion of this block contains a large indoor children's play space on the ground floor (Recess), as well as other service uses. Residential and commercial uses located within the RH-2 (Residential House- Two Family) and

UMU (Urban Mixed Use) Zoning Districts are located farther to the west. St. Gregory's church and food pantry is located further west, on De Haro Street.

East. Immediately across the street and east of the project site, land uses consist primarily of two- and three-story residential buildings on Arkansas Street located within the RH-3 (Residential House- Three Family) Zoning District. This land use pattern generally continues for several blocks further east. Neighborhood-serving commercial uses located within the NC-2 (Neighborhood Commercial, Small Scale) Zoning District are also located along the 18th Street corridor, between Connecticut and Texas Streets.

The overall visual character of the area surrounding the project site is influenced by the above described uses and physical conditions. This area of Potrero Hill is characterized by a variety of building heights, which generally range from two to four stories. Buildings range in age from over 100 years old to new construction, and building architecture and design varies widely between different types of uses, from functional industrial buildings to residential buildings of Edwardian, 20th century, and modern designs. Buildings are generally built to the property line. Streets are generally lined with street trees. Jackson Playground is characterized by children's play areas, open lawn areas for active and passive uses, and a recreation building.

4. **Project Description.** The proposed *1601 Mariposa Street Mixed-Use Project* is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east. The site is located within the Showplace Square/Potrero Hill Subarea of the Eastern Neighborhoods Rezoning and Area Plan within the UMU Zoning District. The project would demolish three existing one- and two-story commercial, office, and warehouse buildings and associated surface parking lots and construct two four-story, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 350,851 sf. The project proposes 299 dwelling units, 5,295 sf of retail, 3,751 sf of PDR, 249 parking spaces and a total of 369 bicycle parking spaces. A two-level, below-grade parking garage under the East Building would contain the off-street parking accessible from Arkansas Street and 18th Street. A total of 43,021 sf of publicly accessible and private open space would be developed throughout the project site. The publically accessible open spaces include a 40-foot wide, north-south mid-block alley connecting 18th Street to Mariposa Street that intersects with a 25-foot wide, east-west pedestrian passageway accessed from Arkansas Street.

The project has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5.

5. **Public Comment.**

- On Thursday, April 16, 2015, Planning staff met with various members of the neighborhood with concerns regarding the project representing different entities, including Grow Potrero Responsibly, Potrero Boosters, Save the Hill, as well as, Live Oak School. Following that meeting staff received a correspondence dated April 17, 2015 itemizing specific project concerns (see attached) that were provided to the Project Sponsor resulting in project modifications.

- The Project Sponsor has conducted on-going community outreach to solicit public comment which is summarized in their public outreach summary.
- As of November 5, 2015, the Department has received two letters of concern and 24 letters of support. The letters of concern take issue with the accuracy and adequacy of the EIR analysis, as well as the level of community benefits and neighborhood compatibility of the project in numerous ways. The letters of support voice support for the Project's proposed density, affordability, urban design and neighborhood compatibility, financial contribution to parks, job creation capacity and level of neighborhood outreach.

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. Permitted Uses in UMU Zoning Districts.** Planning Code Sections 843.20, 843.45, 843.78-84 and 843.86-87 state that residential, retail and PDR uses are principally permitted uses within the UMU Zoning District.

The proposed Project would construct a new residential/commercial mixed-use project with ground floor retail and PDR uses within the UMU Zoning District; therefore, the Project complies with Planning Code Section 843.20, 843.45, 843.78-84 and 843.86-87.

- B. Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25% of the total lot depth of the lot to be provided at every residential level. Therefore, the Project would have to provide a rear yard, which measures approximately 36,571 sf, located along the rear property line.

The Project site occupies approximately 76% of the entire City block area bounded by Mariposa, 18th, Carolina and Arkansas Streets. The Project itself is composed of two four-story buildings that front along each of the four respective street frontages to better define the sidewalk edge in a manner that relates well to the adjacent buildings and surrounding neighborhood. The Project provides an area (open to the sky) greater than a comparable Code-required rear yard through the provision of various open spaces, including: a north-south mid-block alley, an east-west pedestrian passageway, an east and a west interior courtyard, that successfully frame the usable open spaces and mid-block circulation. The Project provides a total of 43,021 sf of open space or approximately 29% of the total lot area. Thus, the total amount of open space, which would have been provided through the required rear yard, is exceeded by 6,450 sf. The Project is seeking a modification of the rear yard requirement as part of the Large Project Authorization since the proposed rear yard does not extend the entire width of the subject lot along a rear property line.

The Project replaces an existing, underutilized site that is only approximately 50% occupied by buildings with uses including warehouse/office, industrial/office, and a bus-depot located within a mixed use neighborhood. The structures on the existing site do not currently contribute towards a cohesive mid-block open space and allow no pedestrian circulation; whereas, the proposed Project would provide mid-block open space that relates well to the neighborhood while improving pedestrian circulation through the site and connectivity for the neighborhood. (see below)

- C. **Useable Open Space.** Planning Code Section 135 requires 54 sf of open space per dwelling unit, if publically accessible. Common useable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum of 300 sf. With regard to the commercial open space requirement, Planning Code Section 135 requires a minimum of 1 sf per 250 sf of retail space (which may be reduced by 33% if publicly accessible usable open space) and there no open space required for PDR space within the Eastern Neighborhoods Mixed Use District.

The 299 dwelling unit Project with 5,295 sf of retail satisfies its residential and retail open space requirement through the provision of qualifying publically accessible open space. The Project, as a whole, is required to provide a minimum of 16,161 sf (including 16,146 sf for residential and 15 sf for retail) of publicly accessible open space; whereas, the Project provides a total of 28,531 sf of publicly accessible open space (including a 21,505 sf north-south mid-block alley and a 6,787 sf east-west pedestrian passageway). Therefore, the Project exceeds its minimum publicly accessible usable open space requirement by 12,131 sf through publicly-accessible mid-block open space, and private residential courtyards and a roof deck.

- D. **Permitted Obstructions.** Planning Code Section 136 outlines the requirements for architectural features, which may be permitted over streets, alleys, setbacks, yards or usable open space.

Currently, the Project includes numerous architectural projection elements throughout the Project that enhance the composition of the elevations, improve neighborhood compatibility, enhance articulation of the ground floor street frontage and entrances, and provide additional open space. These elements include bay windows, awnings, vertical fins, and balconies that increase the floor area of the building along various elevations including Arkansas and 18th Streets, the mid-block passageways, and west interior courtyard. The project plans are still schematic with regard to these particular elements; however, the Project Sponsor has indicated their intent to design all such projection elements to comply with the requirements of Planning Code Section 136 and not seek any modification. Subject to Planning Commission approval, Staff will ensure compliance of these elements during the plancheck review process when further plan detail is provided.

- E. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires one (1) new street tree for every 20 feet of street frontage for projects proposing new construction, and streetscape and pedestrian elements in conformance with the Better Streets Plan when a project is on a lot that is greater than 1/2-acre in total area and includes new construction.

The Project includes new construction on a 146,284 sf lot that is more than 1/2-acre in size with 185 feet of frontage along Mariposa Street, 280 feet along 18th Street, 300 feet along Carolina Street and 300 feet along Arkansas Street. The Project is required to provide a total of 53 street trees, or pay an in-lieu fee. The Project will provide a total of 41 street trees and seek payment of an in-lieu fee for the remaining 12-tree requirement. The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks, bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

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

The subject lot is not located within an Urban Bird Refuge. The Project meets the requirements of feature-related standards and does not include any unbroken glazed segments 24 sf and larger in size; therefore, the Project complies with Planning Code Section 139.

- G. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, public alley at least 20 feet in width, side yard at least 25 feet in width, a rear yard meeting the requirements of this Code or other open area that meets minimum requirements for area and horizontal dimensions.

The Project organizes the dwelling units to have exposure either on to one of the surrounding street frontages (Mariposa, 18th, Carolina or Arkansas Streets) or on to the interior open spaces provided within the site (including the west and east interior courtyards, the north-south mid-block alley and the east-west pedestrian passageway). The site's surrounding street widths all exceed 20 feet and the other open areas used to satisfy the exposure requirement all meet the minimum dimensional requirements for area and horizontal dimensions as diagrammatically depicted in "Exhibit B" on Sheet A.52.

- H. **Street Frontage in Mixed Use Districts/Floor-to-Floor Ceiling Heights.** Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential ground floor uses within the UMU Zoning District have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60% of the street frontage at the ground level.

With the exception of the minimum 17-foot floor-to-floor ceiling height for non-residential uses within the UMU Zoning District criteria, the Project meets the requirements of Planning Code Section 145.1. At grade, the Project features the appropriate amount of active use within the first 25 feet of the building including retail and PDR space to a depth of at least 25 feet, the ground floor plan consists of residential walk-up units with direct, individual pedestrian access to a public sidewalk, and all accessory off-street parking is located below grade within a two-level subterranean garage, so as not to detract from the active frontage standards. In addition, the Project satisfies the ground-level visual transparency and fenestration requirements.

However, as a result of the unique, laterally-sloping topography of the site which poses difficulty for two separate portions of the ground floor non-residential uses to meet the required 17-foot floor-to-

floor ceiling height, the Project is seeking a modification of the non-residential floor-to-floor ceiling height requirement of 17 feet within the UMU Zoning District (see below).

- I. **Off-Street Parking.** Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit generally, and a ratio of 1.0 for only those units with at least 2- bedrooms and at least 1000 sf. For those units 2-bedrooms or larger and at least 1000 sf (37 dwelling units total), the following additional findings apply and must be made in the affirmative by the Planning Commission in order to allow:
1. Vehicle movement on or around the project does not unduly impact pedestrian spaces or movement, transit service, bicycle movement, or the overall traffic movement in the district;
 2. Accommodating excess accessory parking does not degrade the overall urban design quality of the project proposal;
 3. All above-grade parking is architecturally screened and lined with active uses according to the standards of Section 145.1, and the project sponsor is not requesting any exceptions or variances requiring such treatments elsewhere in this Code; and
 4. Excess accessory parking does not diminish the quality and viability of existing or planned streetscape enhancements.
 5. For projects with 50 dwelling units or more, all residential accessory parking in excess of 0.5 spaces per unit shall be stored and accessed by mechanical stackers or lifts, valet, or other space-efficient means that reduces space used for parking and maneuvering, and maximizes other uses.

With regard to the non-residential uses, Planning Code Section 151.1 of the Planning Code allows 1 space per 500 sf of retail space and 1 space per 1500 sf of PDR.

For the 299 dwelling units proposed, the Project is allowed a maximum of 234 off-street parking spaces. With a total of (37) 2-bedroom or larger units at least 1,000 sf in area, the Project is permitted up to 1 space per unit or 37 off-street parking spaces (37 DU's x 1 = 37 spaces), subject to the conditions of Planning Code Section 151.1(g) (demonstrated below). The remaining 262 dwelling units are permitted up to .75 spaces per unit or 197 off-street parking spaces (262 DU's x 0.75 = 197 spaces).

For retail and PDR space combined, the Project is allowed a maximum of 14 spaces. For the 5,295 sf of retail, the Project is allowed a maximum of 11 spaces and for the 3,751 sf of PDR, the Project is allowed 3 spaces.

In total, the Project is allowed up to 248 off-street parking spaces (234 residential spaces subject to the findings of Planning Code Section 151.1(g) + 14 retail/PDR spaces = 248 spaces), whereas 243 spaces are proposed; therefore, the Project complies with Planning Code Section 151.1. Of these 243 off-street parking spaces provided, 10 spaces are ADA accessible.

The Project provides an additional 6 off-street car share spaces (for a total of 249 off-street parking spaces), thereby fulfilling the 1 car share space requirement. Pursuant to Planning Code Section 166, car share spaces do not count towards the maximum number of parking spaces allowed by this Code.

With regard to the findings applicable to those dwelling units with at least 2-bedroom or larger units at least 1,000 sf in area, the Project satisfies the findings (see below).

- J. Off-Street Freight Loading.** Planning Code Section 152.1 requires two off-street loading spaces for residential uses between 200,001-500,000 gsf.

The Project includes approximately 239,609 gsf of residential area; therefore, at least two off-street loading spaces are required. The Project does not possess any off-street loading parking spaces; however, the Project is proposing three on-street loading spaces on Carolina, Mariposa and Arkansas Street that would be located in direct proximity to the Project's primary entrances. Therefore, the Project is seeking a modification from this requirement as part of the Large Project Authorization (see below).

- K. Bicycle Parking.** Planning Section 155.2 of the Planning Code requires at least one Class 1 bicycle parking spaces for each dwelling unit and one Class 2 bicycle parking spaces for every 20 dwelling units; however, for buildings containing more than 100 dwelling units, 100 Class 1 spaces are required, plus one Class 1 space for every four dwelling units over 100.

The Project includes 299 dwelling units; therefore, the Project is required to provide 149 Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces. The Project will provide 350 Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces, thus exceeding the Code requirement. Therefore, the Project complies with Planning Code Section 155.2.

- L. Car Share Requirements.** Planning Code Section 166 requires two car-share parking space for projects containing 201 or more dwelling units.

Since the Project includes 299 dwelling units, it is required to provide a minimum of two car-share parking space. The Project provides six off-street car share parking space within the garage; therefore, the Project 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; therefore, the Project complies with Planning Code Section 167.

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

For the 299 dwelling units, the Project is required to provide at least (120) 2-bedroom or larger units or (90) 3-bedroom or larger units. The Project provides (20) 3-bedrooms, (118) 2-bedrooms, (86) 1- bedrooms, and (75) studios. In all, 46% of the total units are 2-bedroom or larger; therefore, the Project complies with Planning Code Section 207.6. The Planning Commission supports an increase from (10) to (20) 3-bedroom units in the final unit mix in order to accommodate more family-sized units.

- O. **Horizontal Mass Reduction.** Planning Code Section 270.1 outlines the requirements for horizontal mass reduction on large lots within the Eastern Neighborhoods Mixed-Use Districts. For buildings with street frontage greater than 200-feet in length, one or more mass reduction breaks must be incorporated to reduce the horizontal scale of the building into discrete sections not more than 200-feet in length. Specifically, the mass reduction must 1) be not less than 30-feet in width; 2) be not less than 60-feet in depth from the street-facing building façade; 3) extend up to the sky from a level not higher than 25-feet above grade or the third story, whichever is lower; and 4) result in discrete building sections with a maximum plan length along the street frontage not greater than 200-feet.

Given the 300 linear feet of frontage along Carolina, 280 linear feet of frontage along 18th Street, and 300 linear feet of frontage along Arkansas Street, the Project is required to provide one or more mass breaks along each of these frontages which are not less than 30-feet wide by 60-feet deep starting at the third story and open to the sky.

Along the Carolina Street frontage, the Project provides two mass breaks. One mass break is approximately 19 feet wide and 30 feet deep that begins at grade and is open to the sky. The second mass break is approximately 34 feet wide by 7 feet deep. These two mass breaks divide the Carolina Street elevation in three distinct building segments.

Along the 18th Street frontage, the Project provides a mass break 15-feet wide and 30-feet deep that begins at grade and is open to the sky. This mass break divides the 18th Street elevation in two distinct building segments which measure 61 feet and 144 feet. The 61 foot long segment also abuts the Project's proposed 40-foot wide north-south mid-block alley.

Along the Arkansas Street frontage, in lieu of the Code-required mass break and with the goal of providing a more architecturally-contextual design, the massing is carved away and stepped into 25-foot wide increments with bays and raised residential entry stoops of varying height and depth in conjunction with descending roof heights that follow the laterally sloping topography.

Since the horizontal mass breaks described above do not meet the dimensions required by Code Section 270.1, the Project is seeking a modification of this requirement as part of the Large Project Authorization (see below).

- P. **Mid-Block Alley.** Planning Code Section 270.2 outlines the requirements for mid-block alleys on large lots within the Eastern Neighborhoods Mixed-Use Districts. This

requirement applies to all new construction on parcels that have one or more street frontage of over 200 linear feet on a block face longer than 400 feet between intersections. On lots with frontage of over 200 linear feet on a block face longer than 400 feet between intersections. On lots with frontage greater than 300 feet, the project shall provide a publicly-accessible mid-block alley for the entire depth of the property, generally located toward the middle of the subject block face, perpendicular to the subject frontage and connecting to any existing streets and alleys.

The Project frontage along 18th Street (280 feet) exceeds 200 linear feet on a block face (480 feet) that exceeds 400 linear feet; therefore, a publicly-accessible north-south mid-block alley in accordance with Planning Code Section 270.2 is required.

The Project provides a 40- to 63-foot wide, 21,505 sf, publicly-accessible north-south mid-block alley designed in accordance with Planning Code Section 270.2; therefore, the Project complies with Planning Code Section 270.2. Although not required, the Project provides a secondary 6,787 sf mid-block pedestrian passageway, open to the sky, linking Arkansas Street to the required north-south mid-block alley to provide additional publicly-accessible open space and improve neighborhood connectivity.

- Q. **Shadow.** Planning Code Section 295 restricts net new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission. Any project in excess of 40 feet in height and found to cast net new shadow must be found by the Planning Commission, with comment from the General Manager of the Recreation and Parks Department, in consultation with the Recreation and Park Commission, to have no adverse impact upon the property under the jurisdiction of the Recreation and Park Commission.

Pursuant to Planning Code Section 295(a)(1), the project is not subject to Planning Code Section 295 (Height Restrictions on Structures Shadowing Property Under the Jurisdiction of the Recreation and Park Commission) since no portion the Project exceeds 40 feet in building height.

- R. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Since the subject property is located within the UMU Zoning District, the Project is subject to the inclusionary affordable housing requirements identified in Planning Code Section 419. The subject property has been designated as Tier A, thus a minimum of 14.4% of the total units constructed shall be considered affordable.

The Project site is located within the UMU (Urban Mixed Use) Zoning District in which the on-site inclusionary housing requirement is 14.4% of the total units. The Project Sponsor has submitted an '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; however, the Project Sponsor has indicated that it will apply for and receive California Debt Limit Allocation Committee (CDLAC) tax-exempt bond financing. In order for the CDLAC restricted units to qualify for the Inclusionary Affordable Housing Program, under Planning Code Section 415.6(f), the Project

is required to provide 20% of the proposed dwelling units on-site as affordable to households at 50 percent of Area Median Income. The income table to be used for such projects when the units are priced at 50 percent of Area Median Income is the income table used by MOHCD for the Inclusionary Affordable Housing Program, not that used by TCAC or CDLAC. Except as provided in this subsection, all units provided under this Section must meet all of the requirements of Section 415 et seq. and the Procedures Manual for on-site housing. In addition, Planning Director Bulletin #2 Planning Department Priority Application Processing Guidelines provides Priority Processing for Projects providing 20% of the proposed dwelling units as affordable to qualifying households. The Project Sponsor has submitted their Priority Processing Program application and has been entered into the Priority Processing Program as a Type 1A project. The Project contains 299 units; therefore, 60 affordable units are required. The Project Sponsor will fulfill this requirement by providing the 60 affordable units on-site. 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").

- S. **Eastern Neighborhood Infrastructure Impact Fees.** Planning Code Section 423 is applicable to any development project within the UMU (Urban Mixed-Use) Zoning District that results in the addition of at least one net new residential unit.

The Project proposes the replacement of three existing industrial/office buildings with two four-story, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 350,851 sf with 299 dwelling units, 5,295 sf of retail and 3,751 sf of PDR. Therefore, the Project is subject to Eastern Neighborhood Infrastructure Impact Fees, as outlined in Planning Code Section 423. This fee must be paid prior to the issuance of the building permit application.

- T. **Transit Impact Development Fee.** Pursuant to Planning Code Section 411, the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) 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.

The Project includes 9,046 sf of commercial space. This use is subject to Transit Impact Development Fees, as outlined in Planning Code Section 411. These fees must be paid prior to the issuance of the building permit application.

7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

- A. Overall building mass and scale.

The Project, composed of two 4-story buildings (an "East" and "West" building) situated around two mid-block passageways and two interior residential courtyards, has a mass and scale that is appropriate for the subject 3.36 acre site (with frontage along Mariposa, 18th, Carolina and Arkansas Streets). The Project's mass and scale is composed in a manner that relates well to the mass and scale of the surrounding neighborhood (which includes a diverse mixture of industrial, design-related,

residential, school and public park uses and buildings) and the site's topography. The Project successfully incorporates architectural elements from the surrounding buildings along each respective street frontage while establishing appropriately dimensioned building segments whose roof heights descend in relation to the laterally sloping topography in conformance with the maximum 40-foot height limit.

B. Architectural treatments, facade design and building materials.

The Project's architectural treatments, façade design and building materials include horizontal hardwood, smooth lap fiber cement board plank and standing seam zinc metal siding, colored cement plaster, vertical board form concrete, corten steel, brick veneer, wood storefront, aluminum storefront systems, and aluminum framed windows. The fenestration pattern and bay dimensions are informed by the size, spacing and composition found in surrounding buildings. The Project is enhanced through the division of the building's street frontage into smaller distinct segments that relate the typical building width found in the neighborhood and are distinguished by changes in plane and materiality. Bay windows and vertical fin elements are also incorporated into the elevations to create a rhythm along the street.

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access.

Mariposa Street: The topography along Mariposa Street is flat. The neighboring properties to the east include Live Oak School and office uses within 2- to 4-story buildings while the site across Mariposa Street, to the north, is a public park (Jackson Playground) that occupies the entire City block. Along the ground floor, for a continuous linear length of 143 feet, the Project provides approximately 2800 sf of commercial retail space to a depth of 30 feet that is divided into three separate tenant spaces, each with their own storefront identity. In plan, the ground floor retail space activates the corner by wrapping around the corner of Mariposa and Carolina Streets and maintains a strong edge that reinforces the existing property line edge of the neighboring Live Oak School and offices. In elevation, the commercial storefront is composed of clear glazing within a wood storefront system framed by exposed metal plate establishing a well-defined, 18-foot tall, floor to floor ceiling height. The recessed wood storefront and steel frame orders the frontage to better integrate into the neighborhood scale. At the "mouth" of north-south, mid-block ally, the distance between the Project's leasing office and the Live Oak School 2-story building is approximately 50 feet, an appropriately-sized opening for such a public passageway.

18th Street: The topography along 18th Street is laterally sloping. From both Carolina and Arkansas Streets, 18th Street slopes downward to its lowest point which coincides with the Project's north-south, mid-block alley southern opening. The mid-block low point is about 30 feet below the high point at Arkansas Street, or a 12% slope. The neighboring properties to the south, across 18th Street, include a 3-story multi-family residential building and the International Studies Academy. Along the ground

floor, for a continuous linear length of 61 feet, the Project provides approximately 1600 sf of commercial retail space to a depth of 25 feet that is divided into two separate tenant spaces, each with their own entry. In plan, the ground floor retail space activates the corner by wrapping around the corner of 18th and Arkansas Streets and is setback 5 feet from the south property line to provide a greater sense of depth while maintaining a strong edge that reinforces the existing property line edge of surrounding buildings. In elevation, the commercial storefront design matches that of the northwest corner ground floor elevation, with the exception floor to floor ceiling height ranging from 10-12 feet. The Project's commercial space abuts a 17-foot wide residential entry space, 64 linear feet of gas meter/mechanical/circulation/stair access space with landscape buffer, 20 linear feet of vehicular access and 60 linear feet of residential frontage for two 2-story units with recessed ground floor patios.

Carolina Street: The Project's topography along Carolina Street is laterally sloping in an uphill direction from Mariposa Street toward 18th Street with approximately 12 feet in grade differential across the 400-foot long block, or 3% slope. The neighboring adjacent properties to the south include a series of PDR design-related uses. The neighboring properties to the west, across Carolina Street, include Anchor Steam Brewery and a 3- to 4-story commercial building with surface parking lot. Along the Carolina Street ground floor, the commercial retail space extends 39 linear feet, then abuts 30 linear feet of PDR space, then abuts a 19-foot wide mass break to accommodate a residential entry, then abuts 55 feet of PDR, then abuts 33 feet of building system space, then abuts 88 feet of additional PDR space. All ground floor uses extend to a depth of 30 feet from the street frontage with varying recessed wall plane dimensions from 4 to 6 feet in depth. In plan, the ground floor retail space activates the northwest corner by wrapping around the corner of Mariposa and Carolina Streets. In elevation, the ground floor commercial storefront design, north of the residential entrance mass break, matches that of the commercial storefront design along Mariposa Street. The ground floor commercial storefront design, south of residential entrance mass break, consists of recessed aluminum storefront systems within bays whose spacing relate well to the adjacent PDR storefronts along Carolina Street.

Arkansas Street: The Project's topography along Arkansas Street is laterally sloping in an uphill direction from Mariposa Street toward 18th Street with approximately 21 feet in grade differential across the 300 feet of frontage, or 7% slope. The neighboring adjacent property to the north is occupied by Live Oak School and office uses within a 2- to 4-story building. The neighboring properties to the east, across Arkansas Street, include 2-, 3- and 4-story residential buildings on typical 25-foot (width) by 100-foot (depth) lots. These residential properties vary in architectural style yet present a well-defined street wall that is articulated with variation in recessed at-grade and walk-up stair entrances, garage doors entries, roof heights and roof types, bay windows and side setback spacing between buildings. To better relate to the character of the surrounding neighborhood, the Project employs several strategies for the Arkansas Street elevation, including: 1) use of raised entry stoops for residential units, 2) division of the façade into distinct widths (articulated by changes in plane, color,

and materiality) that approximate the typical 25-foot width of existing residential frontages along Carolina Street, 3) lower scale commercial retail space with a 12 foot floor-to-floor ceiling height, and 4) descending roof heights that better relate the building height to the laterally sloping topography. In plan, the ground floor retail space activates the corner by wrapping around the corner of Arkansas and 18th Streets and is setback 5 feet from the east property line to provide a greater sense of depth while maintaining a strong edge that reinforces the existing property line edge of surrounding buildings. In elevation, the commercial storefront design is similar to that of the northwest corner ground floor elevation, with the exception the floor-to-floor ceiling height being lower at 12 feet. The Project's commercial space at the corner of 18th and Arkansas Street abuts a 161 linear feet of residential frontage (including 25 linear feet for electrical room space) featuring raised entry stoops, then abuts an approximately 20 linear foot garage entry/exit, then abuts 29 linear feet of additional mechanical room space, then abuts 31 linear feet of bicycle parking terminating into the approximately 20-foot wide opening into the east-west pedestrian passageway.

- D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site.

The Project exceeds the required amount of open space for its 299 dwelling units, 5,295 sf of retail and 3,751 sf of PDR space through the provision of a publicly-accessible 40-foot wide north-south mid-block alley and two interior residential courtyards meeting the applicable design standards of Planning Code Section 135 and 270.2. In total, the Project provides 43,021 sf of qualifying open space, exceeding the required amount of 16,161 sf.

- E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2.

The Project satisfies the mid-block alley requirements of Planning Code Section 270.2 by providing a 40-foot wide, publically-accessible, north-south mid-block alley connecting 18th Street to Mariposa Street developed in accordance with the applicable design standards.

- F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

The Project includes comprehensive streetscape elements, including a widened sidewalks, corner bulb outs, sidewalk landscaping, street tress, street furniture, and paving treatments. The Commission finds that these improvements would significantly improve the public realm.

- G. Circulation, including streets, alleys and mid-block pedestrian pathways.

The Project provides ample circulation in and around the Project site through comprehensive sidewalk improvements, a 40-foot wide north-south mid-block alley, a 25-foot east-west pedestrian passageway, well defined walk-up entrances to residential units along the residential street

frontages, prominent residential entrances and a vehicular garage entrances accessed from 18th and Arkansas Streets to a two-level subterranean garage.

H. Bulk limits.

The Project is within an 'X' Bulk District, which does not restrict bulk.

I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan.

The Project, on balance, meets the Objectives and Policies of the General Plan (see below).

8. **Large Project Authorization Exceptions.** Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts:

A. Exceeding the principally permitted accessory residential parking ratio described in Section 151.1 and pursuant to the criteria therein;

In granting such Conditional Use or exception per 329 for parking in excess of that principally permitted in Table 151.1, the Planning Commission shall make the following affirmative findings according to the users to which the proposed parking is accessory:

(1) Parking for All Uses.

- (i) Vehicle movement on or around the project does not unduly impact pedestrian spaces or movement, transit service, bicycle movement, or the overall traffic movement in the district;

The Project does minimize vehicular movement in and around the Project in that the off-street parking garage is located below grade and the entrances/exits to the garage are accessed via only two 20-foot wide openings, including one along Arkansas Street and one along 18th Street. This configuration orients vehicular circulation away from other neighboring sensitive vehicular operational areas, including Anchor Steam Brewery loading activities across Carolina Street and the student pick-up/drop-off activities of Live Oak School.

- (ii) Accommodating excess accessory parking does not degrade the overall urban design quality of the project proposal;

The residential accessory parking does not degrade the overall urban design quality of the Project in that the parking placement is two-level subterranean plan that adheres to active frontage Code requirements and limits vehicular access to only two 20-foot wide entrances/exits.

- (iii) All above grade parking is architecturally screened and lined with active uses according to the standards of Section 145.1, and the project sponsor is not requesting any exceptions or variances requiring such treatments elsewhere in this Code; and

The Project does not include above grade off-street parking; however both driveway entrances into the subterranean garage will be recessed from the street and have perforated metal panel garage doors to provide adequate screening. At the street, the Project accommodates the appropriate amount of active uses per Planning Code Section 145.1.

- (iv) Excess accessory parking does not diminish the quality and viability of existing or planned streetscape enhancements.

Since the excess parking would be located below grade, the excess accessory parking would not impact any existing or planned streetscape enhancements. The Project has strategically located its proposed two-level subterranean parking garage with storage, trash and service equipment at the southeast corner of the site to take advantage of the existing excavation at this portion of the property so as to not disrupt the activity of the ground floor level. Entrances to the off-street parking are minimized to have the least impact upon Arkansas and 18th Street, thus minimizing the potential for conflicts with pedestrians and bicyclists. The Project would undertake significant site and public realm improvements, including a north-south mid-block alley, an east-west pedestrian passageway, and comprehensive streetscape improvements developed in accordance with the San Francisco Better Streets Plan along all four frontages. Typical improvements include widened sidewalks, paving, seating, landscaping, bulb-outs, bicycle parking, and street trees.

- (2) Parking for Residential Uses.

- (i) For projects with 50 dwelling units or more, all residential accessory parking in excess of 0.5 spaces per unit shall be stored and accessed by mechanical stackers or lifts, valet, or other space-efficient means that reduces space used for parking and maneuvering, and maximizes other uses.

Since the parking is essentially underground and due to topographic conditions, requiring space efficiency would not necessarily improve usable interior space or its desirability and the current design positively engages the street frontage and the pedestrian. Furthermore, the existing off-street parking area is already excavated.

- B. Exception for rear yards, pursuant to the requirements of Section 134(f);

Modification of Requirements in the Eastern Neighborhoods Mixed Use Districts. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified or waived by the Planning Commission pursuant to Section 329. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified by the Zoning Administrator pursuant to the procedures set forth in Section 307(h) for other projects, provided that:

- (1) A comparable, but not necessarily equal amount of square footage as would be created in a code conforming rear yard is provided elsewhere within the development;

The Project provides a comparable amount of open space, in lieu of the required rear yard. Overall, the Project site is 146,284 sf in size, and would be required to provide a rear yard measuring 36,571 sf. The Project provides 43,021 sf of qualifying open space through a north-south mid-block alley and two residential interior courtyards and also includes an additional 6,787 sf of publicly accessible open space via an east-west pedestrian passageway, thus exceeding the amount of space which would have been provided in a Code-compliant rear yard by 6,450 sf.

- (2) The proposed new or expanding structure will not significantly impede the access to light and air from adjacent properties or adversely affect the interior block open space formed by the rear yards of adjacent properties; and

The proposed 1601 Mariposa Street Mixed-Use Project is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east.

The Project, composed of two 4-story buildings (an "East" and "West" building) situated around two mid-block passageways and two interior residential courtyards, has a mass and scale that is appropriate for the subject 3.36 acre site (with frontage along Mariposa, 18th, Carolina and Arkansas Streets). The Project's mass and scale is composed in a manner that relates well to the mass and scale of the surrounding neighborhood (which includes a diverse mixture of industrial, design-related, residential, school and public park uses and buildings) and the site's topography.

The site occupies approximately 75% of the entire City block; therefore, the Project will establish the interior block open space formed by the proposed building's footprint in relation to interior open spaces provided. The surrounding, adjacent uses are non-residential and include the following uses: 1) Live Oak School and offices within 2- to 4-story buildings at the northeast corner (Mariposa and Arkansas Streets); and 2) a cluster of PDR uses within 2-story buildings at the southwest corner (18th and Carolina Streets). In order to mitigate the Project's impact to the light and air of the adjacent Live Oak School classroom space, the Project provides a 35 foot setback at the east-west pedestrian passageway.

Overall, the Project does not significantly impede access to light and air for the adjacent properties and the subject block which does not possess a pattern of mid-block open space. The Project massing and building height is compatible with the neighborhood character by defining a strong street frontage along each of the four frontages, maintaining a consistent 40-foot tall building height throughout that is appropriately segmented and descends with the laterally sloping topography, framing appropriately sized publicly-accessible mid-block passageways and interior courtyards to serve both the neighborhood at large and the residents of the Project.

- (3) The modification request is not combined with any other residential open space modification or exposure variance for the project, except exposure modifications in designated landmark buildings under Section 307(h)(1).

The Project is not seeking a modification to the exposure requirement.

- C. Exception from satisfaction of loading requirements per Section 152.1 pursuant to the criteria contained therein.

For projects in the Eastern Neighborhoods Mixed Use Districts that are subject to Section 329, the Planning Commission may waive these requirements per the procedures of Section 329 if it finds that the design of the project, particularly ground floor frontages, would be improved and that such loading could be sufficiently accommodated on adjacent streets and alleys.

The Project provides three on-street loading parking spaces located directly in front of three of the Project's main entrances, including the west residential entry gate on Carolina Street, the north entrance of the north-south mid-block alley on Mariposa Street, and the entrance of the east-west pedestrian passageway on Arkansas Street. Given the existing and proposed character of the related street frontages, the Project can accommodate the three loading parking spaces on the street being developed in accordance with the San Francisco Better Streets Plan design standards. Furthermore, by providing for on-street loading, the Project has reduced the overall size and scale of the garage opening.

- D. Modification of the horizontal massing breaks required by Section 270.1 in light of any equivalent reduction of horizontal scale, equivalent volume of reduction, and unique and superior architectural design, pursuant to the criteria of Section 270.1(d).

Per Planning Code Section 270.1(d), the Planning Commission may modify or waive this requirement though the process set forth in Section 329. When considering any such application, the Commission shall consider the following criteria:

- (1) No more than 50% of the required mass is reduced unless special circumstances are evident;

Along Carolina Street, the mass break provided is approximately 150% of the volumetric mass reduction required by Code.

Along 18th Street, the mass break provided approximately equals the volumetric mass reduction required by Code.

Along the Arkansas Street frontage, with the goal of providing a more architecturally-contextual design while minimizing negative impacts to light and air upon the adjacent Live Oak School, in lieu of the Code-required mass break the Project utilizes two alternate treatments, including: 1) The Project massing is carved away from the property line and stepped into 25-foot wide increments with bays and raised residential entry stoops of varying height and depth in conjunction with descending roof heights that follow the laterally sloping topography to better relate to the more fine grain architectural character of the residential housing across Arkansas Street, and 2) The building's north wall is setback from the adjacent Live Oak School

to provide a volumetric buffer between the buildings that is approximately 80% of the volumetric mass reduction required by Code.

The special circumstances that warrant the Project's alternate approach for this frontage is twofold. First, the existing, more fine grain residential character of the opposite side of Arkansas Street presents a well-defined and uninterrupted (with mass breaks comparable to the Code-required area) street wall that would render a Code-compliant mass break less architecturally compatible with the existing neighborhood character. Secondly, given the site's proximity to Live Oak School (whose classroom space abuts the shared north property line), providing a volumetric buffer between the Project and Live Oak School reduces the Project's impact to Live Oak School's classroom space light and air. The Project utilizes this volumetric setback as an opportunity to establish a second mid-block pedestrian passageway that intersects with the primary north-south mid-block alley; thereby, further improving connectivity within the neighborhood while providing approximately 6,787 sf of additional publicly-accessible open space.

The Project exceeds some of the horizontal mass reduction requirements, since the mass reduction occurs at the ground floor and extends upward. Typically, the horizontal mass reduction is only required to occur at the third floor or above a height of 25 feet. Given the overall design and site layout, the Project provides an appropriate mass reduction, which allows for an expressive and contextual design.

- (2) The depth of any mass reduction breaks provided is not less than 15 feet from the front façade, unless special circumstances are evident;

The depth of the mass breaks provided along Carolina and 18th Streets begin at the front façade and are each 30 feet deep.

Along the Arkansas Street frontage, with the goal of providing a more architecturally-contextual design while minimizing negative impacts to light and air upon the adjacent Live Oak School, in lieu of the Code-required mass break the Project utilizes two alternate treatments, including: 1) The Project massing is carved away from the property line and stepped into 25-foot wide increments with bays and raised residential entry stoops of varying height and depth in conjunction with descending roof heights that follow the laterally sloping topography to better relate to the more fine grain architectural character of the residential housing across Arkansas Street, and 2) The building's north wall is setback from the adjacent Live Oak School to provide a volumetric buffer between the buildings that is approximately 80% of the volumetric mass reduction required by Code.

The special circumstances that warrant the Project's alternate approach for this frontage is twofold. First, the existing, more fine grain residential character of the opposite side of Arkansas Street presents a well-defined and uninterrupted (with mass breaks comparable to the Code-required area) street wall that would render a Code-compliant mass break less architecturally compatible with the existing neighborhood character. Secondly, given the site's proximity to Live Oak School (whose classroom space abuts the shared north property line), providing a volumetric

buffer between the Project and Live Oak School reduces the Project's impact to Live Oak School's classroom space light and air. The Project utilizes this volumetric setback as an opportunity to establish a second mid-block pedestrian passageway that intersects with the primary north-south mid-block alley; thereby, further improving connectivity within the neighborhood while providing approximately 6,787 sf of additional publicly-accessible open space.

The Project exceeds some of the horizontal mass reduction requirements, since the mass reduction occurs at the ground floor and extends upward. Typically, the horizontal mass reduction is only required to occur at the third floor or above a height of 25 feet. Given the overall design and site layout, the Project provides an appropriate mass reduction, which allows for an expressive and contextual design.

- (3) The proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

The Project achieves a distinctly superior effect of reducing the apparent horizontal dimension of the buildings, since the horizontal mass breaks and volumetric buffer from Live Oak School occurs from ground floor through the entire height of the Project. Architectural elements separating the street-level and articulation of the façade contribute to reducing the horizontal appearance of the buildings. Furthermore, the palate of high quality materials, colors and finishes coupled with changes in wall plane contribute to the perceived mass reduction.

- (4) The proposed building achieves unique and superior architectural design.

The Project achieves a unique and contextually-superior architectural design with the proposed horizontal mass breaks and volumetric buffer from Live Oak School, due to the Project's overall design and composition. The Project provides a unique expression within a transitioning context and appropriately introduces a design that has responded to community concerns and Planning Code requirements.

- E. Where not specified elsewhere in subsection (d) of Planning Code Section 329, modification of other Code requirements which could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located. Since Planning Code Section 304 allows for modification of ground floor ceiling heights, the Project is eligible to seek a ground floor ceiling height modification as part of the Large Project Authorization request.

The Project is seeking a modification to the non-residential ground floor ceiling height requirement because of the steep topography of the site which renders a uniform 17-foot ground floor height infeasible without negatively impacting the ground floor design. In all 36% of the Project frontage is below a 17-foot floor-to-floor, ranging from 16'-2" to 12'-0" (at the southeast corner) and 64% of the Project frontage is above a 17-foot floor-to-floor, ranging from 18'-0" to 20'-0" (at the northwest corner). The Project will maintain an average floor-to-floor height for non-residential uses that is 17.3 feet.

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

HOUSING

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.

The Project is a higher density mixed-use residential/commercial development in a transitioning residential/ industrial area. The Project site, composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east, is an ideal infill site given the underutilized nature of expansive site. The site was rezoned to UMU as part of a long range planning goal to create a cohesive, higher density residential and mixed-use neighborhood. The 299 dwelling unit mixed-use project has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5. Accordingly, the Project includes 60 on-site (or 20%) affordable housing units, which complies with the UMU District's goal to provide a higher level of affordability.

OBJECTIVE 4

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

The 299 dwelling unit mixed-use project has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5. Accordingly, the Project includes 60 on-site (or 20%) affordable housing units, which complies with the UMU District's goal to provide a higher level of affordability.

The Project fosters a housing stock that meets the needs of a diverse resident population (including individuals, couples and families) by providing a variety of dwelling unit types including (20) 3-bedrooms, (118) 2-bedrooms, (86) 1-bedrooms, and (75) studios within proximity to public transit.

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.

The Project site, located within the UMU (Urban Mixed Use) Zoning District and composed of six parcels encompassing a 3.36-acre site is inherently unique given its expansive area, irregular shape, sloped topography and variety of zoning district adjacencies. The 299 dwelling unit mixed-use Project has four street frontages along Mariposa, 18th, Carolina and Arkansas Street that abut a variety of zoning districts and uses comprising the neighborhood character, as follows:

To the North: The property to the north along Mariposa Street is located within the P (Public) Zoning District and occupied Jackson Playground. This neighborhood-serving playground occupies the entire City block and provides expansive lawn open space accommodating a variety of recreational activities including baseball, soccer, tennis, basketball and playground space. The grade along Mariposa Street is flat.

To the South: The properties to the south along 18th Street are located within two separate zoning districts. The western half of the block is located within the P (Public) Zoning District and occupied by the International Studies Academy campus and the eastern half of the block is located within the UMU (Urban Mixed Use) Zoning District and occupied by a 3-story multi-family residential building designed in a more Contemporary architectural style that incorporates a massing and material palate that references the industrial heritage of the neighborhood. The grade along 18th Street is laterally sloping. From both Carolina and Arkansas Streets, 18th Street slopes downward to its lowest point which coincides with the Project's north-south, mid-block alley southern opening.

To the East: The properties to the west along Arkansas Street are located within the RH-3 (Residential-House, Three Family) Zoning District and composed of 25-foot wide by 100-foot deep lots (typical) developed with 2- to 4-story single and multi-family residential properties that vary in architectural style yet present a well-defined street wall that is articulated with variation in recessed at-grade and walk-up

stair entrances, garage doors entries, roof heights and roof types, bay windows and side setback spacing between buildings. The grade along Arkansas Street slopes in an uphill direction from Mariposa Street toward 18th Street with approximately 21 feet in grade differential across the 300 feet of frontage, or 7% slope.

To the West: The properties to the west along Carolina Street are located within the PDR-1-G (Production, Distribution, Repair-1-General) Zoning District and occupied by two prominent buildings that span the Carolina Street frontage, these include the industrial 3- to 4-story Anchor Steam Brewery and a 3- to 4-story office building. The brewery has existing loading activities along their frontage (the northern half of Carolina Street opposite the Project). The grade along Carolina Street slopes in an uphill direction from Mariposa Street toward 18th Street with approximately 12 feet in grade differential across the 400-foot long block, or 3% slope.

** All surrounding properties around the subject property are located within a 40-X Height and Bulk District.*

The Project organizes its massing into two separate buildings (an “East” and a “West” building) composed around interior open space which includes a 40-foot wide publicly-accessible north-south mid-block alley that bisects the site (along a former natural creek contour) that intersects a secondary 25-foot wide publicly-accessible east-west pedestrian passageway, and two interior residential-only courtyards. Overall, the Project massing and building height is compatible with the neighborhood character summarized above by defining a strong street frontage along each of the four frontages, maintaining a consistent 40-foot tall building height throughout that is appropriately segmented and descends with the laterally sloping topography, framing appropriately sized publicly-accessible mid-block passageways and interior courtyards to serve both the neighborhood at large and the residents of the Project. The Project architecture successfully responds to the site’s location as a transition between industrial, mixed-use, public and multi-family residential zones while being compatible with the Contemporary and traditional architecture of adjacent properties. The Project’s architectural treatments, façade design and building materials express a Contemporary architectural style informed by the neighborhoods industrial heritage utilizing a palate of quality materials and finishes that include horizontal hardwood siding, smooth lap fiber cement board plank and standing seam zinc metal siding, colored cement plaster, vertical board form concrete, corten steel, aluminum storefront systems, and large rectangular aluminum framed windows. The fenestration pattern and bay dimensions are informed by the size, spacing and composition found in surrounding buildings. The Project is enhanced through the division of the building’s street frontage into smaller distinct segments that relate the typical building width found in the neighborhood and are distinguished by changes in plane and materiality. Bay windows and vertical fin elements are also incorporated into the elevations to create a rhythm along the street. The ground floor elevations have been carefully considered along each frontage to relate to the design and operational needs of adjacent uses while adhering to active ground floor design standards of Planning Code Section 145.1, as well as, the Residential Ground Floor Design Guidelines which have informed the design of the ground floor residential raised entry stoops along the street frontage. The programming and design of the ground floor street frontages both along the street frontages and within the mid-block passageway aim to foster a sense of community through architectural design that uses features to promote community interaction such as visually transparent storefronts, raised residential entry stoops, landscaping, seating and plaza space.

The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks,

bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

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 299 dwelling unit mixed-use Project provides opportunities for recreation and enjoyment of open space for neighbors and residents by providing a mixture of publicly-accessible and residential-only common and private open spaces. Specifically, the Project provides two interior residential courtyards, a 40-foot wide publically-accessible north-south mid-block alley, a 25-foot wide publicly-accessible east-west pedestrian passageway, and a number of private balconies. The publicly-accessible mid-block alley and passageways, in particular, will serve as important elements to significantly improve connectivity for residents, pedestrians and neighbors through the site. The north-south mid-block alley also connects Jackson Playground to 18th Street along which additional neighborhood-serving commercial uses occur further east.

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 proposes comprehensive streetscape improvements along all street frontages, including Mariposa, 18th, Carolina and Arkansas Streets developed in accordance with the San Francisco Better Streets Plan. Streetscape improvements include corner bulb-outs, street plantings and furniture, street trees, bicycle parking racks and new paving treatments.

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 provides 350 Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces in secure, convenient locations.

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 provides 243 off-street parking spaces. These parking spaces located within a two-level subterranean garage accessed by two entrances with curb cuts measuring 22 feet wide on 18th and Arkansas Streets. The amount of parking is adequate for the Project and complies with the parking maximums prescribed by the Planning Code.

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 1.7

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

OBJECTIVE 2

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

Policy 2.6

Respect the character of older development nearby in the design of new buildings.

Generally, the Project is located within the Potrero Hill neighborhood, which is characterized by a mix of residential and industrial uses. More specifically, the Project is located within the UMU District which lies between the more industrial area to the east and the more residential area to the west and south. Architecturally, the Project references the neighborhood's industrial heritage while embodying a Contemporary design that relates to the newer residential projects in the vicinity.

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.

Although the Project site has four street frontages totaling 1065 linear feet, it only provides two vehicular access points for the entire site with curb cuts totaling 44 linear feet, thereby limiting conflicts with pedestrians and bicyclists. Streetscape improvements include the planting of numerous street trees, corner bulb-outs, landscaping, street furniture, bicycle racks and paving treatments that will greatly improve the pedestrian experience along the Project's entire street frontages.

SHOWPLACE SQUARE/POTRERO HILL AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1

ENCOURAGE THE TRANSITION OF PORTIONS OF SHOWPLACE/POTRERO TO A MORE MIXED USE AND NEIGHBORHOOD-SERVING CHARACTER, WHILE PROTECTING THE CORE OF DESIGN-RELATED PDR USES.

Policy 1.1.3

Allow for active ground floor uses and a more neighborhood commercial character in newly designated mixed use areas within Showplace Square.

The proposed mixed-use residential/commercial Project includes a “West” and an “East” Building that are composed in a manner that front along all four surrounding street frontages (Mariposa, 18th, Carolina, and Arkansas Streets) to better define the street edge and relate to the neighborhood context. Along each street frontage, the Project meets the active uses and design criteria of Planning Code Section 145. These active, street-fronting uses include, dwelling units with walk-up stoops, PDR uses with 17 foot tall floor-to-floor height of 17 feet and retail uses that wrap the northwest and southeast corners of the site.

OBJECTIVE 1.2

IN AREAS OF SHOWPLACE/POTRERO 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 1.2.2

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

The proposed 299 dwelling unit in-fill mixed-use residential/commercial Project with 5,295 sf of retail and 3,751 sf of PDR is up to 40-feet in height within a 40-X Height and Bulk District on a 3.36 acre site; thereby, maximizing its development potential. The Project massing is compatible with its surrounding in that its height is consistent with typical building height in the surrounding neighborhood and the building height steps down in relation to the surrounding laterally sloping topography.

Housing

OBJECTIVE 2.1

ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE/POTRERO 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.

The proposed 299 dwelling unit in-fill mixed-use residential/commercial Project, located within a formally industrial area in the Potrero Hill neighborhood, has been entered into the Priority Processing Program as a Type 1A project by providing 20% on-site, below market rate units which exceeds the on-site inclusionary housing requirement of 14.4% within the UMU Zoning District pursuant to Planning Code Section 419.5. The Project provides a variety of dwelling unit types to accommodate a wide range of incomes including, (75) studios, (86) 1-bedrooms, (118) 2-bedrooms and (20) 3-berooms.

Built Form

OBJECTIVE 3.1

PROMOTE AN URBAN FORM THAT REFLECTS SHOWPLACE SQUARE AND POTRERO HILL'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

Policy 3.1.2

Development should respect the natural topography of Potrero Hill.

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 3.2.5

Building form should celebrate corner locations.

Policy 3.2.6

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

Policy 3.2.7

Strengthen the pedestrian network by extending alleyways to adjacent streets or alleyways wherever possible, or by providing new publically accessible mid-block rights of way.

The Project organizes its massing into two separate buildings (an "East" and a "West" building) composed around interior open space which includes a 40-foot wide publicly-accessible north-south mid-block alley that bisects the site (along a former natural creek contour) that intersects a secondary 25-foot wide publicly-accessible east-west pedestrian passageway, and two interior residential-only courtyards. Overall, the Project massing and building height is compatible with the neighborhood character summarized above by defining a strong street frontage along each of the four frontages, maintaining a consistent 40-foot tall building height throughout that is appropriately segmented and descends with the laterally sloping topography, framing appropriately sized publicly-accessible mid-block passageways and interior courtyards to serve both the neighborhood at large and the residents of the Project. The Project architecture successfully responds to the site's location as a transition between industrial, mixed-use, public and multi-family residential zones while being compatible with the Contemporary and traditional architecture of adjacent properties. The Project's architectural treatments, façade design and building materials express a Contemporary architectural style informed by the neighborhoods industrial heritage utilizing a palate of quality materials and finishes that include horizontal hardwood siding, smooth lap

fiber cement board plank and standing seam zinc metal siding, colored cement plaster, vertical board form concrete, corten steel, aluminum storefront systems, and large rectangular aluminum framed windows. The fenestration pattern and bay dimensions are informed by the size, spacing and composition found in surrounding buildings. The Project is enhanced through the division of the building's street frontage into smaller distinct segments that relate the typical building width found in the neighborhood and are distinguished by changes in plane and materiality. Bay windows and vertical fin elements are also incorporated into the elevations to create a rhythm along the street. The ground floor elevations have been carefully considered along each frontage to relate to the design and operational needs of adjacent uses while adhering to active ground floor design standards of Planning Code Section 145.1, as well as, the Residential Ground Floor Design Guidelines which have informed the design of the ground floor residential raised entry stoops along the street frontage. The programming and design of the ground floor street frontages both along the street frontages and within the mid-block passageway aim to foster a sense of community through architectural design that uses features to promote community interaction such as visually transparent storefronts, raised residential entry stoops, landscaping, seating and plaza space.

The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks, bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

Transportation

OBJECTIVE 4.6

SUPPORT WALKING AS A KEY TRANSPORTATION MODE BY IMPROVING PEDESTRIAN CIRCULATION WITHIN SHOWPLACE SQUARE/POTRERO HILL AND TO OTHER PARTS OF THE CITY.

Policy 3.1.2

Development should respect the natural topography of Potrero Hill.

The Project promotes walking as a key transportation mode by providing two major mid-block passages through the site, including a 40-foot wide north-south mid-block alley that intersects with a 25-foot wide east-west pedestrian passageway. The mid-block passages provide design elements intended to better activate these circulation spaces. These elements include pedestrian pathways of varying widths, landscape planters and trees, street furniture, paving and gathering spaces. Also, because these passageways are located toward the center of each block, they will facilitate publicly-accessible pedestrian circulation through the site for the neighborhood residents and visitors. The Project massing respects the natural topography of Potrero Hill and is compatible with its surrounding in that its height is consistent with typical building height in the surrounding neighborhood and the building height steps down in relation to the surrounding laterally sloping topography. Lastly, the building height meets the measurement of building height methodology of Planning Code Section 260 which establishes a maximum building length from which building height may be measured from a single point along laterally sloping streets in order to better relate building height to the natural topography. Building height compliance diagrams are provided within the plans on Sheet A.53.

Streets and Open Space

OBJECTIVE 5.1

PROVIDE PUBLIC PARKS AND OPEN SPACES THAT MEET THE NEEDS OF RESIDENTS, WORKERS AND VISITORS.

Policy 5.1.2

Require new residential development and commercial development to provide, or contribute to the creation of publically accessible open space.

The Project includes two mid-block alleys that will provide publicly-accessible open space. The Project also includes a streetscape plan developed in accordance with the San Francisco Better Streets Plan, which provides comprehensive improvements to the public realm, including widened sidewalks, bulb-out at the corner of Carolina and Mariposa Streets and at 18th and Arkansas Street, street furniture, landscaping and street trees, bicycle racks and paving.

10. **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 does not displace any neighborhood-serving 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 does not displace any existing housing, nor would the existing units in the surrounding neighborhood be adversely affected. The Project will enhance the neighborhood character in that the proposed mass, scale and architectural design are compatible with the neighborhood context.

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

The Project does not displace any existing affordable housing. The Project will provide 60 new affordable units representing 20% of the 299-unit building.

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

The site is composed of six parcels encompassing a 3.36-acre site on portions of two blocks (Assessor's Block 4005 and 4006) bounded by Mariposa Street to the north, 18th Street to the south, Carolina Street to the west and Arkansas Street to the east, within two blocks of three SF MUNI bus lines including the 19, 22 and 10. The SFMTA T-Third rail line is located approximately ½ a mile to the east of the Project site and runs north-south along Third Street connecting the Bayview Hunters Point neighborhood to Downtown. It is presumable that a number of residents would utilize public transit thereby mitigating possible effects on street parking.

- 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 involve commercial office development, rather, the Project involves the replacement of an underutilized office/industrial site with a 299 dwelling unit mixed use project that includes approximately 5,593 gsf of retail and 3,962 gsf of PDR space thereby providing future opportunities for resident employment and ownership in these sectors.

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

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

- G. That landmarks and historic buildings be preserved.

A landmark or historic building does not occupy the Project site.

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

Pursuant to Planning Code Section 295(a)(1), the Project is not subject to Planning Code Section 295 since the building height does not exceed 40 feet.

11. **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) 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.

12. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
13. The Commission hereby finds that approval of the Large Project 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 Large Project Authorization Application No. 2012.1398EX** subject to the following conditions attached hereto as “EXHIBIT A” in general conformance with plans on file, dated October 5, 2015, and stamped “EXHIBIT B”, which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Large Project Authorization to the Board of Appeals within thirty (15) days after the date of this Motion No. 19507. The effective date of this Motion shall be the date of this Motion if not appealed (After the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1650 Mission Street, Suite 304, San Francisco, CA 94103.

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 November 12, 2015.

Jonas P. Ionin
Commission Secretary

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

NAYS: None

ABSENT: None

ADOPTED: November 12, 2015

EXHIBIT A

AUTHORIZATION

This authorization is for a Large Project Authorization to allow for the new construction of two four-story, 40-foot tall, mixed-use buildings, referred to as the "East" and "West" Buildings totaling approximately 350,851 sf with up to 299 dwelling units, 5,295 sf of retail space, 3,751 sf of PDR space, 249 parking spaces within a two-level subterranean garage and a total of 369 bicycle parking spaces with a modification to the requirements for rear yard, ground floor ceiling height, off-street loading, and horizontal mass reduction, located at 1601 Mariposa Street, Lots 001B and 004 in Assessor's Block 4005 and Lots 006, 010, 019 and 020 in Assessor's Block 4006 pursuant to Planning Code Section 329 within the UMU (Urban Mixed-Use) Zoning District, and a 40-X Height and Bulk District; in general conformance with plans, dated October 19, 2015, and stamped "EXHIBIT B" included in the docket for Case No. 2012.1398EX and subject to conditions of approval reviewed and approved by the Commission on November 12, 2015 under Motion No. 19507. 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 November 12, 2015 under Motion No. 19507.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19507 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 Office Development 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 authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

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

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

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

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

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

Mitigation Measures. Mitigation measures described in the MMRP for the Draft Environmental Impact Report ("DEIR") for the Project (Case No. 2012.1398E) 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

On-Going Design Review. The Project Sponsor shall continue to work with staff on design; specifically, differentiating between the “East” and the “West” Buildings and providing a better balance of soft vs. hardscape.

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

Interim Design Controls. The Project Sponsor shall recognize that the project will be reviewed against interim design controls anticipated to be brought forward to the Board of Supervisors in the near future.

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

Final Materials. The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review 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

Street Trees. Pursuant to Planning Code Section 138.1 (formerly 143) and Article 16 of the Public Works Code, the Project Sponsor shall submit a site plan to the Planning Department prior to Planning approval of the building permit application indicating that street trees, at a ratio of one street tree of an approved species for every 20 feet of street frontage along public or private streets bounding the Project, with any remaining fraction of 10 feet or more of frontage requiring an extra tree, shall be provided. Therefore, the Project shall provide at least 9 street trees along Mariposa Street, 14 street trees along 18th Street, 15 street trees along Carolina Street, and 15 street trees along Arkansas Street. The street trees shall be evenly spaced along the street frontage except where proposed driveways or other street obstructions do not permit. The exact location, size and species of tree shall be as approved by the Department of Public Works (DPW). In any case in which DPW cannot grant approval for installation of a tree in the public right-of-way, on the basis of inadequate sidewalk width, interference with utilities or other reasons regarding the public welfare, and where installation of such tree on the lot itself is also impractical, the requirements of this Section 428 may be modified or waived by the Zoning Administrator to the extent necessary.

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

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

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 for

each building. 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

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:

1. 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;
2. On-site, in a driveway, underground;
3. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
4. 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;
5. Public right-of-way, underground; and based on Better Streets Plan guidelines;
6. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
7. On-site, in a ground floor façade (the least desirable location).

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

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

Noise, Ambient. Interior occupiable spaces shall be insulated from ambient noise levels. Specifically, in areas identified by the Environmental Protection Element, Map1, "Background Noise Levels," of the General Plan that exceed the thresholds of Article 29 in the Police Code, new developments shall install and maintain glazing rated to a level that insulate interior occupiable areas from Background Noise and comply with Title 24.

For information about compliance, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org

PARKING AND TRAFFIC

Construction & Transportation Management Plan Consult. The Project Sponsor shall consult with Live Oak School in developing the Construction Management Plan.

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

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

Parking Maximum. Pursuant to Planning Code Section 151.1, the Project shall provide no more than 243 off-street parking spaces for the 299 dwelling unit mixed-use Project.

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

Car Share. Pursuant to Planning Code Section 166, no fewer than two car share space shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.

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

Bicycle Parking. Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 349 Class 1 bicycle parking spaces and 19 Class 2 bicycle parking spaces.

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

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

PROVISIONS

In-Kind Agreement Pursuit. The Project Sponsor shall pursue an in-kind agreement with the Recreation and Park Department, SFMTA and Department of Public Works (DPW), on Jackson Playground and pedestrian safety mitigation measures and/or improvements.

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

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

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 415-575-9195, www.sf-planning.org

Transit Impact Development Fee. Pursuant to Planning Code Section 411, the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) 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

MONITORING

Demolition and Hazard Remediation. The Project Sponsor is encouraged to perform demolition and hazard remediation during off-school hours and, if not able to, to return to the Planning Commission with an update.

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

Weekly Remediation Updates. The Project Sponsor shall provide weekly updates regarding remediation activities by email to Live Oak School and anyone who requests such information.

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

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

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

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>

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>

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

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 HOUSING

Eastern Neighborhoods Affordable Housing Requirements for UMU. Pursuant to Planning Code Section 419.3, Project Sponsor shall meet the requirements set forth in Planning Code Section 419.3 in addition to the requirements set forth in the Inclusionary Affordable Housing Program, per Planning Code Section 415. Prior to issuance of first construction document, the Project Sponsor shall select one of the options described in Section 419.3 or the alternatives described in Planning Code Section 419.5 to fulfill the affordable housing requirements and notify the Department of their choice. Any fee required by Section 419.1 et seq. shall be paid to the Development Fee Collection Unit at DBI prior to issuance of the first construction document.

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, www.sf-planning.org

Affordable Units

- 1. Number of Required Units.** The Project site is located within the UMU (Urban Mixed Use) Zoning District in which the on-site inclusionary housing requirement is 14.4% of the total units; however, the Project Sponsor has indicated that it will apply for and receive California Debt Limit Allocation Committee (CDLAC) tax-exempt bond financing. In order for the CDLAC restricted units to qualify for the Inclusionary Affordable Housing Program, under Planning Code Section 415.6(f), the Project is required to provide 20% of the proposed dwelling units on-site as affordable to households at 50 percent of Area Median Income. The income table to be used for such projects when the units are priced at 50 percent of Area Median Income is the income table used by MOHCD for the Inclusionary Affordable Housing Program, not that used by TCAC or CDLAC. Except as provided in this subsection, all units provided under this Section must meet all of the requirements of Section 415 et seq. and the Procedures Manual for on-site housing. In addition, Planning Director Bulletin #2 *Planning Department Priority Application Processing Guidelines* provides Priority Processing for Projects providing 20% of the proposed dwelling units as affordable to qualifying households. The Project contains 299 units; therefore,

60 affordable units are required. The Project Sponsor will fulfill this requirement by providing the 60 affordable units on-site. 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").

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2. **Unit Mix.** The Project contains (75) studio, (86) 1-bedroom, (118) 2-bedroom, and (20) 3-bedroom units; therefore, the required affordable unit mix is satisfied through the provision of (15) studio, (18) 1-bedroom, (23) 2-bedroom, and (4) 3-bedroom units. 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 MOH.

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3. **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.

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4. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than 14.4% of the each phase's total number of dwelling units as on-site affordable units.

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5. **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.

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6. **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 and Community Development's websites, including on the internet at:

<http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>.

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

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- 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 sale, the affordable unit(s) shall be sold to first time home buyer households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average of 90% 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." The initial sales price of such units shall be calculated according to the Procedures Manual. Limitations on (i) reselling; (ii) renting; (iii) recouping capital improvements; (iv) refinancing; and (v) procedures for inheritance apply 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. MOH 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 initial buyers or 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 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.

- 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 or may seek a fee deferral as permitted under Ordinances 0107-10 and 0108-10. 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.