



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary

Downtown Project Authorization Conditional Use Authorization Office Allocation Variance Shadow Findings Planning Code Text and Map Amendments General Plan Amendment

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HEARING DATE: JANUARY 9, 2020

Record Number: **2016-013312PRJ**
Project Address: **542-550 Howard Street (Transbay Parcel F)**
Existing Zoning: C-3-O(SD) Downtown-Office (Special Development) Zoning District
750-S-2 and 450-S Height and Bulk Districts
Transit Center C-3-O(SD) Commercial and
Transbay C-3 Special Use Districts
Downtown and Transit Center District Plan Areas
Block/Lot: 3721/016, 135, 136, 138
Project Sponsor: F4 Transbay Partners, LLC
101 California Street, Suite 1000
San Francisco, CA 94111
Property Owner: Parcel F Owner, LLC
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San Francisco, CA 94111
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Recommendation: **Approval with Conditions**

SUMMARY

On January 9, 2020, the Planning Commission ("Commission") will consider a series of approval actions related to the proposed project ("Project") located at 542-550 Howard Street (otherwise known as the "Parcel F"). The Commission has previously reviewed the Project as part of the initiation of a General Plan Amendment hearing on December 5, 2019. The Recreation and Parks Commission reviewed the Project on September 19, 2019. Should the Commission approve the Project on January 9, 2020 the Board of Supervisors would then conduct hearings which could result in the City's final approval or disapproval of the Project.

REQUIRED COMMISSION ACTION

The following is a summary of actions that the Commission will consider at the hearing, which are required to implement the Project:

1. Adopt findings to approve a Downtown Project Authorization pursuant to Planning Code Section 309 with requests for exceptions from: Setbacks and Streetwall Articulation (Section 132.1(c)(1)); Tower Separation (Section 132.1(d)(1)); Rear Yard (Section 134(a)(1)); Dwelling Unit Exposure (Section 140); Reduction of Ground-Level Wind Currents in C-3 Districts (Section 148); Off-street freight loading (Sections 152.1 and 161); Use requirements in the C-3-O(SD) Commercial Special Use Subdistrict (Section 248); Height limits for buildings taller than 550 feet in height in the S-2 bulk district for allowance of non-occupied architectural, screening, and rooftop elements (Section 260(b)(1)(M)); and Bulk Controls (Sections 270, 272); and
2. Adopt findings to approve Conditional Use Authorization pursuant to Planning Code Sections 210.2 and 303 to establish a hotel use; and
3. Adopt findings related to the allocation of office square footage, pursuant to Planning Code Sections 320 through 325 that would authorize up to 275,764 gross square feet of general office use; and
4. Adopt Shadow Findings, pursuant to Planning Code Section 295;
5. Recommend that the Board of Supervisors approve an ordinance that would amend San Francisco Zoning Maps ZN-01 and HT-01 for height and bulk classification and zoning designation; uncodified legislative amendments for: the residential footprint requirement per Section 248(d)(2); and authorization of off-site inclusionary affordable dwelling units per Section 249.28(b)(6)(B)(C); and
6. Recommend that the Board of Supervisors approve an ordinance that would amend Maps 1 and 5 of the Downtown Plan and Figure 1 of the Transit Center District Plan.

PROJECT DESCRIPTION

The Project includes the construction of a new 61-story mixed-use building reaching a height of 749'-10" tall (799'-9" inclusive of rooftop screening/mechanical equipment) with a total of approximately 957,000 gross square feet of floor area at the Project Site . The Project would include 165 dwelling units, 189 hotel rooms, approximately 276,000 square feet of office use floor area, approximately 79,000 square feet of floor area devoted to shared amenity space, approximately 9,000 square feet of retail space, approximately 20,000 square feet of open space, 178 Class 1 and 34 Class 2 bicycle parking spaces, and four below-grade levels that would accommodate up to 183 vehicle parking spaces provided for the residential, hotel, and office uses. The Project also would construct a pedestrian bridge providing public access to Salesforce Park located on the roof of the Transbay Transit Center.

ISSUES AND OTHER CONSIDERATIONS

- **Public Comment & Outreach.** The Department has received correspondence regarding the proposed Project related to shadow impacts on Willie “Woo Woo” Wong Playground, citing concerns around shadows caused by the Project having an adverse impact on the use of the Willie “Woo Woo” Wong Playground. The Project Sponsor has conducted community outreach that includes local community groups to respond to concerns over shadow impacts resulting from the Project, including:
 - Committee for Better Parks and Recreation in Chinatown; 10/26/18
 - Chinatown Community Development Corporation; 11/15/18, 2/11/19
 - SRO Families; 6/6/19, 6/18/19
 - East Cut CBD Board; 10/15/18
 - Transbay CAC; 10/11/19, 2/21/19, 7/11/19
 - South Beach/ Rincon Hill / Mission Bay Neighborhood Association; 8/29/18
 - TODCO; 5/29/19
 - United Playaz; 5/28/19, 10/11/18
- **Planning Code Text and Zoning Map Amendments (Board File No. 191259).** On December 10 2019, Supervisor Matt Haney introduced an ordinance amending the Planning Code and Zoning Map to rezone and reclassify a portion of the 542-550 Howard Street project site (Assessor’s Parcel Block No. 3721, Lots 016, 135, 136, and 138), also known as Transbay Parcel F and as shown on Figure 1 of the Transit Center District Plan, specifically to rezone a portion of the Project Site (“Site”) from the P (Public) District to the C-3-O(SD) Downtown Office Special Development District and to reclassify the height and bulk district designations for a portion of the Site; waiving certain provisions of the Planning Code to allow the Project’s required inclusionary affordable housing units to be provided off-site within the Transbay Redevelopment Project Area, subject to certain conditions, and to permit the footprint of the portion of the Site dedicated to dwellings to exceed 15,000 square feet.
- **General Plan Amendment.** On December 5, 2019, the Planning Commission initiated a General Plan Amendment to amend Maps 1 and 5 of the Downtown Plan and Figure 1 of the Transit Center District Plan. The amendments effectively result in a height and bulk swap between Lots 016 and 136 with Lot 138 on Assessor’s Block 3721 and would rezone the western edges of Lots 135 and 138 on Assessor’s Block 3721 from “P” to “C-3-O(SD),” thereby eliminating the existing split zoning on Lots 135 and 138.
- **Downtown Project Authorization with Request for Exceptions.** The Project would result in a net addition of more than 50,000 square feet of gross floor area of space. Therefore, the Project is required to obtain Downtown Project Authorization, pursuant to Planning Code Sections 309. Due to significant constraints on the buildable area of the Site (i.e., the presence of a below-grade “Train Box” located within the northwest corner of the Site and the bus ramp easement along the western boundary of the Site), the position, configuration, and overall design of the proposed tower require

exceptions from several provisions of the Planning Code, which, may be granted as provided in the Code sections as referenced below:

- **Setbacks and Streetwall Articulation (Section 132.1(c)(1)).** The Project does not incorporate setbacks that meets the requirements of the Code and therefore seeks an exception. The Department supports the request as the Project meets the intent of the setbacks and streetwall articulation requirement of the Code. The building incorporates a combination of distinctive façade treatments and contributes to the quality and activation of the pedestrian realm around and through the building.
- **Tower Separation (Section 132.1(d)(1)).** The project seeks relief from the tower separation requirement. The Department supports the request as a strict enforcement of the Code would result in a building with a much smaller floor plate containing residential uses leading to substantial reduction in the overall number of dwelling units being provided.
- **Rear Yard (Section 134(a)(1)).** Strict compliance with the Rear Yard requirement is not feasible due to significant constraints on the buildable area of the Site. The Department supports the request as the configuration of the building provide adequate light and air to the residential units and open space provided.
- **Dwelling Unit Exposure (Section 140).** The Project includes Dwelling Units that do not face onto an open area as defined by the Code. The Department supports the request as the Project has been designed such that the majority of the units (109 units, or 66% of all units) meet the requirements for dwelling unit exposure.
- **Reduction of Ground-Level Wind Currents in C-3 Districts (Section 148).** The Project would result in the addition of 7 pedestrian comfort criterion exceedances. The Department supports the request as it is unlikely the Project could be designed in a manner that would affect wind conditions substantially enough to eliminate all existing exceedances, particularly considering the number of high-rise buildings existing and under construction in immediate proximity to the Site.
- **Off-street freight loading (Sections 152.1 and 161).** The Project proposes to provide four (4) off-street loading spaces, rather than the six (6) spaces otherwise required by Code. The Department supports the request as the constrained area of the Site makes underground provision of loading spaces infeasible. Providing the full amount of required spaces is operationally unnecessary and would result in the use of an unreasonable percentage of the ground floor area within the Site, thereby precluding more desirable active pedestrian-oriented uses
- **Use requirements in the C-3-O(SD) Commercial Special Use Subdistrict (Section 248).** With approximately 435,000 gross square feet devoted to residential use and approximately 515,000 gross square feet devoted to non-residential uses (or “commercial uses” for purposes of applicability to Section 248), the Project does not meet the required 2:1 ratio of commercial uses to residential or housing uses. Through a legislative amendment as only applied to the Project (Board File No. 191259), the square footage

threshold for the footprint of the portion of the building devoted to residential uses would be 15,500 sf, thereby allowing the Project to utilize the 309 exception, pursuant to Section 248(d)(2). The Department supports the request as the Project would provide for a balanced mix of residential and non-residential uses that meets the intent of the SUD.

- **Height limits for buildings taller than 550 feet in height in the S-2 bulk district for allowance of non-occupied architectural, screening, and rooftop elements (Section 260(b)(1)(M)).** The Project's design incorporates an additional building height of 50 feet for unoccupied building features including mechanical and elevator penthouses, enclosed and unenclosed rooftop screening, and unenclosed architectural features not containing occupied space above the height limit of 750 feet. This additional height is less than the 7.5 percent, or 56'-3", of additional height that otherwise may be granted for non-occupied architectural, screening, and rooftop elements, pursuant to Code. The Department supports the request as the extended height is incorporated into the overall building design and allows for improved architectural treatment of the crown of the building.
- **Bulk Controls (Sections 270, 272).** The Project proposes an exception from Section 270(d)(4)(B), which requires that average floorplates of the upper tower may not exceed 75% of the average floorplates of the lower tower and the average diagonal dimension of the upper tower may not exceed 87% of the average diagonal dimension of the lower tower. The Department supports the request as the Project achieves a distinctly better design, in both a public and a private sense, than would be possible with strict adherence to the bulk limits, avoiding an unnecessary prescription of building form while carrying out the intent of the bulk limits and the principles and policies of the Master Plan.
- **Conditional Use Authorization.** Pursuant to Planning Code Sections 210.2 and 303, the Project is required to obtain Conditional Use Authorization to establish a Hotel Use. The Project's location will provide an invaluable supply of hotel space in a much-needed location, close to many of San Francisco's most popular tourist attractions, the Moscone Convention Center, the Salesforce Transit Center and the most significant density of office space in the City.
- **Office Development Allocation.** Pursuant to Planning Code Sections 320 through 325, the Project is required obtain an allocation of office square footage under the Office Development Limitation Program in order to authorize up to 275,764 gross square feet of general office use. The Project is ideally located in the Transit Center C-3-O(SD) Commercial Special Use District directly adjacent to the Salesforce Transit Center, within the core of the city's office district.
- **Variance.** Pursuant to Planning Code Section 305, the Zoning Administrator shall review the Variance application (Case No. 2016 013312VAR) and make a determination on the request for relief from following provisions of the Planning Code: Parking and Loading Entrance Width per Section 145; Active Street Frontages per Section 145.1; Vehicular Ingress and Egress on Natoma Street per Section 155; and location of Bicycle Parking per Section 155.1.
- **Shadow Findings.** Pursuant to Planning Code Section 295, the Project requires adoption of findings, with the recommendation of the recreation and park commission, that the net new

shadow cast by the Project on Union Square Plaza or Willie “Woo Woo” Wong Playground will not be adverse to their use.

ENVIRONMENTAL REVIEW

On August 27, 2019, the Department determined that the proposed project did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Transit Center District Plan and was encompassed within the analysis contained in the Transit Center District Plan FEIR. Since the Transit Center District Plan FEIR was finalized, there have been no substantial changes to the Transit Center District Plan and no substantial changes in circumstances that would require major revisions to the FEIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the FEIR. The file for this Project, including the Transit Center District Plan FEIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

BASIS FOR RECOMMENDATION

- The Project implements the vision of the Downtown and Transit Center District Plans through the construction of 165 dwelling units, 189 hotel rooms, and approximately 276,000 square feet of office space located directly across from the Salesforce Transit Center, and within walking distance of the Downtown Core.
- The Project contribute to the city’s housing supply, providing 165 dwelling units on-site and providing the inclusionary affordable housing units off-site, at another site within the Transbay Redevelopment Plan Area.
- The Project’s commercial uses (hotel, office, and retail) will provide new employment opportunities within an intense, walkable urban context.
- The proposed ground-floor commercial retail spaces located along both the Howard Street and Natoma Street frontages, along with the commercial retail space located on Level 5 (connected to the adjacent Salesforce Park via a pedestrian bridge), will expand the spectrum of retail goods and services available in the area, and will activate the street frontages at-grade and Salesforce Park located above-grade.
- The project is necessary and desirable, is compatible with the surrounding neighborhood, and would not be detrimental to persons or adjacent properties in the vicinity.
- The Project is, on balance, consistent with the Goals, Policies, and Objectives of the General Plan.