



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion No. 20574

HEARING DATE: NOVEMBER 21, 2019

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Record No.: 2019-012970CUA
Project Address: 34 Properties Owned or Leased by the Academy of Art University ("Academy")
Zoning: Multiple Zoning Districts
Block/Lot: Multiple Blocks and Lots
Project Sponsor: Jim Abrams
J. Abrams Law, P.C.
One Maritime Plaza, Suite 1900
San Francisco, CA 94111
Property Owner(s): Multiple LLCs
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ADOPTING FINDINGS TO APPROVE A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303 AND 304.6, TO LEGALIZE USES AND BUILDING MODIFICATIONS AND PERMIT WORK TO BRING BUILDINGS AT 34 PROPERTIES OWNED OR LEASED BY THE ACADEMY OF ART UNIVERSITY ("ACADEMY") WITHIN THE CITY AND COUNTY OF SAN FRANCISCO ("CITY") INTO CONFORMANCE WITH THE PLANNING CODE, CONSISTENT WITH THE PROPOSED DEVELOPMENT AGREEMENT AND THE TERM SHEET FOR GLOBAL RESOLUTION BETWEEN THE CITY AND THE ACADEMY, AND TO ADOPT FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

The Academy of Art University ("Academy") is a private, for-profit post-secondary academic institution that currently occupies, either in part or in full, 40 properties within the City and County of San Francisco for its existing educational programs, recreational activities, and student housing. In 2007, the Academy occupied 34 properties, in 28 of which, the Academy had implemented various tenant improvements and changes of use without benefit of required conditional uses, building permits or other land use entitlements. In order to evaluate the potential impacts associated with bringing those 28 properties into compliance with the San Francisco Planning Code and to analyze the Academy's then-proposed plans for growth, an Environmental Impact Report (EIR) and an Existing Sites Technical Memorandum (ESTM) were prepared between 2010 and 2016. On July 28, 2016, by Motion No. 19704, the Planning Commission certified as adequate, accurate and complete the Final Environmental Impact Report ("FEIR") for the Project pursuant to the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) ("CEQA").

During this same time period, however, affiliates of the Academy acquired an additional six properties bringing the total number of properties owned or occupied by the Academy and its affiliates to 40.

On May 6, 2016, the City Attorney of the City and County of San Francisco (the "City Attorney"), on behalf of the City and the People of the State of California, commenced litigation against the Academy and the affiliated LLC Parties in *People v. Stephens Institute, et. al*, San Francisco Superior Court Number CGC-16-551-832 (the "Lawsuit"). In the Lawsuit, the City and the State alleged violations of the City's Administrative Code, Planning Code, Building Code, and the State Unfair Competition Law, Business and Professions Code Section 17200 et seq. (the "UCL").

During court-supervised settlement discussions to resolve the Lawsuit, the Academy and the LLC Parties expressed their commitment to bring the Academy's existing uses into compliance with the Planning Code; relocate existing Academy uses or change Academy uses in buildings in accordance with applicable laws in those specific instances where the Planning Department has determined that legalization is not appropriate or the Academy has agreed to withdraw its use; compensate the City for past violations, including providing affordable housing public benefits to the City; legalize or reverse prior alterations performed without required permits or approvals in order to bring its properties into compliance with City codes, and work cooperatively with the City in planning for future Academy growth in a manner that accounts for the urban nature of the Academy's campus, without adversely impacting the City's affordable or rent-controlled housing stock, or burdening its transportation system, including, as part of that plan, building new housing for its students on property that is zoned for such use.

As a result of those discussions, and under auspices of the court, the Academy and the City entered into a non-binding Term Sheet for Global Resolution, dated November 15, 2016, as amended by that certain Supplement to Term Sheet for Global Resolution, dated July 10, 2019 (collectively, the "Term Sheet"), intended to provide a basis to resolve all of the outstanding issues relating to the Lawsuit and other land use matters, and to establish appropriate principles and processes for land use compliance by the Academy.

As contemplated by the Term Sheet, the City, the Academy, and the LLC Parties have entered into a comprehensive consent judgment that they will file with the Superior Court seeking the Court's approval and entry of judgment (the "Consent Judgment"). The Consent Judgment contains four main parts: (1) a Settlement Agreement (the "Settlement Agreement"), which includes obligations of the LLC Parties to make payments to the City (including the Affordable Housing Benefit); (2) a Stipulated Injunction (the "Injunction"), which is an exhibit to the Settlement Agreement and provides a mechanism for judicial enforcement of the Academy's and the LLC Parties' obligations under the Settlement Agreement and this Agreement, and (3) the Development Agreement, which is also an exhibit to the Settlement Agreement. Also critical to the global resolution that the Consent Judgment would achieve is the instrument securing the LLC Parties' financial obligations under the Settlement Agreement and this Agreement. The obligations of the LLC Parties to make the full settlement payments under the Settlement Agreement will be secured by a Guaranty (the "Guaranty") from the Stephens Family Trust, the Elisa Stephens Trust, the Scott Stephens Trust, Elisa Stephens, Scott Stephens, Richard A. Stephens, and Susanne Stephens.

As contemplated by the Term Sheet, the Parties propose to bring the properties owned by the LLC Parties and used by the Academy or intended for future Academy use, which consists of the original forty (40) properties, and three additional properties – 1142 Van Ness Ave., 1946 Van Ness Ave., and 2550 Van Ness Ave. – that the Academy wishes to occupy, for a total of forty-three (43) properties and associated improvements located throughout San Francisco (the “Academy Properties”), as more particularly described in the July 5, 2019 Academy of Art University Institutional Master Plan, into compliance with the Planning Code (“Project”). The Project, as authorized by the Development Agreement, requires the City’s approval of a variety of permits and authorizations, including (i) approval of a conditional use authorization by the Planning Commission to reflect the approval of the use of thirty-four (34) properties (primarily in the northeast quadrant of the City) and to grant certain exceptions to the Planning Code, (ii) the approval of permits to alter and certificates of appropriateness by the Historic Preservation Commission, (iii) amendment of the Planning Code to permit uses that are currently not permitted at certain properties, and (iv) a variety of other building alterations and street improvements including without limitation the removal and installation of signage, removal and repair of nonconforming awnings and exterior alterations, the installation Class 1 and Class 2 bike racks, the removal of curb cuts, removal of signage, and the replacement of certain windows. The Academy will vacate and cease any operations at the remaining nine (9) properties – 150 Hayes St., 168 Bluxome St., 460 Townsend St., 700 Montgomery St., 1055 Pine St., 1069 Pine St., 2295 Taylor St., 2340 Stockton St., and 121 Wisconsin St. In addition, the City will reclassify certain residential hotel units at 1080 and 1153 Bush Street to remove Administrative Code Chapter 41 designations, and will designate all tourist hotel units at 860 Sutter Street as permanent residential hotel units under Administrative Code Chapter 41, for a net increase of eight (8) new residential hotel units.

On October 9, 2019, the Academy filed an updated and complete application with the City’s Planning Department for approval of a development agreement relating to the Project (the “Development Agreement”) under Chapter 56 of the Administrative Code. As set forth in the Development Agreement, the Academy requests legalization of the proposed uses of all 34 properties, and of certain previous alterations made to the buildings and facilities on these sites without required permits, as well as approval of the work necessary to bring these properties into compliance with the San Francisco Planning Code and, where applicable, the Secretary of the Interior’s Standards for buildings subject to Planning Code Articles 10 and 11. The Development Agreement requires the Academy to obtain all necessary permits to perform corrective work at the 34 properties and complete the work to bring these buildings into compliance with the Planning Code pursuant to the Schedule of Performance set forth as Exhibit E to the Development Agreement. While the Development Agreement is between the City, acting primarily through the Planning Department, and Academy, other City agencies retain a role in reviewing and issuing certain later approvals for the Project. Later approvals include approval of building permits, street improvement permits, and permits to install Class 2 bicycle parking. As a result, affected City agencies have consented or will consent to the Development Agreement.

Public benefits to the City from the Project include: (1) an “Affordable Housing Benefit” defined as the cash payment of \$37.6 million to the City to be used by the City solely for affordable housing purposes, with a first priority for uses related to the creation or preservation of single room occupancy (SRO) units in those

supervisory districts in which the City alleges the Academy unlawfully converted SRO buildings to student housing, as the City may determine in its sole discretion; (2) a cash payment to the City's Small Sites Fund in excess of \$8.2 million; (3) an agreement by the Academy to meet all future housing needs for its students through new construction on property that is zoned for such use, or conversion of existing non-residential, non-PDR structures to student housing use, as further provided in the Development Agreement, to not promise new students more housing units than the number of lawful units that are at the Academy's disposal, to not temporarily house its students in non-Academy facilities, and to provide housing to increase the percentage of housing it provides to On Campus Students pursuant to a "Housing Metering" formula agreed to by the Parties; (4) payment of Planning Code civil penalties totaling \$1 million, and reimbursement for Planning enforcement costs totaling \$1.3 million; (5) payment of Unfair Competition Law penalties totaling \$6 million; and (6) payment of impact, fair share, and in-lieu fees of approximately \$3.8 million. Those payments total approximately \$58 million. In addition, the Academy will pay the City's administrative and legal costs in connection with the negotiation of the Development Agreement.

On October 9, 2019, the Planning Department issued an Addendum to the FEIR, in which it determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.).

On October 9, 2019, the Academy filed complete applications with the City's Planning Department for required entitlements pursuant to the Term Sheet and Development Agreement. These applications are the consolidated master applications for Conditional Use Authorization, Certificate of Appropriateness and Permit to Alter.

On November 20, 2019, by Motion Nos. 0401, 0403, and 0402, the Historic Preservation Commission adopted CEQA findings and approved the master Certificate of Appropriateness and Permit to Alter applications (Planning Record Nos. 2019-012970COA and 2019-012970PTA).

On November 21, 2019, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Authorization Application No. 2019-012970CUA. At this same hearing, and prior to acting on the requested Conditional Use Authorization, the Commission considered and adopted CEQA Findings for the Project under Motion No. 20572, and adopted Resolution No. 20573 recommending approval to the Board of Supervisors of an ordinance amending the Planning Code, waiving provisions of Administrative Code sections 41 and 56, and adopting the Development Agreement.

The Planning Department Commission Secretary is the Custodian of Records; the Files for Record No. 2019-012970PRJ are located at 1650 Mission Street, Suite 400, San Francisco, California.

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

MOVED, that the Commission hereby authorizes the Conditional Use Authorization as requested in Application No. 2019-012970CUA, 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. **Project Description.** The Project involves the withdrawal of all Academy use from nine (9) properties and the legalization and/or establishment of uses associated with the Academy at 34 properties within the City and County of San Francisco. Also included in the Project are building modifications, both internal and external, that have either been made by the Academy and require legalization, are required for purposes of establishing Academy uses at these various properties, or are required to bring the buildings into conformance with the Planning Code including, where applicable, Articles 10 and 11 of the Planning Code. The Project also includes signage proposals for all properties. The Project does not propose to include any demolition, new construction, or physical expansion of a building at any of the 34 properties, or at the sites to be withdrawn from Academy use.

In total, the Project will establish a Post-Secondary Educational Institution ("PSEI") use at 16 properties, with a total of approximately 1,137,108 square feet of institutional space. An additional 16 properties will be used by the Academy for residential student housing uses (and incidental PSEI space located in some of the properties, such as student activity centers, recreation spaces and cafeterias), with some authorized as dwelling units and others as group housing; one building within this category includes legal nonconforming live/work units. These residential buildings comprise approximately 462,448 square feet and include 143 dwelling units, 579 group housing rooms, and 33 live/work units, resulting in a total available count of 1,843 beds at the 16 properties. Also included in the residential square footage discussed above are areas proposed for non-accessory private parking uses to be used by Academy faculty and staff totaling 100 spaces at four properties – 575 Harrison St., 1727 Lombard St., 1900 Jackson St., and 2550 Van Ness Ave. The two remaining sites will be authorized for multiple uses including a private parking garage, commercial storage, and a community facility. As discussed in the Institutional Master Plan (IMP) for the Academy, three of the thirty-four properties will include newly approved Academy uses and were not otherwise used by the Academy prior to approval. Table 1, below, provides specific land use information and proposed scopes of work for each property to be considered under the Project.

Authorization of the Project is anticipated through Planning Code Section 304.6, which would be enacted through a proposed Planning Code Text Amendment. The proposed legislation effectively subjects all Academy permits and approvals that are included in the Project to a Conditional

Use Authorization requirement, which may be sought under a single application for Conditional Use Authorization, also referred to as a "Master Conditional Use Authorization", or "MCUA". Such Master Conditional Use Authorization shall be in lieu of any other discretionary action by the Zoning Administrator, such as variances. Table 1, below, also provides information regarding the types of discretionary actions that would otherwise be required at each property, but which will instead be approved and acted upon in a single decision by the Commission through Planning Code Section 304.6 and the approval of the MCUA.

Table 1. Proposed Academy Uses and Scope of Work at Each Academy Property. For full proposed scopes of work, please refer to plan drawings for each property, attached as Exhibit B to this Motion.

Property Address	Existing Legal Use	Proposed Academy Use	Proposed Scopes of Work	Discretionary Actions Needed
601 Brannan Street	Office	Post-Secondary Education Institutional (PSEI)	<ul style="list-style-type: none"> • Legalize change of use from Office to PSEI, with 17 accessory off-street parking spaces • Reconfiguration of parking lot and basketball court open space • Fill in of two curb cuts along Brannan St. • Provision of Class 1 and 2 bicycle parking • Removal of stucco wall infill and replacement with window with brick sill along Brannan St. • Removal of film applied to windows to comply with active use requirements • Exterior alterations (e.g. replacement of light fixtures, concealing conduit) • Addition of Academy signage 	<ul style="list-style-type: none"> • Conditional Use for PSEI in MUG (§840.32) • Code exception from active use requirements (§145.1) for Class 1 bicycle parking location
410 Bush Street	Office	PSEI	<ul style="list-style-type: none"> • Legalize change of use from Office to PSEI, with 10 accessory off-street parking spaces • Provision of Class 1 and 2 bicycle parking • Partial repainting of building to remove prior signage remnants; two existing projecting signs legal, to remain and no other signage proposed • Exterior alterations (e.g. replacement of light fixtures, concealing conduit, removal of barbed wire) 	<ul style="list-style-type: none"> • Approval by HPC of Major Permit to Alter (Article 11) • Code exception from bicycle parking design standards (§155.1) for vertical spaces
58-60 Federal Street	Office	PSEI	<ul style="list-style-type: none"> • Legalize change of use from Office to PSEI, with 8 accessory off-street parking spaces • Provision of Class 1 and 2 bicycle parking • New steel-frame entry door to replace unpermitted glass door and restore historic character 	<ul style="list-style-type: none"> • Approval by HPC of Certificate of Appropriateness (Article 10)

58-60 Federal Street (continued)			<ul style="list-style-type: none"> • New steel windows with true divided lites in existing rough openings to match historic character; enlarged openings to be legalized, except as noted • Legalization of other exterior modifications (e.g. exterior barrel housing on garage roll-up doors, installation of ventilation grates in window openings, installation of roof railing for HVAC system) • Exterior alterations (e.g. replacement of security cameras, removal of Juliet balconies) • New signage and relocation of signage 	<ul style="list-style-type: none"> • Code exception from bicycle parking design standards (§155.1) for vertical spaces and access path
2801 Leavenworth Street	Office, Retail at ground floor	PSEI, Retail at ground floor	<ul style="list-style-type: none"> • Legalize change of use from Office to PSEI at 2nd and 3rd floors. Ground floor remains Retail Sales and Service; however, may be operated by the Academy, provided meets certain conditions as specified in Development Agreement • Provision of Class 1 and 2 bicycle parking • New signage including repurposing of neon projecting sign 	<ul style="list-style-type: none"> • Code exception from bicycle parking design standards (§155.1) for vertical spaces and access path
77-79 New Montgomery Street	Office	PSEI	<ul style="list-style-type: none"> • Legalize change of use from Office to PSEI • Provision of Class 1 and 2 bicycle parking • Partial removal of interior partitions within first 25' of building depth at ground floor, and removal of translucent film on glazing • Three existing projecting signs legal, to remain; awnings to be legalized with painted signage on awnings removed; window decal signs removed. • Exterior alterations (e.g. replacement or relocation of security cameras, concealing conduit) • Legalization of exterior alterations (e.g. infilled windows at upper floor) 	<ul style="list-style-type: none"> • Approval by HPC of Minor Permit to Alter (Article 11) • Code exception from bicycle parking design standards (§155.1) for vertical spaces • Code exception from active use requirements (§145.1) for interior partitions within first 25'
180 New Montgomery Street	Office	PSEI	<ul style="list-style-type: none"> • Legalize change of use from Office to PSEI • Provision of Class 1 and 2 bicycle parking • Three existing projecting signs legal, to remain; no other signage proposed • Exterior alterations (e.g. replacement of security cameras and light fixtures, concealing conduit, painting of building panels to be consistent with historic standards, repair of façade damage, restoration of ground floor panels) • Legalization of exterior alterations (e.g. window replacements at upper floors, murals and seating installations at Natoma St.) 	<ul style="list-style-type: none"> • Approval by HPC of Major Permit to Alter (Article 11) • Code exception from bicycle parking design standards (§155.1) for vertical spaces

625 Polk Street	PSEI	PSEI	<ul style="list-style-type: none"> • Exterior alterations (e.g. replacement of security cameras and light fixtures, concealing conduit in existing masonry grooves, repair of façade damage) • Legalization of security gates • New wall signage and new copy on existing wall sign, to be installed consistent with historic standards 	<ul style="list-style-type: none"> • Approval by HPC of Certificate of Appropriateness (Article 10)
491 Post Street	Religious Institution	PSEI	<ul style="list-style-type: none"> • Legalize change of use from Religious Institution to PSEI • Provision of Class 1 and 2 bicycle parking • Two existing banner signs and statues legal, to remain; one additional wall sign proposed in existing church box fixture and interpretive historic display proposed for other fixture; removal of unpermitted signage on fence • Exterior alterations (e.g. replacement of light fixtures, removal of unused conduit) and legalization of existing alterations (e.g. window vents, basement door replacement, skateboard deterrents) 	<ul style="list-style-type: none"> • Approval by HPC of Administrative Certificate of Appropriateness (Article 10) • Code exception from bicycle parking design standards (§155.1) for vertical spaces and access path
540 Powell Street	PSEL, Museum	PSEI	<ul style="list-style-type: none"> • Legalize change of use to PSEI for entire building; portions of existing building already considered legal PSEI • Provision of Class 2 bicycle parking • Relocation of existing projecting sign below belt course; removal of awnings with signage • Exterior alterations (e.g. replacement of security cameras and light fixtures, concealing conduit, replacement of windows to match historic conditions at primary façade, legalization of window replacements and security bars at secondary façade, repair of entry marquee and façade damage, legalization of infilled window at upper floor) 	<ul style="list-style-type: none"> • Approval by HPC of Major Permit to Alter (Article 11)
625-629 Sutter Street	Office	PSEI	<ul style="list-style-type: none"> • Legalize change of use from Office to PSEI • Provision of Class 1 and 2 bicycle parking. • One existing projecting sign legal, to remain; two new non-illuminated window signs proposed at storefront glazing. • Removal of three storefront awnings and associated signage; restoration of transom glazing. • Removal of interior storefront display partitions within first 25' of building depth at ground floor to allow for transparent views into building 	<ul style="list-style-type: none"> • Approval by HPC of Major Permit to Alter (Article 11) • Code exception from active use requirements (§145.1) for Class 1 bicycle parking location, and for interior partitions within the first 25'

625-629 Sutter Street (continued)			<ul style="list-style-type: none"> Exterior alterations (e.g. removal of flood lighting at belt course and installation of new light fixtures consistent with preservation standards) 	<ul style="list-style-type: none"> Code exception from bicycle parking design standards (§155.1) for vertical spaces
740 Taylor Street	PSEI	PSEI	<ul style="list-style-type: none"> Retention of existing Class 2 bicycle parking. One existing projecting sign legal, to remain; one additional wall sign proposed. 	
466 Townsend Street	Internet Service Exchange	PSEI	<ul style="list-style-type: none"> Legalize change of use from Internet Service Exchange to PSEI, with instruction limited to fields related to PDR and Arts Activities uses. Provision of Class 1 and 2 bicycle parking. New signage to include 4 wall signs and 1 awning sign. Removal of remnant light fixtures at roofline from previous unpermitted signage 	<ul style="list-style-type: none"> Code amendment limiting the conversion of PDR use (§202.8)
950 Van Ness Avenue	Retail Automobile Sales	Private Parking, accessory ground floor museum	<ul style="list-style-type: none"> Change of use from Retail Automobile Sales to Private Parking Garage with accessory ground floor museum. Provision of Class 1 and 2 bicycle parking. Removal of one curb cut along Van Ness Avenue Removal of two ground floor canopy structures along Van Ness Avenue New signage to include 3 wall signs and 1 projecting sign 	<ul style="list-style-type: none"> Conditional Use for Private Parking Garage in RC-4 (§209.3)
1849 Van Ness Avenue	Retail Sales	PSEI, accessory ground floor museum	<ul style="list-style-type: none"> Legalize change of use from Retail to PSEI with accessory ground floor museum Provision of Class 1 and 2 bicycle parking Existing LED wall sign legal, to remain; removal of painted wall signage copy and painted awning copy Exterior alterations (e.g. replacement of security cameras and concealing of conduit) 	<ul style="list-style-type: none"> Conditional Use for PSEI in RC-4 (§209.3) Code exception from active use requirements (§145.1) for window display boxes along Washington Street frontage
2151 Van Ness Avenue	Religious Institution	PSEI	<ul style="list-style-type: none"> Legalize change of use from Religious Institution to PSEI Provision of Class 1 and 2 bicycle parking New signage to include one new wall sign within existing church sign cabinet, and one new freestanding sign attached to fence along Broadway 	<ul style="list-style-type: none"> Approval by HPC of Certificate of Appropriateness (Article 10) Conditional Use for PSEI in RC-4 (§209.3) Code exception to allow provision of Class 1 bicycle parking at 2211 Van Ness Ave., within 500 feet (§307(k))

1080 Bush Street	42 Dwelling Units; 15 Residential Hotel Rooms (Ch. 41)	Student Housing – 42 Dwelling Units; 15 Group Housing Rooms	<ul style="list-style-type: none"> • Legalize change of use for the 15 Residential Hotel Rooms to Group Housing with Student Housing use characteristic; dwelling units already considered legal Student Housing • Removal of the Chapter 41 designation from the 15 Residential Hotel Rooms through a Permit to Convert application, proposing replacement units at 860 Sutter Street. • Provision of Class 1 and 2 bicycle parking • Reinstate ground floor dwelling unit at area of ground floor lounge. • Existing wall sign legal, to remain; no other signage proposed. • Replacement of ground floor door consistent with preservation standards 	<ul style="list-style-type: none"> • Code amendment limiting the conversion of housing to student housing use (§317(e)) • Conditional Use for Group Housing affiliated with PSEI use in RC-4 (§209.3) • Code exception from active use requirements (§145.1) for Class 1 bicycle parking location • Code exception from bicycle parking design standards (§155.1) for vertical spaces and access path
1153 Bush Street	1 Dwelling Unit; 15 Residential Hotel Rooms (Ch. 41)	Student Housing – 16 Group Housing Rooms	<ul style="list-style-type: none"> • Legalize change of use to Group Housing with Student Housing use characteristic • Removal of the Chapter 41 designation from the 15 Residential Hotel Rooms through a Permit to Convert application, proposing replacement units at 860 Sutter Street. • Provision of Class 1 and 2 bicycle parking • Removal of existing curb cut and driveway • Exterior alterations (e.g. removal of entry canopy, window replacements, and installation of security card reader for bike access at garage) • New wall signage proposed at garage, must allow for garage operation for access to bicycle parking 	<ul style="list-style-type: none"> • Code amendment limiting the conversion of housing to student housing use (§317(c)) • Conditional Use for Group Housing affiliated with PSEI use in RC-4 (§209.3) • Code exception from bicycle parking design standards (§155.1) for vertical spaces and to allow provision of Class 2 bicycle parking at 1080 Bush St., within 500 feet (§307(k))
575 Harrison Street	33 Live/Work Units	33 Live/Work Units; Private Parking Garage	<ul style="list-style-type: none"> • Legalize change of use at garage from accessory parking to Private Parking use; no change of use to legal nonconforming live/work units • Provision of Class 1 and 2 bicycle parking • New signage to include one wall and one projecting sign 	<ul style="list-style-type: none"> • Conditional Use for Private Parking use in MUO (§842.41)

1900 Jackson Street	9 Dwelling Units	Student Housing – 9 Dwelling Units; Private Parking Garage	<ul style="list-style-type: none"> • Legalize change of use at garage from accessory parking to Private Parking use; dwelling units already considered legal Student Housing • Provision of Class 1 and 2 bicycle parking • New signage to include two identifying wall signs 	<ul style="list-style-type: none"> • Conditional Use for Private Parking use in RH-2 (§209.1) • Code exception from bicycle parking design standards (§155.1) for vertical spaces
736 Jones Street	34 Dwelling Units	Student Housing – 34 Dwelling Units	<ul style="list-style-type: none"> • No change of use; dwelling units already considered legal Student Housing • Reinstate basement level dwelling unit adjacent to student lounge • Existing wall sign legal, to remain; new signage proposed on existing awning over entry 	
1727 Lombard Street	Tourist Motel	Student Housing – 52 Group Housing Rooms; Private Parking Lot and Garage	<ul style="list-style-type: none"> • Legalize change of use from Tourist Motel to Group Housing with Student Housing use characteristic; legalize change of use from accessory parking lot to Private Parking use • Provision of Class 1 and 2 bicycle parking • Development of code compliant open space on portion of prior parking lot • Removal of two curb cuts and driveways, one along Lombard St. and one along Greenwich St. • Removal of window signs at lobby/office, to allow for transparent views into building; retention of existing freestanding “Star Motel” sign to be designated as a Vintage Sign; new signage to include wall sign adjacent to freestanding sign and identifying wall sign at Greenwich frontage 	<ul style="list-style-type: none"> • Conditional Use for Group Housing in RH-2 (§209.1) • Conditional Use for Private Parking use in RH-2 and NC-3 (§209.1 and §712) • Code exception from rear yard requirements (§134)
1916 Octavia Street	22 Residential Hotel Units (Ch. 41)	Student Housing – 22 Group Housing Rooms (Ch. 41)	<ul style="list-style-type: none"> • Legalize change of use from 22 Residential Hotel Rooms to Group Housing with Student Housing use characteristic • Provision of Class 1 and 2 bicycle parking • Relocation of shuttle stop to property frontage 	<ul style="list-style-type: none"> • Code amendment limiting the conversion of housing to student housing use (§317(e)) • Conditional Use for Group Housing in RH-2 (§209.1) • Code exception from bicycle parking design standards (§155.1) for vertical spaces

560 Powell Street	28 Dwelling Units	Student Housing – 27 Dwelling Units	<ul style="list-style-type: none"> No change of use; dwelling units already considered legal Student Housing New signage to include two wall signs and one projecting sign 	<ul style="list-style-type: none"> Conditional Use for removal of dwelling unit, based on 3R Report (§317)
620 Sutter Street	Tourist Hotel	Student Housing – 61 Group Housing Rooms, accessory PSEI	<ul style="list-style-type: none"> Legalize change of use from Tourist Hotel to Group Housing with Student Housing use characteristic Partial provision of Class 1 bicycle parking and provision of Class 2 bicycle parking Retention of existing legal center awning with signage; no new signage proposed Exterior alterations (e.g. removal of eastern awning, replacement of security cameras and lighting fixtures, concealing conduit, restoration of original YWCA engraving, repair of façade damage) 	<ul style="list-style-type: none"> Approval by HPC of Major Permit to Alter (Article 11) Code exception from rear yard and open space (§134, §135) Code exception from bicycle parking design standards (§155.1) for vertical spaces, and overall deficiency of spaces (§155.2)
655 Sutter Street	61 Group Housing Rooms	Student Housing – 55 Group Housing Rooms, accessory PSEI	<ul style="list-style-type: none"> No change of use; Group Housing with Student Housing use characteristic already legal Existing wall sign legal, to remain, with conduit to be routed internally; new signage proposed to include two projecting signs for left and right storefronts, reflecting specific use and not to include generic Academy signage copy Exterior alterations (e.g. replacement of security cameras and lighting fixtures, concealing conduit, painting of storefront in Article 11 compatible color) 	<ul style="list-style-type: none"> Approval by HPC of Major Permit to Alter (Article 11)
680-688 Sutter Street	28 Dwelling Units	Student Housing – 27 Dwelling Units; PSEI gallery	<ul style="list-style-type: none"> No change of use; dwelling units already considered legal Student Housing New signage to include two wall signs, one painted Exterior alterations (e.g. removal of awning and brackets, removal of previous sign mounting brackets, window replacements, concealing conduit, repair of façade damage) 	<ul style="list-style-type: none"> Approval by HPC of Minor Permit to Alter (Article 11) Conditional Use for removal of dwelling unit (§317)
817-831 Sutter Street (aka 825 Sutter Street)	Tourist Hotel	Student Housing – 111 Group Housing Rooms	<ul style="list-style-type: none"> Legalize change of use from Tourist Hotel to Group Housing with Student Housing use characteristic Partial provision of Class 1 bicycle parking and provision of Class 2 bicycle parking Retention of existing “Commodore” projecting and awning signs to be designated as Vintage Signs; new proposed Academy wall sign 	<ul style="list-style-type: none"> Conditional Use for Group Housing affiliated with PSEI use in RC-4 (§209.3) Code exception from rear yard and open space (§134, §135)

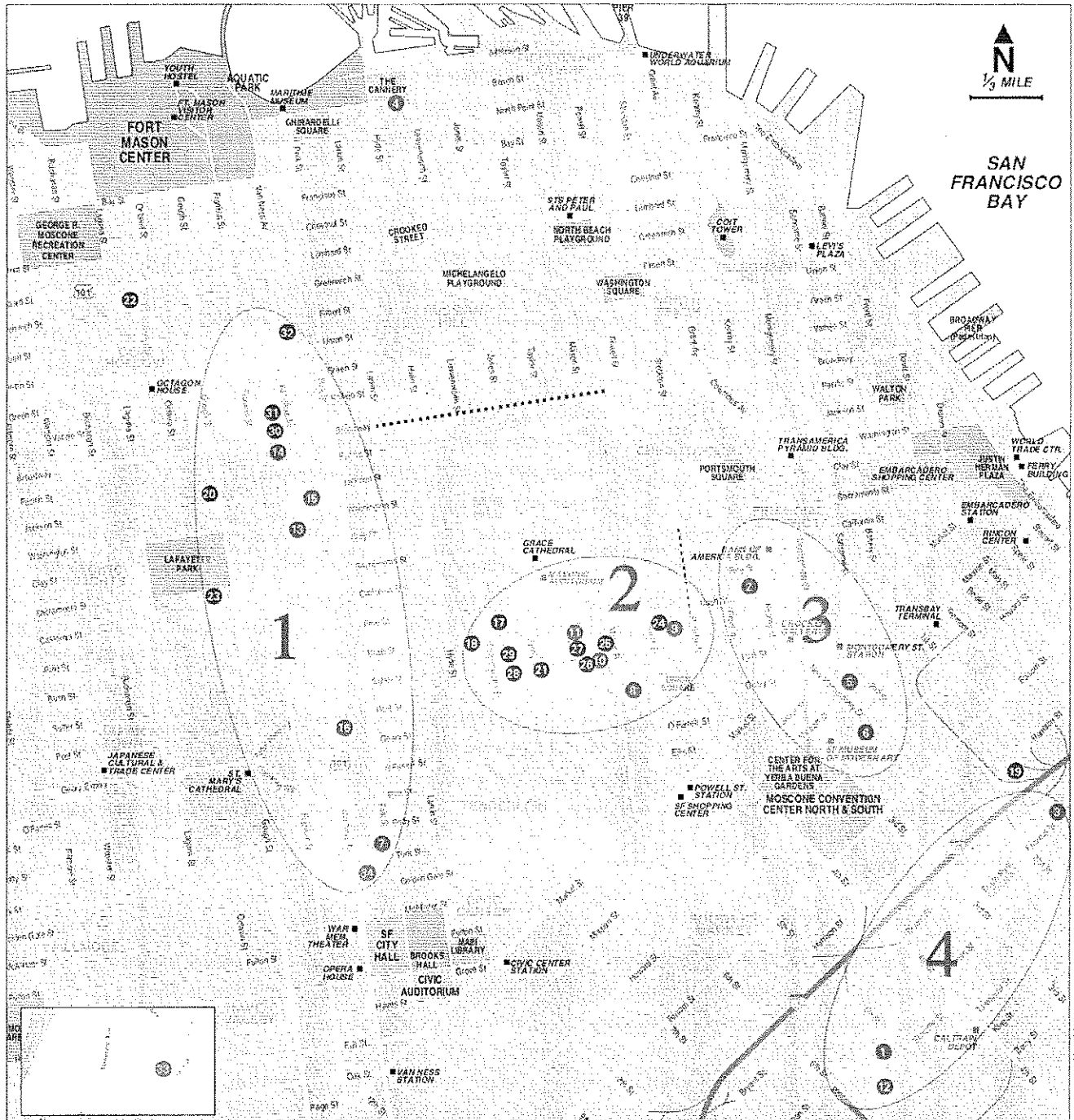
<p>817-831 Sutter Street (aka 825 Sutter Street) (continued)</p>			<ul style="list-style-type: none"> • Removal of ground floor security gate installed without permit, to provide access to bicycle parking • Aluminum window replacements are legal and no further replacement is proposed; however, future window replacements shall require wood sash windows to match historic character 	<ul style="list-style-type: none"> • Code exception from bicycle parking design standards (§155.1) for vertical spaces, and overall deficiency of spaces (§155.2) • Code exception from active use requirements (§145.1) for Class 1 bicycle parking location
<p>860 Sutter Street</p>	<p>Tourist Hotel (39 rooms) and 50 Residential Hotel Rooms (Ch. 41)</p>	<p>Student Housing – 89 Group Housing Rooms (Ch. 41)</p>	<ul style="list-style-type: none"> • Legalize change of use from 39 Tourist Hotel rooms and 50 Residential Hotel Rooms to Group Housing with Student Housing use characteristic • Addition of Chapter 41 designation to all 39 rooms that are being converted from Tourist Hotel, such that entire building is designated under Chapter 41; these are replacement units for 1080 and 1153 Bush St. as part of the Permit to Convert application. • Provision of Class 2 bicycle parking • New signage to include one wall sign and one projecting sign • Exterior alterations (e.g. window replacements, removal of window film to allow transparency at ground level) 	<ul style="list-style-type: none"> • Code amendment limiting the conversion of housing to student housing use (§317(e)) • Conditional Use for Group Housing affiliated with PSEI use in RC-4 (§209.3) • Code exception from open space (§135) • Code exception for overall deficiency of bicycle parking spaces (§155.2) and to allow provision of Class 2 bicycle parking at 825 Sutter St., within 500 feet (§307(k))
<p>2209 Van Ness Avenue</p>	<p>1 Dwelling Unit</p>	<p>Student Housing – 18 Group Housing Rooms</p>	<ul style="list-style-type: none"> • Legalize change of use from 1 Dwelling Unit to Group Housing with Student Housing use characteristic • Partial provision of Class 1 bicycle parking and provision of Class 2 bicycle parking • New signage to include freestanding sign on fence at property line 	<ul style="list-style-type: none"> • Code amendment limiting the conversion of housing to student housing use (§317(e)) • Conditional Use for Group Housing affiliated with PSEI use in RC-3 (§209.3) • Code exception from exposure (§140)

2209 Van Ness Avenue (continued)				<ul style="list-style-type: none"> • Code exception for overall deficiency of bicycle parking spaces (§155.2) and to allow provision of Class 1 bicycle parking at 2211 Van Ness Ave., within 500 feet (§307(k))
2211 Van Ness Avenue	2 Dwelling Units; ground floor Retail Sales and Service	Student Housing – 3 Dwelling Units, 4 Group Housing Rooms	<ul style="list-style-type: none"> • Legalize change of use from 2 Dwelling Units and ground floor Retail to 3 Dwelling Units and 4 Group Housing Rooms with Student Housing use characteristic • Provision of Class 1 bicycle parking (including partial provision for 2209 and 2151 Van Ness Ave.) and provision of Class 2 bicycle parking • Removal of existing signage on building awning; new signage to include freestanding sign on fence at property line • Window replacements 	<ul style="list-style-type: none"> • Code amendment limiting the conversion of housing to student housing use (§317(e)) • Conditional Use for Group Housing affiliated with PSEI use in RC-3 (§209.3) • Code exception from open space and exposure (§135 and §140) • Code exception from bicycle parking design standards (§155.1) for vertical spaces, and to allow provision of Class 2 bicycle parking at 2209 Van Ness Ave., within 500 feet (§307(k))
2225 Jerrold Avenue	Commercial Storage, accessory Office	Commercial Storage with accessory Office; Private Parking Garage and Lot with accessory Office; Community Facility	<ul style="list-style-type: none"> • Legalize partial change of use to Private Parking Garage, with accessory office; establish new partial change of use as Community Facility; 9 accessory off-street parking spaces associated with Academy Commercial Storage and Private Parking Garage uses; 7 accessory off-street parking spaces associated with Community Facility • Provision of Class 1 and 2 bicycle parking • Interior and exterior alterations necessary to implement the Community Facility use, to include removal of existing roll-up doors and replacement with glazed storefront system, and installation of stairs and ADA lift 	<ul style="list-style-type: none"> • Conditional Use for Private Parking use in PDR-2 (§210.3)

1142 Van Ness Avenue	Private Community Facility	PSEI	<ul style="list-style-type: none"> • Establish change of use from Private Community Facility to PSEI • Provision of Class 1 and 2 bicycle parking • New signage to include four wall signs • Exterior alterations (e.g. replacement of security cameras with concealed conduit, replacement of egress doors with removal of gate, window/door replacement along alley façade at fire escape egress) 	<ul style="list-style-type: none"> • Conditional Use for PSEI in RC-4 (§209.3)
1946 Van Ness Avenue	Light Manufacturing and Retail	PSEI	<ul style="list-style-type: none"> • Establish change of use from Retail and Light Manufacturing to PSEI • Provision of Class 1 and 2 bicycle parking • Interior alterations necessary to implement the change of use • New signage to include 3 wall signs and 1 projecting sign • Exterior alterations (e.g. new aluminum storefronts, window replacements, and other building details consistent with historic standards) 	<ul style="list-style-type: none"> • Conditional Use for PSEI in RC-4 (§209.3)
2550 Van Ness Avenue	Tourist Hotel	Student Housing – 153 Group Housing Rooms	<ul style="list-style-type: none"> • Establish change of use from Tourist Hotel to Group Housing with Student Housing use characteristic • Provision of Class 1 and 2 bicycle parking • Operation of an Academy dining facility open to the public; no change of use from existing Limited Restaurant • Removal of existing freestanding sign and structure; new signage to include one projecting sign and one wall sign; retention of existing “Da Vinci” wall sign copy 	<ul style="list-style-type: none"> • Conditional Use for Group Housing affiliated with PSEI use in RC-3 and RM-2 (§209.3 and §209.2) • Conditional Use for Private Parking use in RC-3 and RM-2 (§209.3 and §209.2) • Code exception from rear yard and open space (§134 and §135)

3. **Site Description and Present Use.** The Project will approve Academy uses located across 34 noncontiguous properties throughout the City and County of San Francisco, as shown on Map 1, below. With the exception of the three properties to be added to the Academy’s campus at 1142, 1946, and 2550 Van Ness Avenue, all properties are currently occupied and used by the Academy for residential student housing, post-secondary educational institution, or Academy-related storage uses; however, many sites are not currently authorized for such uses. Table 1, above, provides information on the last legal uses at the 34 properties to be occupied by the Academy. Many properties contain buildings considered to be historic resources. Table 2, below, provides information regarding a property’s historic resource status.

Map 1. Academy of Art University – 34 Proposed Properties



● Institutional Sites

1. 601 Brannan St.
2. 410 Bush St.
3. 58-60 Federal St.
4. 2801 Leavenworth St.
5. 77-79 New Montgomery St.
6. 180 New Montgomery St.
7. 625 Polk St.
8. 491 Post St.
9. 540 Powell St.
10. 625-629 Sutter St.
11. 740 Taylor St.
12. 466 Townsend St.
13. 1849 Van Ness Ave.
14. 2151 Van Ness Ave.
15. 1946 Van Ness Ave.
16. 1142 Van Ness Ave.

● Residential Sites

17. 1080 Bush St.
18. 1153 Bush St.
19. 575 Harrison St.
20. 1900 Jackson St.
21. 736 Jones St.
22. 1727 Lombard St.
23. 1916 Octavia St.
24. 560 Powell St.
25. 620 Sutter St.
26. 655 Sutter St.
27. 680-688 Sutter St.
28. 817-831 Sutter St.
29. 860 Sutter St.
30. 2209 Van Ness Ave.
31. 2211 Van Ness Ave.
32. 2550 Van Ness Ave.

● Other

33. 2225 Jerrold Ave.
*(Commercial Storage & Private Parking Garage
land lot) with Accessory Office; Community Facility)*
34. 950 Van Ness Ave./963 O'Farrell St.
*Private Parking Garage with groundfloor classic
car museum ancillary to museum located at
1849 Van Ness Ave.*

○ Clusters

1. Van Ness Transit Corridor
2. Union Square
3. Financial District
4. South of Market

4. **Surrounding Properties and Neighborhood.** Table 2, below, provides zoning districts and other neighborhood-specific information for the 34 properties comprising the Project. Given the dispersed nature of the Project, with buildings located in residential, commercial, and industrial-

zoned areas, a single characterization of the surrounding neighborhood is not appropriate for this Project. As discussed in the IMP, the Academy envisions their campus with four main area “clusters” – Van Ness Transit Corridor, Union Square, Financial District, and South of Market.

Van Ness Transit Corridor: The Academy operates eight buildings (three residential, five institutional) located along Van Ness Avenue, including the three properties that will be added to the campus as part of the proposed Project. These properties stretch from O’Farrell Street to the south, to Filbert Street on the north end. In general, density and building heights decrease along the corridor moving south to north, changing from the RC-4 to the RC-3 zoning district and from 130-foot, to 80-foot, to 65-foot height districts. Uses along Van Ness Avenue historically were frequently automotive in nature as a primary north-south path of travel through the City. Academy uses reflect this, in part, through the location of their automotive museums at 950 and 1849 Van Ness Avenue. Today, Van Ness Avenue serves not only as a corridor for automotive traffic, but also several bus lines including the recent development of bus rapid transit along the corridor. Additionally, the Academy operates three residential buildings that are located a few blocks west of Van Ness Avenue, within walking distance of other Academy facilities.

Union Square: The Academy operates at thirteen properties in what they consider to be the Union Square cluster, which extends west along Sutter Street as its main axis toward the adjacent Lower Nob Hill area. These properties consist of four academic institutional buildings and nine residential student housing buildings. Neighborhood density and building heights are relatively consistent throughout this area, characterized by RC-4 and C-3-G zoning districts, and 80- to 130-foot height districts. While the area immediately around Union Square is predominantly known as a retail hub of the City, the broader area includes a dense mix of hotel and tourist-oriented uses as well as dense residential use characterized by small apartments and residential hotels. Retail, restaurants, and other daily-serving needs are found at ground floors throughout this area. Many properties in the area have historical significance, particularly for architectural integrity, and many properties located within the C-3 zoning district are also within the Kearny-Market-Mason-Sutter (“KMMS”) Conservation district.

Financial District: The Academy operates three properties within the Financial District cluster and neighborhood, one to the north and two to the south of Market Street. All three properties were previously offices and are now proposed for PSEI use. The Financial District neighborhood encompasses that portion of the downtown geographically farthest to the east, historically having developed first in the areas north of Market Street (C-3-O District), with more recent office development moving to the south in connection with the Transbay District Area Plan (C-3-O(SD) District). While building heights in these districts are commonly in excess of 300 feet and include the tallest structures in the City, the Academy properties are located on the edge of the Financial District with more moderate heights. Each of the three Academy properties in this area has historical significance under Article 11.

South of Market: The Academy operates four properties within the South of Market (“SoMa”) area of the City, three for PSEI use and one live/work building. Two properties are toward Eastern SoMa, while the other two are within the recently zoned Central SoMa area. The property at 601 Brannan Street, specifically, is adjacent to three Central SoMa key sites, at the corner of 5th and Brannan Streets. Two of the properties proposed for PSEI use were previously office buildings, while the third is changing from an Internet Utilities Exchange use; the live/work building is a continuation of the existing legal nonconforming use. One of the PSEI properties is listed under Article 10, the South End Landmark District, while the other two PSEI buildings are considered to be historic resources under CEQA.

Table 2. Zoning and Other Property Information for Each Academy Property.

Property Address	Zoning District	Height/Bulk District	Special Use District	Preservation Designation	Supervisor District	Planning Dept. Neighborhood Group	Academy-Named Cluster
601 Brannan St.	MUG	160-CS	Western SoMa; Central SoMa	Category A – Historic Resource	6	South of Market	South of Market
410 Bush Street	C-3-O	80-130-F	N/A	Article 11 (KMMS)	3	Chinatown	Financial District
58-60 Federal Street	MUO	65-X	N/A	Article 10 (South End Landmark District)	6	South of Market	South of Market
2801 Leavenworth Street	C-2	40-X	Waterfront 2	Category A – Historic Resource	2	North Beach	N/A
77-79 New Montgomery Street	C-3-O(SD)	150-S	N/A	Article 11 (New Montgomery-Mission-2 nd St.)	6	Financial District	Financial District
180 New Montgomery Street	C-3-O(SD)	150-S	N/A	Article 11 (New Montgomery-Mission-2 nd St.)	6	Financial District	Financial District
625 Polk Street	NC-3	130-E	N/A	Article 10 (Landmark #174)	6	Downtown / Civic Center	Van Ness Transit Corridor
491 Post Street	C-3-G	80-130-F	N/A	Article 10 (Landmark #177); Article 11 (KMMS)	3	Downtown / Civic Center	Union Square
540 Powell Street	C-3-R	80-130-F	N/A	Article 11 (KMMS)	3	Downtown / Civic Center	Union Square
625-629 Sutter Street	C-3-G	80-130-F	N/A	Article 11 (KMMS)	3	Downtown / Civic Center	Union Square

740 Taylor Street	RC-4	65-A	N/A	Category A – Historic Resource	3	Downtown / Civic Center	Union Square
466 Townsend Street	CMUO	85-X	Western SoMa; Central SoMa	Category A – Historic Resource	6	South of Market	South of Market
950 Van Ness Avenue	RC-4	130-V	Van Ness; Van Ness Automotive	Category C – No Historic Resource	6	Downtown / Civic Center	Van Ness Transit Corridor
1849 Van Ness Avenue	RC-4	80-D	Van Ness	Category A – Historic Resource	2	Pacific Heights	Van Ness Transit Corridor
2151 Van Ness Avenue	RC-4	80-D	Van Ness	Article 10 (Landmark #252)	2	Pacific Heights	Van Ness Transit Corridor
1080 Bush Street	RC-4	65-A	N/A	Category A – Historic Resource	3	Nob Hill	Union Square
1153 Bush Street	RC-4	65-A	N/A	Category A – Historic Resource	3	Downtown / Civic Center	Union Square
575 Harrison Street	MUO	65-X	N/A	Category C – No Historic Resource	6	South of Market	South of Market
1900 Jackson Street	RH-2	40-X	N/A	Category B – Age Eligible, unknown	2	Pacific Heights	Van Ness Transit Corridor
736 Jones Street	RC-4	80-A	N/A	Category A – Historic Resource	3	Downtown / Civic Center	Union Square
1727 Lombard Street	NC-3 / RH-2	40-X	N/A	Category B – Age Eligible, unknown	2	Marina	Van Ness Transit Corridor
1916 Octavia Street	RH-2	40-X	N/A	Category C – No Historic Resource	2	Pacific Heights	Van Ness Transit Corridor
560 Powell Street	RC-4	80-130-F	N/A	Category A – Historic Resource	3	Downtown / Civic Center	Union Square
620 Sutter Street	C-3-G	80-130-F	N/A	Article 11 (KMMS)	3	Downtown / Civic Center	Union Square
655 Sutter Street	C-3-G	80-130-F	N/A	Article 11 (KMMS)	3	Downtown / Civic Center	Union Square
680-688 Sutter Street	C-3-G	160-F	N/A	Article 11 (KMMS)	3	Downtown / Civic Center	Union Square
817-831 Sutter Street (aka 825 Sutter Street)	RC-4	80-A	N/A	Category A – Historic Resource	3	Downtown / Civic Center	Union Square

860 Sutter Street	RC-4	80-A	N/A	Category A – Historic Resource	3	Downtown / Civic Center	Union Square
2209 Van Ness Avenue	RC-3	80-D	N/A	Category A – Historic Resource	2	Pacific Heights	Van Ness Transit Corridor
2211 Van Ness Avenue	RC-3	80-D	N/A	Category A – Historic Resource	2	Pacific Heights	Van Ness Transit Corridor
2225 Jerrold Avenue	PDR-2	65-J	Industrial Protection Zone	Category C – No Historic Resource	10	Bayview	N/A
1142 Van Ness Avenue	RC-4	130-V	Van Ness; Van Ness Automotive	Category A – Historic Resource	3	Downtown / Civic Center	Van Ness Transit Corridor
1946 Van Ness Avenue	RC-4	80-D	Van Ness	Category A – Historic Resource	3	Nob Hill	Van Ness Transit Corridor
2550 Van Ness Avenue	RC-3 / RM-3	65-A	N/A	Category B – Age Eligible, unknown	2	Russian Hill	Van Ness Transit Corridor

5. **Public Outreach and Comments.** The Department has received correspondence from 21 people asking to be included on all hearing notices regarding the proposed project. Since notices were mailed and posted regarding Project hearings, staff has received approximately six general inquiries regarding the Project from members of the public, typically interested in a few specific properties comprising the larger Project. Lastly, staff has received 10 emails from neighbors of the property at 1900 Jackson Street, specifically in opposition to the Academy signage that has been proposed for this building located in an RH-2 District.

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. **Use.** Various Planning Code Sections regulate the proposed uses, dependent on the specific zoning district in which a property is located. Below, the zoning district applicable to each of the proposed 34 properties will be described. Predominantly, Academy uses fall into two categories: Post-Secondary Educational Institution (“PSEI”) and Residential use (dwelling unit or group housing) with a Student Housing use characteristic.

C-3 Districts (Section 210.2): The Academy operates at nine properties within C-3 Districts. For purposes of this discussion, there is no need to differentiate between the different types of C-3 Districts as they are consistent across type with regard to the uses proposed. Within C-3 Districts, both PSEI use

and a Student Housing characteristic are principally permitted, and there is no residential density limit for either dwelling units or group housing bedrooms.

C-2 District (Section 210.1): The Academy also has one property located within a C-2 District at 2801 Leavenworth St. ("The Cannery"), which contains retail sales and service uses at the ground floor of the property and proposes PSEI use at upper floors; retail and PSEI uses are both principally permitted within this District. While some of the ground floor retail spaces will continue to be operated by businesses unaffiliated with the Academy, the Academy may also operate their own retail sales and service uses at the ground floor, provided that these uses are open to the general public during normal retail hours, that these uses do not appear by virtue of signage or other physical aspects to be a use exclusive to Academy-associated individuals or groups, and that these uses do not provide any discount, subsidy or operational preference exclusive to Academy-associated individuals or groups.

RC Districts (Section 209.3): The Academy operates at fourteen properties located entirely within either the RC-3 or RC-4 District. One additional property (2550 Van Ness Ave.) has split RC-3 and RM-3 zoning (Section 209.2). Within RC Districts, PSEI use requires conditional use authorization; this is required for proposed changes of use at four properties: 1142 Van Ness Ave., 1849 Van Ness Ave., 1946 Van Ness Ave., and 2151 Van Ness Ave. Note that although 740 Taylor also proposes PSEI use, no change of use is required due to the last legal PSEI use at this property, prior to Academy occupancy.

Within RC Districts, while a Student Housing use characteristic is permitted, conditional use authorization is required for group housing that is affiliated with and operated by an Institutional Educational use. This requirement applies to seven Academy properties: 1080 Bush St., 1153 Bush St., 817-831 Sutter St., 860 Sutter St., 2209 Van Ness Ave., 2211 Van Ness Ave., and 2550 Van Ness Ave. (where conditional use is also required for the RM-zoned portion of this property.) Residential Student Housing at two properties – 736 Jones St. and 560 Powell St. – are principally permitted as these buildings contain dwelling units, as opposed to group housing rooms. Proposed residential density at these properties are kept within maximums allowed by Code where a change of use occurs; where there is no change of use, such as for 736 Jones St. and 560 Powell St., residential density may exceed Code maximums as a continuation of a legal nonconforming use.

The last property within an RC District is located at 950 Van Ness Ave. where the Academy proposes to operate a private parking garage use for its classic automobile collection. Private parking garages require conditional use authorization. As part of this use, the Academy will operate an accessory museum at the ground floor, open to the public in conjunction with the auto museum at 1849 Van Ness Ave. An additional private parking garage use is requested at 2550 Van Ness. Parking exists at this site already and was used in an accessory manner by the prior tourist motel use; however, under Academy operation, this parking would no longer be used in an accessory manner by those residing in the building, and would instead be used more generally by Academy faculty and staff, thus needing to be authorized as a separate use instead of remaining as an accessory function of the student housing.

RH-2 District (Section 209.1): The Academy operates at two properties located entirely within the RH-2 District: 1900 Jackson St. and 1916 Octavia St. Additionally, the property at 1727 Lombard St. has split zoning between the RH-2 and NC-3 Districts. All three properties are used for Student Housing, which is a permitted use characteristic in this District (and within the NC-3 District at 1727 Lombard St.). At 1900 Jackson St., there are nine dwelling units at this property considered a continuation of the legal nonconforming use at this property. At both 1916 Octavia St. and 1727 Lombard St., group housing uses are proposed within allowable density limits, but require conditional use authorization within the RH-2 District.

Similar to 2550 Van Ness Ave., above, both 1900 Jackson St. and 1727 Lombard St. contain existing parking areas on the property, which will no longer be used in an accessory manner by students occupying these properties, and would instead be used more generally by Academy faculty and staff. Considered as a separate use, the private parking garage and private parking lot and garage at 1900 Jackson St. and 1727 Lombard St., respectively, require conditional use authorization within the RH-2 District.

NC-3 District (Section 712): In addition to the uses at 1727 Lombard St., which were discussed in full immediately above, the Academy has one other property located within the NC-3 District at 625 Polk St. This property proposes a continuation of the last legal PSEI use that existed at the property prior to Academy occupation and is a principally permitted use within the NC-3 District.

Mixed Use Districts (Sections 840, 842, and 845): The Academy operates at four properties within Mixed Use Districts: 601 Brannan St. (MUG), 58-60 Federal St. (MUO), 466 Townsend St. (CMUO), and 575 Harrison St. (MUO); the first three properties contain PSEI use, while 575 Harrison contains legal nonconforming live/work units. Within the MUG District at 601 Brannan St., PSEI use requires conditional use authorization; the proposed parking at 601 Brannan St. is considered accessory to the PSEI use. At 58-60 Federal St. and 466 Townsend St., within the MUO and CMUO Districts respectively, PSEI use is principally permitted. There is no proposed change of use for the legal nonconforming live/work units at 575 Harrison; student residents of this building are pursuing educational study in fields related to PDR, arts activities, and design professional uses. Additionally, at 575 Harrison (and similar to 2550 Van Ness Ave., 1900 Jackson St., and 1727 Lombard St.), the parking at this property is no longer proposed to be used in an accessory manner by those residing at this property, and would instead be used more generally by Academy faculty and staff; this private parking garage use requires conditional use authorization within the MUO District.

At 466 Townsend St., the proposed change of use from Internet Service Exchange to PSEI would require that the Project provide replacement PDR space at a rate of 0.75 square feet per square foot to be changed, as per the requirements of Planning Code Section 202.8. However, as per the proposed Planning Code amendment, the requirement of Section 202.8 is fulfilled through application and receipt of a Master Conditional Use Authorization and no replacement space would be required for this change of use.

PDR-2 District (Section 210.3): Lastly, the Academy operates at part of 2225 Jerrold Ave. within the PDR-2 District. Uses within this building include commercial storage and accessory office use for both the Academy as well as the SF Fire Fighter's Toy Program, a private parking garage and lot for Academy shuttle vehicles and accessory office for the operation and dispatch of those shuttles, and a newly proposed community facility use. Commercial Storage and the Community Facility are principally permitted within the PDR-2 District; the private parking garage and lot require conditional use authorization.

B. Rear Yard. Planning Code Section 134 sets forth rear yard requirements in various Districts.

For this project, rear yard requirements generally fall into three categories: non-residential properties without a rear yard requirement, existing residential properties that may or may not have complying rear yards and are adding a student housing use characteristic, and properties undergoing a change of use from non-residential to residential student housing.

All 16 properties proposed for PSEI use have no rear yard requirement based on the zoning district in which they are located and fall into the first category above. The properties at 950 Van Ness Ave. and 2225 Jerrold, also proposed for non-residential use, similarly do not have a rear yard requirement.

Of the 16 proposed student housing buildings, all but four properties had some amount of residential use prior to Academy occupancy. In some cases, such as 1153 Bush St., a Code-complying rear yard already exists and will continue to exist following approval of the Project. In most cases, however, these buildings have legal noncomplying rear yards, which are permitted to continue in their existing state; the change to student housing does not exacerbate the noncompliance seen at these properties.

However, the conversion of four properties – 1727 Lombard St., 620 Sutter St., 817-831 Sutter St., and 2550 Van Ness Ave. – from non-residential use to residential student housing use triggers new rear yard requirements. For all of these properties, the existing building extends into portions of the lot that would be required rear yard areas upon conversion to residential use. As the Academy does not propose to demolish or otherwise alter existing building envelopes, a variance would be typically be required in these instances; however, pursuant to the provisions of proposed Planning Code Section 304.6, the Planning Commission may grant an exception to the rear yard requirements at these four properties through a conditional use authorization.

C. Usable Open Space. Planning Code Section 135 sets forth usable open space requirements for dwelling units and group housing in various Districts.

For this Project, usable open space pursuant to this Section will be required in instances where a building is being converted from non-residential to residential use, or where there is a change to the type or extent of the residential use at the property such that a greater amount of residential open space would be required. However, in instances such as at 560 Powell St., where there is no proposed change of use and no proposed increase to the number of existing residential units, although this building does not currently contain any usable open space, this deficiency may carry forward as a legal noncomplying

characteristic; the addition of the Student Housing use characteristic alone does not impose any greater usable open space requirement on the building and existing use.

In total, there are seven properties where additional usable open space is required. These properties are: 1727 Lombard St., 620 Sutter St., 817-831 Sutter St., 860 Sutter St., 2209 Van Ness Ave., 2211 Van Ness Ave., and 2550 Van Ness Ave. At all but two of these properties, an exception to open space requirements is required due to existing building configurations on these properties such that open space could only feasibly be accommodated through the development of roof decks. At 1727 Lombard St., a portion of the existing parking areas from the prior motel use will be converted to usable open space for residents in the amount required by Code. At 2209 Van Ness Ave., which will change use from the last legal single-family dwelling unit to 18 group housing rooms, the required usable open space can be provided at the rear of the building. Pursuant to the provisions of proposed Planning Code Section 304.6, the Planning Commission may grant an exception to the usable open space requirements at the five deficient properties through a conditional use authorization.

- D. **Exposure.** Planning Code Section 140 sets forth requirements for dwelling units and group housing projects to face onto a public street, alley, yard or other open area meeting certain dimensional requirements.

Exposure requirements for the Project are applicable when there is a proposed change of use to residential or where there is a proposed change to the type of residential use at the property, for example at 2209 Van Ness Ave., which will change use from the last legal single-family dwelling unit to 18 group housing rooms. In cases where there is no proposed change of use, any legal noncomplying Code deficiency may be carried forward by the Project. For buildings that are proposed for group housing, a single interior common area that meets the requirements of Section 140(a) may satisfy the exposure requirement for the entirety of group housing rooms within the building. Of the 16 proposed residential buildings within the Project, only the two properties at 2209 Van Ness Ave. and 2211 Van Ness Ave. require an exception from exposure requirements. Pursuant to the provisions of proposed Planning Code Section 304.6, the Planning Commission may grant an exception to the exposure requirements at these two properties through a conditional use authorization.

- E. **Street Frontages in NC, RC, C, and Mixed-Use Districts.** Section 145.1 of the Planning Code requires that within these Districts space for active uses shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. Frontages with active uses must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Any decorative railings or grillwork, other than wire mesh, which is placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular view. Rolling or sliding security gates shall consist of open grillwork rather than solid material, so as to provide visual interest to pedestrians when the gates are closed, and to permit light to pass through mostly unobstructed. Gates, when

both open and folded or rolled as well as the gate mechanism, shall be recessed within, or laid flush with, the building facade.

The Project does not propose modifications to most buildings as part of the proposed changes of use at these sites. As many buildings included within the Project have historical significance, including buildings designated under either Article 10 or 11 of the Planning Code, modifications to allow for greater fenestration were inappropriate to include as part of the Project. For two properties at 79 New Montgomery St. and 625 Sutter St., unpermitted partitions were constructed at the interior of the buildings, which prevented transparent views into the buildings. In these two cases, the Project includes the complete or partial removal of partitions to allow for increased views into the building. Additionally, such as for the building at 601 Brannan St., the Project also proposes the removal of unpermitted translucent or opaque films that have been placed along existing street-facing windows, in order to bring buildings into closer compliance with the requirements of this Section. Pursuant to the provisions of proposed Planning Code Section 304.6, the Planning Commission may grant an exception to the street frontage active use and transparency requirements at seven properties – 79 New Montgomery St., 625 Sutter St., 601 Brannan St., 1849 Washington St., 1080 Bush St., 620 Sutter St., and 825 Sutter – through a conditional use authorization.

- F. **Off-Street Parking.** Planning Code Sections 151 and 151.1 regulate off-street parking requirements and maximum limits for accessory parking.

The Project includes off-street parking at the following institutional (PSEI) properties: 601 Brannan St., 410 Bush St., and 58 Federal St. At 601 Brannan St., the existing parking areas at the property are being reconfigured and will result in a total of 17 accessory parking spaces, as permitted by Code, and representing a reduction of 14 spaces from what currently exists. At 410 Bush St. and 58 Federal St., the existing accessory parking provided within garages at these buildings is considered legal nonconforming and is permitted to continue; the Academy will provide 10 spaces and 8 spaces at these properties, respectively.

The Project also includes off-street parking at the following residential properties: 575 Harrison St., 1900 Jackson St., 1727 Lombard St., and 2550 Van Ness Ave. Academy policy does not allow students, whether residing at these properties or not, to park any personal vehicles within these spaces; rather, these spaces are reserved for faculty and other staff. As such, these off-street parking spaces are not considered accessory and are therefore not subject to maximum accessory limits identified in these Sections of the Code. For purposes of summarizing overall off-street parking quantities controlled by the Academy, these properties propose to include 20 spaces, 9 spaces, 24 spaces, and 47 spaces, respectively, for the properties identified above.

Additionally, two other properties included as part of the Academy Project seek approval, at least in part, for private parking garage or lot use; these are located at 950 Van Ness Ave. and 2225 Jerrold Ave (2225 Jerrold also includes 9 accessory off-street parking spaces associated with the Academy's Commercial Storage and Private Parking uses and 7 accessory off-street parking spaces associated with the

Community Facility.) Similar to the off-street parking at residential properties described above, this parking is not subject to the accessory limits stated through Sections 151 and 151.1, however, will be described below in the interest of summarizing overall Academy parking. At 950 Van Ness, the approximately 49,595 square-foot building would be converted to a private parking garage. Unlike other Academy parking, however, this garage would not be open to faculty and staff, instead used as parking for the Academy's extensive classic car collection. A portion of this building would be open to the public through appointment as an accessory museum and in conjunction with the accessory classic car museum operated at 1849 Van Ness Ave., which is otherwise proposed for PSEI use. At 2225 Jerrold, the private parking areas include both a lot and internal garage areas at the southern end of the building, used as parking for Academy shuttle buses.

- G. **Bicycle Parking.** Planning Code Section 155.2 sets forth bicycle parking requirements for uses. Where the change of occupancy or increase in intensity of use would increase the number of total required bicycle parking spaces by at least 15 percent, bicycle parking would be provided based on the occupied area of uses changed.

For all properties within the Project where no change of use is proposed, the Code does not require provision of bicycle parking spaces. However, properties proposing a change of use are subject to bicycle parking requirements based on the uses proposed. In general, this is the case due to higher bicycle parking requirements for PSEI uses compared with the office or other uses that previously existed at many sites. For residential properties that had not already legally been established for student housing, bike parking requirements are generally applicable due to requirements of this Section that state "Student Housing shall provide 50 percent more spaces than would otherwise be required." Plans for each property within the Project include an analysis on the cover sheet of the number of spaces required by Code due to the proposed change of use, as well as the number of spaces proposed at each property. An accounting of the number of required spaces at each property, as well as the proposed number of spaces by the Project, is provided in Table 3 below.

Table 3. Required and Proposed Bicycle Parking Spaces.

Property Address	Required Class 1 Spaces	Proposed Class 1 Spaces	Required Class 2 Spaces	Proposed Class 2 Spaces	Notes and Exceptions Needed
601 Brannan St.	3 req.	4 prop.	7 req.	8	- Exception required; however, from Section 145.1 for location of bike parking within active use area
410 Bush Street	5 req.	5 prop.	8 req.	8	- Exception required from Section 155.1 for vertical spaces (all 5)

58-60 Federal Street	4 req.	22 prop.	7 req.	14	- ESTM Condition references 36 Class 2 racks in basement, requiring relocation. Academy complies by improving 22 spaces as Class 1, and other 14 relocated for more convenient use. - Exception required from Section 155.1 for vertical spaces (16 of 22), and access path
2801 Leavenworth Street	4 req.	4 prop.	8 req.	10	- Exception required from Section 155.1 for vertical spaces (all 4), and access path
77-79 New Montgomery Street	16 req.	16 prop.	18 req.	26	- Class 1 and 2 requirements come from ESTM condition, exceeds Planning Code requirements of 5 Class 1 spaces and 10 Class 2 spaces. - Exception required from Section 155.1 for vertical spaces (all 16)
180 New Montgomery Street	28 req.	28 prop.	16 req.	16	- ESTM Condition requires 28 existing Class 1 spaces to be retained a 16 additional spaces, either Class 1 or 2 to be added, exceeds Code requirements of 7 Class 1 and 15 Class 2 spaces. - Exception required from Section 155.1 for vertical spaces (all 28)
625 Polk Street	0 req.	0 prop.	0 req.	4	
491 Post Street	10 req.	14 prop.	4 req.	10	- Class 1 requirement comes from ESTM condition, exceeds Planning Code requirement of 2 spaces.
540 Powell Street	0 req.	0 prop.	0 req.	8	
625-629 Sutter Street	0 req.	2 prop.	0 req.	10	- Exception required; however, from Section 145.1 for location of bike parking within active use area - Exception required from Section 155.1 for vertical spaces (all 2)
740 Taylor Street	0 req.	0 prop.	0 req.	4	
466 Townsend Street	6 req.	6 prop.	11 req.	12	

950 Van Ness Avenue	4 req.	4 prop.	2 req.	2	
1849 Van Ness Avenue	30 req.	30 prop.	9 req.	10	- Class 1 requirement comes from ESTM condition, exceeds Planning Code requirement of 5 spaces.
2151 Van Ness Avenue	1 req.	1 prop.	2 req.	2	- 1 Class 1 space is provided at 2211 Van Ness Ave., within 500' of subject property
1080 Bush Street	6 req.	12 prop.	3 req.	8	- Exception required; however, from Section 145.1 for location of bike parking within active use area - Exception required from Section 155.1 for vertical spaces (all 12), and access path (7 of 12)
1153 Bush Street	16 req.	20 prop.	3 req.	2	- Exception required from Section 155.1 for vertical spaces (all 20) - 1 deficient Class 2 space is provided at 1080 Bush St., within 500' of subject property
575 Harrison Street	47 req.	47 prop.	8 req.	8	
1900 Jackson Street	14 req.	14 prop.	8 req.	8	- Exception required from Section 155.1 for vertical spaces (all 14)
736 Jones Street	0 req.	0 prop.	0 req.	0	
1727 Lombard Street	39 req.	40 prop.	11 req.	12	
1916 Octavia Street	17 req.	17 prop.	3 req.	4	- Exception required from Section 155.1 for vertical spaces (all 17)
560 Powell Street	0 req.	0 prop.	0 req.	0	
620 Sutter Street	49 req.	8 prop.	6 req.	12	- Deficient by 41 Class 1 spaces - Exception required; however, from Section 145.1 for location of bike parking within active use area - Exception required from Section 155.1 for vertical spaces (all 8)
655 Sutter Street	0 req.	0 prop.	0 req.	0	
680-688 Sutter Street	0 req.	0 prop.	0 req.	0	

817-831 Sutter Street (aka 825 Sutter Street)	74 req.	55 prop.	8 req.	10	- Deficient by 19 Class 1 spaces - Exception required; however, from Section 145.1 for location of bike parking within active use area - Exception required from Section 155.1 for vertical spaces (all 55)
860 Sutter Street	63 req.	0 prop.	8 req.	6	- Deficient by 63 Class 1 spaces; - 2 deficient Class 2 spaces are provided at 825 Sutter St. across the street within 500' of subject property
2209 Van Ness Avenue	21 req.	15 prop.	3 req.	3	- Deficient by 6 Class 1 spaces; - All 15 Class 1 spaces are provided at adjacent 2211 Van Ness Ave., within 500' of subject property; - 6 Class 2 spaces are provided at 2209 Van Ness Ave., 3 for subject property, and 3 for adjacent 2211 Van Ness Ave.
2211 Van Ness Avenue	8 req.	8 prop.	3 req.	3	- A total of 24 Class 1 spaces are proposed at 2211 Van Ness Ave. to count toward requirements of 2209, 2211 and 2151 Van Ness Ave.; - Exception required from Section 155.1 for vertical spaces (20 of 24)
2225 Jerrold Avenue	6 req.	6 prop.	8 req.	8	
1142 Van Ness Avenue	2 req.	2 prop.	3 req.	4	
1946 Van Ness Avenue	1 req.	1 prop.	2 req.	2	
2550 Van Ness Avenue	99 req.	99 prop.	15 req.	16	

As shown in the table above, there are certain sites where the Academy is unable to provide the full quantity of required bicycle parking spaces due to existing building constraints and space limitations. However, as also shown in the table, there are certain sites where the Academy can accommodate bicycle parking beyond the stated requirements. In the case of the properties at 2151 Van Ness Ave., 2209 Van Ness Ave., and 2211 Van Ness Ave., which are located within 500 feet of each other, the Project proposes to provide bicycle parking at 2211 Van Ness in part for all three properties due to the building's internal configuration and availability of space, subject to review by the Department of Building Inspection and other City agencies. Lastly, due to existing building constraints at many properties, provision of Class 1 bicycle parking may not fully meet design standards as set forth in Section 155.1; for example, access

to proposed bicycle parking may require access by steps or stairs, or access through a corridor narrower than 5 feet, or that proposed spaces are vertical, wall-mounted spaces in excess of the one-third allowed by Code. However, as part of the Global Settlement, the Academy will provide these spaces for students, even if they do not fully meet all design requirements. As such, the Project will require various exceptions – to allow for a reduction in the overall amount of bicycle parking that would otherwise be required by Code, to allow for provision of spaces at another Academy property located within 500 feet, and to allow for spaces that may not fully meet the design standards of Section 155.1. Pursuant to the provisions of proposed Planning Code Section 304.6, the Planning Commission may grant such exceptions to bike parking requirements as described above through a conditional use authorization.

In total, as proposed, the Project is deficient by 129 Class 1 bicycle parking spaces. However, as the Project is reviewed by other City agencies during building permit review, it is possible that some of the proposed Class 1 spaces may not be approvable, for example, based on Building and/or Fire codes. As provided under the Development Agreement and as part of the conditions of approval of this Motion, the Commission is granting an exception for the deficiency of Class 1 bicycle parking, up to 150 total spaces from what would be required by Code. In lieu of providing the deficiency of Class 1 bicycle spaces, the Academy will pay the City an amount equal to \$519 per space. The in-lieu fee will be credited against the development impact fees to be paid under the Development Agreement for up to 150 spaces. In the event that the deficiency in Class 1 bicycle parking spaces exceeds 150 spaces, the Academy will pay the in-lieu fee with funds at the same rate stated above, in addition to those identified and allocated in the Development Agreement, and will not be credited against the Settlement Payment.

- H. **Transportation Demand Management (TDM) Plan.** Pursuant to Planning Code Section 169 and the TDM Program Standards, only one property (466 Townsend St.) of the 34 properties included within the Project is subject to TDM Plan requirements. The Project shall finalize a TDM Plan for this property prior to Planning Department approval of the first Building Permit or Site Permit. As currently proposed, the property at 466 Townsend St. must achieve a target of 10 points. No other sites are subject to the requirements of this Section as there is either no change of use contemplated, or the proposed change of use involves a change to a lower land use category and is not seen as an intensification from the prior use.

The Project submitted a completed Environmental Evaluation Application prior to September 4, 2016 and the 466 Townsend St. site is located within the Central SoMa Special Use District. Therefore, the Project must only achieve 75% of the point target established in the TDM Program Standards, resulting in a required target of 10 points. As currently proposed, the Project will achieve its required 10 points through the following TDM measures:

- Parking Supply
- Bicycle Parking (Option A)
- Shuttle Bus Service

While the Project will comply with the TDM Plan requirements as shown above, the proposed ordinance also includes language waiving the application of Section 169 to the Project, on the condition that the Academy implements and complies with the Transportation Management Plan ("TMP") attached as Exhibit H to the Term Sheet. The TMP includes provisions requiring that the Academy develop, implement, and provide a shuttle management plan, provide bicycle parking and other provisions that support the goals of the Transportation Demand Management Program of this Section. Through either means then, the Project will comply with this Section.

- I. **Signs.** Article 6 of the Planning Code sets forth sign controls in various zoning districts, in recognition of the important function of signs and of the need for their regulation under the Planning Code. Included as part of the Project, the Academy proposes signage that complies with the various requirements of Article 6.

For Academy properties located within Commercial and Industrial Districts (C-3, C-2, and PDR-2), the Academy proposes signage in the form of wall signs and projecting signs, which are not limited by Section 607 in terms of number of signs or means of illumination. The proposed signs in these districts will comply with all other requirements of this section, including limitations on moving or animated parts and height of signs attached to buildings. For Academy properties located within Neighborhood Commercial, Residential-Commercial, and Mixed-Use Districts, the Academy generally proposes signs to generally include wall signs and one projecting sign per property, as allowed per Sections 607.1 and 607.2. The Academy will comply with other requirements of these sections, including limitations on illumination and height of signs attached to buildings. For Academy properties located within Residential Districts, the Academy proposes to include one identifying sign for each street frontage of the lot, not to exceed a height of 12 feet and an area of 12 square feet, and indirectly illuminated, as permitted by Section 606(b)(2). All Academy-branded flags are considered under the Planning Code to be wind signs and are generally not permitted in these districts and have been proposed for removal.

7. **Conditional Use Findings.** Planning Code Section 303 establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use authorization. On balance, the project complies with said criteria in that:
 - A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The withdrawal of Academy use at 9 properties, and the proposed Academy uses at the 34 properties included within the Project are consistent with the uses described in the Academy's Institutional Master Plan ("IMP"), accepted by the Commission on July 25, 2019, and are consistent with the Development Agreement and Term Sheet. The Project does not contemplate any new construction or building expansion at any of the property sites; therefore, the Project's use sizes are compatible with the existing neighborhood character in which the properties are located. The proposed changes of use, predominantly to PSEI and residential student housing uses, are comparable with, or are a less-intensive use than what was previously permitted at these sites. The resolution of the Lawsuit and Planning enforcement actions

against the Academy is both necessary and desirable in that it fully legalizes the uses and operational facilities needed by the Academy to operate its Post-Secondary Education Institutional use, and it provides the City with monetary payments toward affordable housing, transportation, and other City priorities, and brings closure to issues that have lasted more than a decade. The withdrawal of nine properties from the Academy's footprint within San Francisco is desirable as it helps facilitate the clustering of Academy facilities into fewer and more distinct areas within the City.

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

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

The Project involves changes of use, associated interior tenant improvements, and minor alterations at the exteriors of buildings, such as window replacements and repair and restoration of historic properties. The Project does not include any new construction or physical building expansion to the existing structures. As such, the size and shape of structures will not change from what currently exists and will therefore not be detrimental to the health, safety, convenience or general welfare of those residing or working in the vicinity.

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

The Project includes off-street parking at eight properties, all of which have existing off-street parking in either equal or greater quantities than what is proposed by the Project at each site. As discussed in Section 6(F), above, all proposed off-street parking spaces are available to faculty and staff only and are not available to students. Students are expected to walk, bike, take public transit or Academy shuttles between student housing and academic buildings. The proposed number of off-street parking spaces balances Academy demand such that faculty and staff would not be overwhelming on-street neighborhood parking in these areas, while also not providing parking in such quantities as to encourage travel by private automobile. The Project also includes the filling of curb cuts at 601 Brannan St., 1153 Bush St., and 1727 Lombard St., which will help reduce conflicts with pedestrians, bicyclists, and public transit vehicles, and may help restore additional on-street parking spaces. As discussed in the Academy's accepted IMP, a shuttle bus system is provided for students, faculty and staff for travel between Academy properties; however, the number and frequency of buses has been decreased in recent years, lessening impacts to neighborhood traffic patterns.

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

It is not expected that the interior improvements and limited exterior alterations proposed would create noxious or offensive emissions such as noise, glare, dust and odor. The proposed legalization of PSEI and residential student housing uses are also not anticipated to result in any offensive emissions. The Project will subsequently need to submit building permits for all proposed exterior alterations, changes of use and interior improvements; therefore, the Department of Building Inspection may impose other requirements with regard to proposed construction activities or specific machinery that may be installed at a given building for instructional or fabrication purposes. Academy dining facilities, whether intended solely for Academy use or more broadly open to the general public, are subject to standard conditions of approval for eating and drinking facilities to minimize any odor or noise generated by the use.

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

The Project will be providing new open space at 1727 Lombard St. and will be reconfiguring open space and parking areas at 601 Brannan St. These areas have been given consideration so as to be usable by the residents and students using these facilities, and proposed parking areas will be landscaped and screened in an appropriate manner, consistent with the Planning Code. Other existing parking areas are already screened from view, located within internal garage areas. The Project has also given large consideration to lighting and signage features, particularly on historic buildings. Providing sufficient lighting at Academy properties is an important institutional goal for the Academy, as it provides students and faculty with an increased sense of security, particularly in conjunction with Academy security cameras that also rely on having adequate nighttime lighting; provision of security cameras and adequate lighting is similarly beneficial to the general public walking adjacent to any specific property. However, for all historic properties included within the Project, the Department has worked with the Academy to ensure that the location, quantity, and type of lighting fixtures, security cameras, and associated conduit are installed or concealed in a manner consistent with the Secretary of Interior's Standards, so as not to be detrimental to the character of the historic resource. Similarly, the Department has reviewed signage proposals for each property. In some cases, properties will see a reduction in signage from what currently exists on a particular building; however, the Department has also reviewed proposals for new signage to ensure that any new signage is consistent with the requirements and limits of both Article 6 of the Planning Code, as well as Articles 10 and 11, where applicable.

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

The Project complies, to the extent feasible, with all relevant requirements and standards of the Planning Code and has submitted a detailed request for exceptions to be granted through the Master Conditional Use Authorization process where it is not feasible to do so. The Project is consistent with Objectives and Policies of the General Plan, as detailed below.

- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Districts.

The proposed Project is, on balance, consistent with the stated purposes of the various Districts in which the 34 properties are located. Uses are generally permitted principally or through conditional use authorization throughout the Project. Institutional and student housing uses have been organized in general consistency with zoning requirements, and through the Settlement Agreement provides funds to the City for the creation of replacement affordable housing. Uses such as the Academy auto museums are located along Van Ness Avenue, with historical ties to the automotive uses that have concentrated along that corridor.

8. **Loss of Residential Units Through Demolition, Merger, and Conversion.** In addition to the criteria of Section 303(c) of this Code, the Commission shall consider the extent to which the following criteria of Planning Code Section 317 are met:

- A. Pursuant to Planning Code Section 317(e), the conversion of Residential Units to Student Housing is prohibited.

This provision of the Planning Code became effective as a result of Ordinance 188-12, on October 11, 2012. At the time of the effective date of the ordinance, the Academy was operating, without benefit of permit or authorization, Student Housing uses at several buildings that were previously occupied by a non-student housing residential use. Specifically, these include the residential hotel units at 1080 Bush St., 1153 Bush St., 1916 Octavia St., and 860 Sutter St., and the residential units at 2209 and 2211 Van Ness Ave. Where the Academy elsewhere converted dwelling units to Student Housing, there was no such prohibition on conversion at the time when permits were filed, and the conversion did not otherwise require additional authorization from the Planning Commission; therefore, the Student Housing designation is already legal in these instances.

In order to facilitate the legalization of uses pursuant to the Term Sheet and Development Agreement, the Project requires a Planning Code Amendment to allow for the conversion of these Residential Units to Student Housing at this time. The proposed amendment addresses this with language as follows: "where such Development Agreement provides the City compensation for the loss of specific Residential Units that are not Student Housing units, the restrictions of Section 317(e) of this Code may be waived through a Master Conditional Use Authorization under Section 304.6." As discussed above, the Project is on balance consistent with the criteria of Section 303(c) and the restrictions of Section 317(e) should therefore be waived.

- B. Pursuant to Planning Code Section 317(g)(3), the Commission shall consider certain criteria where Residential Conversion results in the loss of units.

The Project proposes the conversion of units at two properties: 560 Powell St. and 680-688 Sutter St. For 560 Powell St., the issue primarily appears perhaps to be of a clerical nature, where the 3R report

lists the property as having 28 dwelling units, though only 27 units are found at the property today. Examining the plans for the property, units are of a consistent size and layout, uniformly spaced throughout the building; it is difficult, therefore, to understand where a unit has been either merged or converted from residential use at this property. At 680-688 Sutter St., the building similarly has 27 dwelling units compared with the 28 units stated in the 3R report. Here, it is likely that the missing unit was located at the ground floor in what the Academy now operates as a ground floor gallery space, displaying student work and open to the public. It appears the unit was converted in approximately 2003 and has operated as an Academy gallery since that time. For the criteria below, only 680-688 Sutter St. will be evaluated, due to the inconclusive nature of where an additional unit might have been located at 560 Powell St.

The criteria are:

- i. whether conversion of the unit(s) would eliminate only owner occupied housing, and if so, for how long the unit(s) proposed to be removed were owner occupied;

It is unclear whether the unit removed was owner occupied housing, and if so, how long it was owner occupied.

- ii. whether residential conversion would provide desirable new Non-Residential use(s) appropriate for the neighborhood and adjoining district(s);

The conversion provides for non-residential gallery space affiliated with the Academy and allows for the display of student work and public interaction. This type of ground-floor activation is appropriate for the C-3-G and RC-4 corridor along Sutter St. in the area adjacent to Union Square.

- iii. in districts where Residential Uses are not permitted, whether Residential Conversion will bring the building closer into conformance with the Uses permitted in the zoning district;

Not applicable; residential uses are permitted.

- iv. whether conversion of the unit(s) will be detrimental to the City's housing stock;

While conversion of the unit decreases the City's housing stock by one unit, the Project will provide the City with an affordable housing payment to compensate for the loss of units due to Academy conversion and occupancy.

- v. whether conversion of the unit(s) is necessary to eliminate design, functional, or habitability deficiencies that cannot otherwise be corrected;

Not applicable; the unit was not converted for these reasons.

- vi. whether the Residential Conversion will remove Affordable Housing, or units subject to the Residential Rent Stabilization and Arbitration Ordinance.

It is unclear whether the unit removed was subject to these designations, though unlikely it was an Affordable Housing unit as defined by the Planning Code. Due to the building's age, it is likely that the unit was subject to rent control.

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

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.4

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

OBJECTIVE 3:

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.5

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

OBJECTIVE 4:

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

Policy 4.4

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

Policy 4.5

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

OBJECTIVE 11:

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

Policy 11.3

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

Policy 11.5:

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

Policy 11.7

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

Policy 11.8

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

COMMERCE AND INDUSTRY ELEMENT

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.1

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

Policy 1.3

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

OBJECTIVE 7:

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL AND REGIONAL CENTER FOR GOVERNMENTAL, HEALTH, AND EDUCATIONAL SERVICES.

Policy 7.2

Encourage the extension of needed health and educational services, but manage expansion to avoid or minimize disruption of adjacent residential areas.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 1:

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

Policy 1.6

Ensure choices among modes of travel and accommodate each mode when and where it is most appropriate.

OBJECTIVE 28:

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1

Provide secure bicycle parking in new governmental, commercial, residential developments.

OBJECTIVE 33:

CONTAIN AND LESSEN THE TRAFFIC AND PARKING IMPACT OF INSTITUTIONS ON SURROUNDING RESIDENTIAL AREAS.

Policy 33.1

Limit the provision of long-term automobile parking facilities at institutions and encourage such institutions to regulate existing facilities to assure use by short-term clients and visitors.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 2:

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

Policy 2.4

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

Policy 2.5

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

OBJECTIVE 4:

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

Policy 4.3

Provide adequate lighting in public areas.

Policy 4.4

Design walkways and parking facilities to minimize danger to pedestrians.

Policy 4.13

Improve pedestrian areas by providing human scale and interest.

Policy 4.14

Remove and obscure distracting and cluttering elements.

ARTS ELEMENT

Objectives and Policies

OBJECTIVE I-1:

RECOGNIZE THE ARTS AS NECESSARY TO THE QUALITY OF LIFE FOR ALL SEGMENTS OF SAN FRANCISCO.

Policy I-1.4

Provide access to the creative process and cultural resources for all neighborhoods, cultural communities, and segments of the city and its populations.

OBJECTIVE II-3:

PROMOTE ARTS EDUCATION PROGRAMS THAT REFLECT THE CULTURAL DIVERSITY OF SAN FRANCISCO.

Policy II-3.1

Encourage arts education offerings in the community and the schools to include art and artists from many cultures.

OBJECTIVE IV-1:

ADVOCATE AND ASSIST IN PROVIDING ARTS EDUCATION PROGRAMMING AT ALL LEVELS.

Policy IV-1.1

Advocate for arts education opportunities for all residents of San Francisco.

Policy IV-1.2

Strengthen collaborations among artists, arts organizations, and teachers, school administrators, and others responsible for arts curricula.

OBJECTIVE IV-2:

RECOGNIZE IN ARTS EDUCATION PROGRAMS THAT A PARTNERSHIP AMONG ARTISTS, TEACHERS, AND ARTS ORGANIZATIONS IS ESSENTIAL TO CREATE AND MAINTAIN QUALITY ARTS EDUCATION PROGRAMMING.

Policy IV-2.1

Support and increase the participation of artists in San Francisco's arts education programs.

OBJECTIVE V-3:

DEVELOP AND EXPAND ONGOING PARTNERSHIPS WITH THE PRIVATE SECTOR IN SUPPORT OF THE ARTS.

Policy V-3.1

Develop partnerships with the private sector and the business community to encourage monetary and non-monetary support of the arts, as well as sponsorships of arts organizations and events.

OBJECTIVE VI-1:

SUPPORT THE CONTINUED DEVELOPMENT AND PRESERVATION OF ARTISTS' AND ARTS ORGANIZATIONS' SPACES.

Policy VI-1.11

Identify, recognize, and support existing arts clusters and, wherever possible, encourage the development of clusters of arts facilities and arts related businesses throughout the city.

On balance, the Project is consistent with the Objectives and Policies of the General Plan, particularly as it relates to the specifically listed Objectives and Policies, above. The Project represents the culmination of more than a decade of review and enforcement action by the Planning Department and City, the details of which are centered around the Settlement Agreement. While many of the past actions by the Academy, which led to litigation by the City Attorney, would be viewed as inconsistent with the Objectives and Policies of the General Plan, the terms of the Settlement Agreement substantially change that conclusion. Specifically, those past actions include unpermitted interior and exterior alterations and changes of use at 28 of 34 buildings which the Academy occupied in 2007; subsequently, the Academy further expanded their presence in the City to 40 buildings, also without the necessary permits. Perhaps most problematic and inconsistent with the City's General Plan were actions by the Academy to convert existing residential buildings to student housing, particularly at five properties that contained residential hotel rooms, subject to the provisions of

Administrative Code Chapter 41. To compensate for these past losses and violations, the Settlement contemplates that the Academy and its LLC Parties will pay an estimated \$58 million to the City, which includes a \$37.6 million affordable housing public benefit payment. That affordable housing payment has a first priority to be applied toward the creation or preservation of SRO units located in those same districts where the Academy had unlawfully converted SRO buildings in the past. An additional estimated \$8.2 million will go to the City's Small Sites Program, which has a mission to help San Franciscans avoid displacement or eviction, by providing funds to nonprofit organizations to buy buildings that are vulnerable to development pressure and increased rents and evictions, so that they may turn the property into permanently affordable housing. Apart from monetary payments, the Settlement also commits the Academy to provide housing for certain percentages of its full-time, on-campus student population, and the Settlement also results in the net addition of at least 8 new SRO units at 860 Sutter Street. The monetary payments and housing metering obligation are public benefits that could only be made available to the City through the Settlement Agreement.

On the Academy's end, the Settlement allows them to legalize and continue operations at 34 properties within the City. In terms of overall number of properties, this is the same number that were occupied by the Academy in 2007, when the Department commenced enforcement action, though not the exact same properties. From their peak occupancy of 40 properties in 2016, the Project results in the withdrawal of Academy use from 9 properties, including 1055 Pine Street, which contains 59 residential hotel rooms. The Project then also results in an addition of 3 properties for Academy use (40 properties - 9 + 3 = 34 properties), however occupancy of these buildings is also consistent with the General Plan. At 2550 Van Ness Avenue, the Academy is converting a tourist hotel use to student housing, thus without potential displacement of existing residents, and at both 1142 and 1946 Van Ness Avenue, the Academy is making interior and exterior modifications to the building, in order to both implement the PSEI uses and also restore these buildings in a manner consistent with historic preservation standards. Indeed, the Academy will undertake to some degree similar scopes of work at the majority of properties included as part of the final Academy footprint. Unpermitted changes of use will be legalized by the Project and will require the Academy to file building permit applications to ensure all buildings are consistent with life safety standards. Unpermitted alterations, particularly those made to historic structures, are being legalized where consistent with Code and Secretary of the Interior's Standards, or are being modified or removed where they are not.

In many cases, the Academy's uses would not have been problematic were they to have obtained necessary permits and entitlements prior to their occupancy and use. The residential and institutional uses proposed are generally consistent with the zoning controls of each underlying district, as either principally permitted or conditionally permitted uses. At two properties where uses were more problematic, the Settlement Agreement comes to resolution as follows: a) at 2801 Leavenworth Street (the "Cannery"), the Academy is not permitted to operate a PSEI use at the ground floor and must instead retain active retail uses; b) at 2225 Jerrold Street, the Project will result in the creation of a new Community Facility for use by nearby residents and interested non-profits free of charge, while the Academy will also be permitted to use such facility on an accessory basis.

The Project does not include any new construction or physical expansion of buildings, which could further alter or disrupt existing neighborhood character and patterns. As discussed above, scopes of work are largely either internal, in order to implement the desired change of use, or external to correct or repair past modifications made without benefit of permit. For the former, perhaps the most noticeable improvements to be made will be the installation of Class 1 and 2 bicycle parking at the various properties; in total, the Project proposes some 480 Class 1 spaces and 250 Class 2 spaces. Additionally, at two properties – 79 New Montgomery and 625 Sutter Street – the Academy will be removing unpermitted interior partitions that were constructed adjacent to ground floor fenestration so as to allow for improved visual access into buildings and increased interest at the pedestrian environment. For the latter, exterior repair and restoration work was particularly focused on those properties considered to be historic resources, whether under Articles 10 or 11 of the Planning Code, or under CEQA. Though exact scopes of work vary by property, work includes the removal or relocation of signage, new signage that is sensitive the character of the resource, removal of awnings and canopies, replacement of lighting and security fixtures to be more minimally visible or sensitively installed, and the concealment of conduit.

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 complies 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 helps preserve and enhance neighborhood-serving retail uses through direct activation of ground floor retail storefronts. Galleries and museums open to the public enhance pedestrian activity and have co-benefits for other artistic enterprises, particularly along the Sutter Street corridor. At 2801 Leavenworth St., the Project retains space for retail uses at the ground floor, and at 2550 Van Ness Ave., the Academy proposes to operate a restaurant with hours open to the public. Students, faculty, and staff of the Academy support neighborhood-serving retail businesses through everyday purchases.

- 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, through the Development Agreement, resolves a long-standing enforcement case that resulted in the conversion of existing residential housing stock to student housing. To compensate for these past actions, the Project delivers an affordable housing payment to the City of \$37.6 million, in addition to an estimated \$8.2 million to the City's Small Sites Fund. The Academy is withdrawing use from 1055 Pine St., which contains 59 Residential Hotel Rooms, and the City will gain at least 8 new Residential Hotel Rooms at 860 Sutter Street. The Development Agreement also includes a Housing Metering requirement, such that the Academy must be able to provide a certain percentage of housing in order to meet potential demands of future enrollment growth. Any new housing will not come from the City's existing housing stock or PDR space.

Physically, the Project helps conserve and protect neighborhood character through exterior alterations and repair work, particularly to buildings of historical significance.

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

As discussed in B, above, the Project compensates the City for past conversions of residential housing to student housing in various ways, including a payment of \$37.6 million for Affordable Housing Benefits, and an estimated payment of \$8.2 million to the Small Sites Fund.

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

The Project is located throughout the City, but is generally accessible via public transportation, bicycle and pedestrian networks, in addition to the Academy's private shuttle service, which will operate within approved curb loading zones. The Academy does not make parking available to students. In total, the Academy has 135 off-street spaces, not including the two properties used for vehicle storage, which do not affect transit service due to their infrequent use or removed location. The Project additionally results in the installation of numerous new bicycle racks, to make alternative means of transportation more feasible. Lastly, several properties include curb cut removals, helping reduce potential vehicle conflicts.

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

The Project does not include any commercial office development. The Academy employs 764 faculty and 793 staff, including working artists trained in the field of industrial art and design, thus helping contribute toward a diverse economic base.

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

The Project will resolve unpermitted changes of use and will require building permits to implement the proposed uses. Through this process, properties will be required to comply with applicable life safety codes.

- G. That landmarks and historic buildings be preserved.

The Historic Preservation Commission approved a Master Certificate of Appropriateness and Master Permit to Alter for the Project, on November 20, 2019 per Motion Nos. 0403 and 0402. The Project results in exterior alterations at many historic properties related to removing or modifying lighting and security fixtures, signage, awnings and canopies, paint color, and the concealing of conduit, in order to bring the property into greater consistency with the Secretary of the Interior's Standards.

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

The Project does propose any new construction or physical expansion of any existing building.

11. 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 City and would constitute a beneficial development.
12. The Commission hereby finds that approval of this Master Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Master Conditional Use Authorization Application No. 2019-012970CUA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated October 11, 2019, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission has reviewed and considered the FEIR and Addendum and the record as a whole and incorporates by reference herein the CEQA Findings contained in Motion No. 20572 and the MMRP, included as Attachment B to said Motion. All required mitigation and improvement measures identified in Attachment B of Motion No. 20572 are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed (after the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on November 21, 2019.


Jonas P. John
Commission Secretary

AYES: Melgar, Koppel, Diamond, Johnson, Richards

NAYS: None

ABSENT: Fung, Moore

ADOPTED: November 21, 2019

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to vacate 9 properties, and to legalize uses and building modifications at 34 properties owned or leased by the Academy of Art University ("Academy") within the City and County of San Francisco ("City"), consistent with the proposed Development Agreement and the Term Sheet for Global Resolution between the City and the Academy; in general conformance with plans, dated October 11, 2019, and stamped "EXHIBIT B" included in the file for Record No. 2019-012970CUA and subject to conditions of approval reviewed and approved by the Commission on November 21, 2019 under Motion No. 20574. 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 permits or commencement of uses contemplated by 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 21, 2019 under Motion No. 20574.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 20574 shall be reproduced on the Index Sheet of construction plans submitted with the site or building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for that period of time as specified pursuant to the Development Agreement, Exhibit E.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
2. **Expiration and Renewal.** Should a Building or Site Permit be sought after the periods of time as specified pursuant to the Development Agreement, Exhibit E, the Project Sponsor shall be subject to renewal procedures and default provisions specified in the Development Agreement.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
3. **Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence and be completed within the performance schedule specified in the Development Agreement, Exhibit E. Failure to do so shall subject the Project Sponsor to default penalties as specified in the Development Agreement
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
4. **Extension.** All time limits in the preceding three paragraphs may only be extended pursuant to the remedies afforded through the Development Agreement.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval, unless otherwise authorized through the Development Agreement.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
6. **Additional Project Authorization.** The Project Sponsor must obtain approvals through the Master Certificate of Appropriateness and Master Permit to Alter from the Historic Preservation Commission, pursuant to Articles 10 and 11 of the Planning Code, respectively. The Project must also obtain approval through Board of Supervisors of an ordinance amending the Planning Code in order to implement the Project pursuant to the Settlement Agreement and Term Sheet, and of the Development Agreement between the Academy and City. The conditions set forth below are additional conditions required in connection with the Project. Unless otherwise prescribed through the Development Agreement, if these conditions overlap with any other requirement imposed on

the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

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

7. **Mitigation Measures.** Mitigation measures described in the MMRP attached as Exhibit C are necessary to avoid potential significant impacts of the proposed Project and have been agreed to by the Project Sponsor. Their implementation is a condition of project approval.

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

DESIGN – COMPLIANCE AT PLAN STAGE

8. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval in substantial conformance with the plan sets in Exhibit B. This final review and approval includes, but is not limited to, review by historic preservation staff on final window materials, security camera and lighting fixtures, location and means of attachment, methods of conduit concealment, and repair means and methods for historic structures.

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

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

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

10. **Lighting Plan.** For all properties that are considered historic resources under CEQA, or Articles 10 or 11 of the Planning Code, the Project Sponsor shall submit additional details in the building permit applications regarding the proposed lighting, which shall be subject to Department staff review and approval in substantial conformance with the plan sets in Exhibit B. This final review and approval may include, but is not limited to, the type and location of light fixtures, means of attachment, methods of conduit concealment, and repair means and methods.

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

11. **Streetscape Plan.** The Project Sponsor shall submit additional details in the building permit applications regarding proposed streetscape improvements, which shall be subject to Department staff review and approval in substantial conformance with the plan sets in Exhibit B. This final review and approval includes details on the installation of Class 2 bicycle racks, filling in of curb cuts, and modifications to proposed loading color curbs. The Project Sponsor shall complete final design and construction of all required street improvements, including procurement of relevant City permits, pursuant to the Schedule of Performance as specified in the Development Agreement, Exhibit E.

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

12. **Signage.** The Project Sponsor shall submit additional details in the building permit applications regarding proposed signage, which shall be subject to Department staff review and approval in substantial conformance with the plan sets in Exhibit B. Such final review and approval may include, but is not limited to materials, copy, the means of attachment, and minor adjustments to the final size and location of proposed signage based upon final details related to the means of attachment. For the property located at 1900 Jackson Street, and at the direction of the Commission, the Project Sponsor shall work with neighbors to develop an alternative signage proposal that is more compatible with the surrounding residential character.

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

13. **Landscaping, Screening of Parking and Vehicular Use Areas.** Pursuant to Planning Code Section 142, the Project Sponsor shall submit additional details in the building permit applications regarding proposed screening of parking and vehicle use areas not within a building, which shall be subject to Department staff review and approval in substantial conformance with the plan sets in Exhibit B.

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

14. **Odor Control Unit.** In order to ensure any significant new noxious or offensive odors are prevented from escaping the premises once the project is operational, the building permit applications to implement the Project shall include air cleaning or odor control equipment details and manufacturer specifications on the plans, as necessary. Odor control ducting shall not be applied to the primary façade of the building, except where previously agreed to as part of the Settlement Agreement and Term Sheet, and in substantial conformance with the plan sets in Exhibit B.

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

PARKING AND TRAFFIC

15. **Transportation Demand Management (TDM) Program.** Pursuant to Planning Code Section 169, the Project shall finalize a TDM Plan for the property at 466 Townsend St. prior to the issuance of the first Building Permit or Site Permit to construct the project and/or commence the approved uses. The Property Owner, and all successors, shall ensure ongoing compliance with the TDM Program for the life of the Project, which may include providing a TDM Coordinator, providing access to City staff for site inspections, submitting appropriate documentation, paying application fees associated with required monitoring and reporting, and other actions.

Prior to the issuance of the first Building Permit or Site Permit, 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 to document compliance with the TDM Program. This Notice shall provide the finalized TDM Plan for the Project, including the relevant details associated with each TDM measure included in the Plan, as well as associated monitoring, reporting, and compliance requirements.

For information about compliance, contact the TDM Performance Manager at tdm@sfgov.org or 415-558-6377, www.sf-planning.org.

16. **Car Share.** Pursuant to Planning Code Section 166, no fewer than one (1) car share space shall be made available at 2550 Van Ness Avenue, 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

17. **Bicycle Parking.** Pursuant to Planning Code Sections 155, 155.1, and 155.2, the Project shall provide bicycle parking in the amounts indicated in this Motion and on the plans dated October 11, 2019, and stamped Exhibit B. In total, the Project is deficient by 129 Class 1 spaces. However, as the Project is reviewed by other City agencies during building permit review, it is possible that some of the proposed Class 1 spaces may not be approvable, for example, based on Building and/or Fire codes. As provided under the Development Agreement, the Commission is granting an exception for the deficiency of Class 1 bicycle parking, up to 150 total spaces from what would be required by Code. In lieu of providing the deficiency of Class 1 bicycle spaces, the Academy will pay the City an amount equal to \$519 per space. The in-lieu fee will be credited against the development impact fees to be paid under the Development Agreement for up to 150 spaces. In the event that the deficiency in Class 1 bicycle parking spaces exceeds 150 spaces, the Academy will pay the in-lieu fee with funds at the same rate stated above, in addition to those identified and allocated in the Development Agreement, and will not be credited against the Settlement Payment.

SFMTA has final authority on the type, placement and number of Class 2 bicycle racks within the public ROW. Prior to issuance of first architectural addenda, the project sponsor shall contact the SFMTA Bike Parking Program at bikeparking@sfmta.com to coordinate the installation of on-street bicycle racks and ensure that the proposed bicycle racks meet the SFMTA's bicycle parking

guidelines. Depending on local site conditions and anticipated demand, SFMTA may request the project sponsor pay an in-lieu fee for Class II bike racks required by the Planning Code.

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

18. **Parking Maximum.** Pursuant to Planning Code Sections 150, 151 and 151.1, and except for the shuttle and classic car parking uses at 2225 Jerrold and 950 Van Ness, respectively, the Project shall provide Academy-affiliated off-street parking not to exceed the specified number of spaces for each property listed here: (1) 601 Brannan St., 17 spaces; (2) 410 Bush St., 10 spaces; (3) 58 Federal St., 8 spaces; (4) 575 Harrison St., 20 spaces; (5) 1900 Jackson St., 9 spaces; (6) 1727 Lombard St., 24 spaces; (7) 2550 Van Ness Ave., 47 spaces; (8) 2225 Jerrold Street, 9 spaces.

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

19. **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

20. **First Source Hiring.** The Project shall adhere to First Source Hiring and Prevailing Wage requirements as specified in the Development Agreement.

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

21. **Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF) and Transit Impact Development Fee (TIDF), as applicable, pursuant to Planning Code Sections 411A and 411, and as specified in the Development Agreement, Schedule 1.

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

22. **Residential Child Care Impact Fee.** The Project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A, and as specified in the Development Agreement, Schedule 1.

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

MONITORING - AFTER ENTITLEMENT

23. **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 officials, departments and agencies for appropriate enforcement action under their jurisdiction. If there is a material violation of the Planning Code or a pattern of immaterial violations at one or more Academy properties, additional remedies are available as set for the in the Development Agreement, Settlement Agreement, Consent Judgment and Injunction.

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

24. **Monitoring.** The Project requires monitoring of the conditions of approval in this Motion. The Project Sponsor or the subsequent responsible parties for the Project shall pay fees as established under Planning Code Section 351(e) (1) and work with the Planning Department for information about compliance.

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

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

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

OPERATION

26. **Eating and Drinking Uses.** As defined in Planning Code Section 202.2, Eating and Drinking Uses, as defined in Section 102, shall be subject to the following conditions:

A. The business operator 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 Street and Sidewalk Maintenance Standards. In addition, the operator shall be responsible for daily monitoring of the sidewalk within a one-block radius of the subject business to maintain the sidewalk free of paper or other litter associated with the business during business hours, in accordance with Article 1, Section 34 of the San Francisco Police Code.

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

- B. When located within an enclosed space, the premises shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of the building, and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance.

For information about compliance of fixed mechanical objects such as rooftop air conditioning, restaurant ventilation systems, and motors and compressors with acceptable noise levels, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org.

For information about compliance with construction noise requirements, contact the Department of Building Inspection at 415-558-6570, www.sfdbi.org.

For information about compliance with the requirements for amplified sound, including music and television, contact the Police Department at 415-553-0123, www.sf-police.org.

- C. While it is inevitable that some low level of odor may be detectable to nearby residents and passersby, appropriate odor control equipment shall be installed in conformance with the approved plans and maintained to prevent any significant noxious or offensive odors from escaping the premises.

For information about compliance with odor or other chemical air pollutants standards, contact the Bay Area Air Quality Management District, (BAAQMD), 1-800-334-ODOR (6367), www.baaqmd.gov and Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

- D. 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 the Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>.

27. **Sidewalk Maintenance.** The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org>

28. **Community Liaison.** Prior to issuance of a building permit to construct the Project and implement the approved uses, 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 and all registered neighborhood groups for the area with written notice of the name, business address, and telephone number of the community liaison. Should the contact

information change, the Zoning Administrator and registered neighborhood groups shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

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

29. **Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property. All new lighting requires review and approval by the Planning Department through submittal of a building/site permit.

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