

BOARD of SUPERVISORS



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MEMORANDUM

TO: Regina Dick-Endrizzi, Director
Small Business Commission, City Hall, Room 448

FROM: Erica Major, Assistant Clerk
Land Use and Transportation Committee

DATE: October 24, 2017

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 170938-2

Ordinance amending the Planning Code and the Zoning Map to add the 1629 Market Street Special Use District; making findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

No Comment

Recommendation Attached

Chairperson, Small Business Commission

c: Menaka Mahajan, Small Business Commission

1 [Planning Code, Zoning Map - 1629 Market Street Special Use District]

2
3 **Ordinance amending the Planning Code and the Zoning Map to add the 1629 Market**
4 **Street Special Use District; making findings under the California Environmental Quality**
5 **Act; and making findings of consistency with the General Plan, and the eight priority**
6 **policies of Planning Code, Section 101.1, and findings of public necessity,**
7 **convenience, and welfare under Planning, Code Section 302.**

8 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
9 **Additions to Codes** are in *single-underline italics Times New Roman font*.
10 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
11 **Board amendment additions** are in double-underlined Arial font.
12 **Board amendment deletions** are in ~~strikethrough Arial font~~.
13 **Asterisks (* * * *)** indicate the omission of unchanged Code
14 subsections or parts of tables.

15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. Findings.

17 (a) California Environmental Quality Act.

18 (1) At its hearing on October 19, 2017, and prior to recommending the proposed
19 Planning Code amendments for approval, by Motion No. 20033, the Planning Commission
20 certified a Final Environmental Impact Report (FEIR) for the 1629 Market Street Project
21 (Project) pursuant to the California Environmental Quality Act (CEQA) (California Public
22 Resources Code Sections 21000 et seq.), the CEQA Guidelines (14 Cal. Code Reg. Sections
23 15000 et seq.), and Chapter 31 of the Administrative Code. A copy of said Motion is in Board
24 of Supervisors File No. 170938, and is incorporated herein by reference. In accordance with
25 the actions contemplated herein, the Board has reviewed the FEIR, concurs with its
conclusions, affirms the Planning Commission's certification of the FEIR, and finds that the

1 actions contemplated herein are within the scope of the Project described and analyzed in the
2 FEIR.

3 (2) In recommending the proposed Planning Code amendments for approval by
4 the Board of Supervisors at the Planning Commission's hearing on October 19, 2017, by
5 Motion No. 20034, the Planning Commission also adopted findings under CEQA, including a
6 statement of overriding consideration, and a Mitigation Monitoring and Reporting Program
7 (MMRP). A copy of said Motion and MMRP are in Board of Supervisors File No. 170938, and
8 are incorporated herein by reference. The Board hereby adopts and incorporates by reference
9 as though fully set forth herein the Planning Commission's CEQA approval findings, including
10 the statement of overriding considerations. The Board also adopts and incorporates by
11 reference as though fully set forth herein the Project's MMRP.

12 (b) At the same hearing on October 19, 2017, the Planning Commission, in Resolution
13 No. 20035, (1) adopted a Resolution recommending that the Board of Supervisors adopt
14 amendments to the General Plan, Market and Octavia Area Plan, and (2) adopted findings
15 that the actions contemplated in this ordinance are consistent, on balance, with the City's
16 General Plan, as amended, and eight priority policies of Planning Code Section 101.1. The
17 Board adopts these findings as its own. A copy of said Resolution is in Board of Supervisors
18 File No. 170938, and is incorporated herein by reference.

19 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that these
20 Planning Code amendments will serve the public necessity, convenience, and welfare for the
21 reasons set forth in Planning Commission Resolution No. 20036, and the Board incorporates
22 such reasons herein by reference.

23
24 Section 2. The Planning Code is hereby amended by adding Section 249.81 to read as
25 follows:

1 **SEC. 249.81. 1629 MARKET STREET SPECIAL USE DISTRICT.**

2 A Special Use District entitled the 1629 Market Street Special Use District (1629 Market Street
3 SUD, or SUD), is hereby established for the purposes set forth in this Section 249.81.

4 (a) Location. The 1629 Market Street SUD is generally bounded by Market Street to the north,
5 Brady Street to the west, Chase Court to the south, and 12th Street to the east, and consists of
6 Assessor's Parcel Block No. 3505, Lots 001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A,
7 034, and 035. Its boundaries are shown on Special Use District Map SU07 of the Zoning Map.

8 (b) Purpose. The purpose of the 1629 Market Street SUD is to give effect to the Development
9 Agreement for the 1629 Market Street Project, as approved by the Board of Supervisors in the
10 ordinance in File No. 170938. The 1629 Market Street SUD will facilitate the provision of a mixed use
11 development in a transit-rich location with residential, retail, open space, parking, and related uses.
12 The SUD will provide benefits to the City including: provision of on-site affordable housing units at a
13 levels of affordability exceeding City requirements; replacement of existing Residential Hotel Units
14 with modern, on-site units at a replacement ratio exceeding the requirements of Chapter 41 of the
15 Administrative Code, the Residential Hotel Unit Conversion and Demolition Ordinance; land donation,
16 construction, and maintenance of publicly accessible open space; and improvement of Stevenson Street
17 for pedestrian and automobile use.

18 (c) Controls. Applicable provisions of the Planning Code shall apply to the 1629 Market Street
19 SUD except as otherwise provided in this Section 249.81. In the event of a conflict between other
20 provisions of the Planning Code and this Section, this Section shall control.

21 (1) Usable Open Space.

22 (A) Amount Required and Phasing. The required square footage of usable open
23 space shall be 36 square feet per dwelling unit. Open space requirements may be met at this ratio with
24 the following types of open space: "private usable open space" as defined in Section 135(a) of this
25 Code; and "common usable open space" as defined in Section 135(a), which may be open to the public.

1 Usable open space has been designed on a SUD-wide basis and the requirements are expected to be
2 met through a combination of private and common spaces associated individual buildings, as well as
3 approximately 8,600 square feet of plaza and mid-block open space that will be developed in
4 accordance with the Development Agreement for the project. Accordingly, compliance with open space
5 requirements shall be evaluated at project buildout on a District-wide (as opposed to building-by-
6 building) basis.

7 (B) Common usable open space that otherwise qualifies as an inner court under
8 Section 135(g)(2) of this Code shall be exempt from the 45-degree requirements of that Section, and
9 projections of portions of adjacent residential structures over such open space shall be considered
10 permitted obstructions under Sections 135(g)(2) and 136 of this Code, provided that each such
11 projection leaves at least 7 1/2 feet of headroom.

12 (2) Narrow Streets and Alleys. Planning Code Section 261.1(d)(1) shall not apply to
13 the following subject frontages: the north side of Chase Court and the west side of Colusa Place; the
14 north side of Colton Street and the east side of Colusa Place; the north side of Stevenson Street; and
15 the east side of Brady Street. Planning Code Section 261.1(d)(2) shall not apply to the following
16 subject frontages: the south side of Colton Street, and the south side of Stevenson Street.

17 (3) Affordable Housing. The following shall apply in lieu of any other inclusionary or
18 affordable housing exactions set forth in this Code: Twelve percent (12%) of all of the residential units
19 constructed on site shall be affordable to residents at or below 100% Area Median Income for the life
20 of the applicable building, except for the approximately 95 to 100 residential units to be constructed on
21 Assessor's Parcel Block No. 3505, Lots 27 and 28, referred to as the Colton Street Building, which
22 shall be affordable to residents at or below 60% Area Median Income for the life of the building. As a
23 result, the project will achieve approximately twenty eight percent (28%) affordability.

1 Section 3. The Planning Code is hereby amended by revising Zoning Map ZN07,
2 Height and Bulk Map HT07, and Special Use Map SU07, as follows:

3 (a) To change Zoning Map ZN07 from NCT-3 and Public to NCT-3 and Public in a
4 portion of the SUD, as follows:

5

6 Assessor's Block	Lots	Current Zoning	Proposed Zoning
7 Block 3505	8 001, 007, 9 008, 027, 10 028, 029, 11 031, 031A, 12 032, 032A, 13 033, 033A, 14 and 035	NCT-3 and Public	NCT-3 and Public, as more particularly depicted on Exhibit A in Board of Supervisors File No. 170938.

15
16 (b) To change Height and Bulk Map HT07 from 85-X and Public, and 40-X, to 85-X and
17 Public and 68-X, respectively, as follows:

18

19 Assessor's Block	Lots	Current Height Designations	Proposed Height Designations
20 Block 3505	21 001, 007, 22 008, 029, 23 031, 031A, 24 032, 032A, 25 033, 033A, and 035	85-X and Public	85-X and Public, as more particularly depicted on Exhibit B in Board of

			Supervisors File No. 170938.
Block 3505	027, 028	40-X	68-X

(c) To change Special Use District Map SU07 to include the new 1629 Market Street Special Use District, as follows:

Assessor's Block	Lots	Special Use District Created
Block 3505	001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A, and 035	1629 Market Street Special Use District.

Section 4. The Board of Supervisors hereby authorizes the City Engineer, following consultation with the Planning Department and the City Attorney's Office, to make any corrections and boundary adjustments to final maps as needed to conform with the final Project as developed.

Section 5. Effective and Operative Dates.

(a) This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

1 (b) This ordinance shall become operative on, and no rights or duties are affected
2 until, the later of (1) its effective date, or (2) the date that the ordinance approving the
3 Development Agreement for the Project, and the ordinance, approving amendments to the
4 General Plan for the Project, have both become effective. Copies of said Ordinances are on
5 file with the Clerk of the Board of Supervisors in File No. _____.

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7
8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA, City Attorney

10
11 By:



12 ANDREA RUIZ ESQUIDE
13 Deputy City Attorney

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REVISED LEGISLATIVE DIGEST

(Substituted, 10/17/2017)

[Planning Code, Zoning Map - 1629 Market Street Special Use District]

Ordinance amending the Planning Code and the Zoning Map to add the 1629 Market Street Special Use District; making findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The Planning Code and Zoning Map regulate development in the City, including setting forth requirements for height and bulk, open space, permitted or conditional uses, etc.

Amendments to Current Law

This Ordinance creates a new Special Use District (SUD) to facilitate the development of the 1629 Market Street Project, a mixed use development in a transit-rich location on Market Street. The Project includes residential, retail, open space, parking, and related uses, and is also the subject of a Development Agreement. Its benefits include on-site affordable housing units at a levels of affordability exceeding City requirements; replacement of existing Residential Hotel Units with modern, on-site units at a replacement ratio exceeding the requirements of Chapter 41 of the Administrative Code, the Residential Hotel Unit Conversion and Demolition Ordinance; land donation, construction, and maintenance of publicly accessible open space; and improvement of Stevenson Street for pedestrian and automobile use.

The Ordinance provides that all requirements of the Planning Code shall apply to the Project, except for the usable open space and the upper story set back requirements. Regarding the open space requirements, the Ordinance provides that the required square footage of usable open space shall be 36 square feet per dwelling unit, and that that requirement may be met at this ratio with "private usable open space" and "common usable open space," as those terms are defined in the Planning Code. It further explains that usable open space has been designed on a SUD-wide basis and the requirements are expected to be met through a combination of private and common spaces associated individual buildings, as well as approximately 8,600 square feet of plaza and mid-block open space that will be developed in accordance with the Development Agreement for the Project. Accordingly, compliance with open space requirements shall be evaluated at project buildout on a SUD-wide (as opposed to building-by-building) basis.

FILE NO. 170938

Regarding upper story set back requirements, the Ordinance mandates that those requirements shall not apply to specific facades within the Project.

The Ordinance also amends the Zoning Map, to create the SUD, and to change the zoning and height maps to reflect the Project's configuration.

Background Information

The 1629 Market Street Project is also the subject of a Development Agreement, as set forth in a separate ordinance.

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