

File No. 110589

Committee Item No. 1

Board Item No. 9

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Land Use and Economic Development Date September 12, 2011

Board of Supervisors Meeting

Date: 10/18/11

### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Resolution                                   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance                                    |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget Analyst Report                        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form (for hearings)             |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

### OTHER

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|---------------------------------------|---------------------------------------|--|
| <input checked="" type="checkbox"/>   | <input checked="" type="checkbox"/>   | Planning Commission Resolution No. 18404 |
| * <input checked="" type="checkbox"/> | * <input checked="" type="checkbox"/> | Final Mitigated Negative Declaration     |
| <input checked="" type="checkbox"/>   | <input checked="" type="checkbox"/>   | Hearing Notice                           |
| <input type="checkbox"/>              | * <input checked="" type="checkbox"/> | Executive Summary                        |
| <input type="checkbox"/>              | * <input checked="" type="checkbox"/> | Final Mitigated Negative Declaration     |
| <input type="checkbox"/>              | * <input checked="" type="checkbox"/> | Planning Department's Response           |
| <input type="checkbox"/>              | <input type="checkbox"/>              |  |
| <input type="checkbox"/>              | <input type="checkbox"/>              |  |

Completed by: Alisa Miller

Date September 9, 2011

Completed by: Alisa Miller

Date September 15, 2011

An asterisked item represents the cover sheet to a document that exceeds 25 pages.  
The complete document can be found in the file.

File 110589



# Hammond LAW

1829 Market Street, San Francisco, CA 94103  
phone: 415-955-1915 fax: 415-955-1976

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2011 SEP 26 PM 4:59  
ML

September 26, 2011

**Via Hand Delivery**

Angela Calvillo  
Clerk of the Board of Supervisors  
#1 Dr. Carlton B. Goodlet Place, #244  
San Francisco, California 94102

\*\* Complete copy of document is located in

File No. 110589

Re: 3151-3155 Scott Street – Case No. 2010.0420CETZ

Dear Ms. Calvillo:

Please find enclosed written documentation Cow Hollow Association is making available to Board of Supervisors members prior to the October 4, 2011 hearings on the appeal of the mitigated negative declaration, the appeal of the conditional use authorization, and the special use district ordinance for 3151-3155 Scott Street.

Cow Hollow Association makes these documents available on its own behalf as well as on behalf of Marina Community Association, Marina Merchants Association, Marina Cow Hollow Neighbors and Merchants, and Union Street Merchants Association.

Because these three hearings are related, and may be consolidated by the Board, Cow Hollow Association is providing all its written correspondence for the three hearings in this single packet. The following documents are included:

1. Letter dated September 26, 2011 re The City Violated CEQA by Failing to Perform the Required CEQA Analysis Before Approving the Project
2. CHA Appeal to Board of Supervisors dated September 8, 2011 of Final Mitigated Negative Declaration and Planning Commission Motion No. 18403 Affirming the Mitigated Negative Declaration on Appeal
3. CHA Appeal to Planning Commission dated June 14, 2011 of Mitigated Negative Declaration dated June 14, 2011
4. Letter dated September 21, 2011 re The City's Special Use District Ordinance (Planning Code Section 235) is an Improper Method to Effectuate California Government Code Section 65915's Density Bonus Requirements

Angela Calvillo

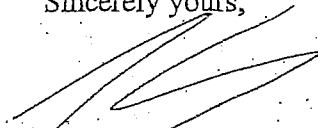
Re: 3151 – 3155 Scott Street

September 23, 2011

Page 2

5. Letter dated September 23, 2011 re Cow Hollow Association's Request to Add Restrictions to Conditional Use Authorization
6. CHA Appeal to Board of Supervisors dated August 15, 2011 of Planning Commission Motion No. 18405 Authorizing the Conditional Use Requested in Application No. 2010.0420C
7. Cow Hollow Association's Public Comments dated July 7, 2011 on Proposed Planning Code Text Amendment and Zoning Map Amendment to Establish the Lombard and Scott Street Affordable Group Housing Special Use District

Sincerely yours,



Adam Polakoff

Attorney for Cow Hollow Association

encl.

1 [Planning Code - Zoning Map - Establishing the Lombard and Scott Street Affordable Group  
2 Housing Special Use District - 3151-3155 Scott Street]

3 Ordinance amending the San Francisco Planning Code by adding Section 249.55 and  
4 amending Section Map 2SU to: 1) create the Lombard and Scott Street Affordable  
5 Group Housing Special Use District for the real property encompassing 3151-3155  
6 Scott Street (Assessor's Block No. 0937, Lot No. 001), at the southwest corner of Scott  
7 and Lombard Streets, in order to facilitate the development of an affordable group  
8 housing project; and 2) making environmental findings, Planning Code Section 302  
9 findings, and findings of consistency with the General Plan and the Priority Policies of  
10 Planning Code Section 101.1.

11 NOTE: Additions are *single-underline italics Times New Roman*;  
12 deletions are ~~*strike through italics Times New Roman*~~.  
13 Board amendment additions are double-underlined;  
14 Board amendment deletions are ~~striketrough normal~~.

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

15 Section 1: Findings. The Board of Supervisors of the City and County of San Francisco  
16 hereby finds and determines that:

17 (a) The Planning Department has determined that the actions contemplated in this  
18 ordinance comply with the California Environmental Quality Act (Public Resources Code  
19 Section 21000 et seq.) Said determination is on file with the Clerk of the Board of Supervisors  
20 in File No. 110589 and is incorporated herein by reference.

21 (b) Pursuant to Section 302 of the Planning Code, the Board finds that this ordinance  
22 will serve the public necessity, convenience, and welfare for the reasons set forth in Planning  
23 Commission Resolution No. 18404 and the Board incorporates those reasons herein by  
24 reference. A copy of Planning Commission Resolution No. 18404 is on file with the Clerk of  
25 the Board of Supervisors in File No. 110589.

1 (c) The Board of Supervisors finds that this ordinance is in conformity with the General  
2 Plan and the Priority Policies of Section 101.1 for the reasons set forth in Planning  
3 Commission Resolution No. 18404 and the Board incorporates those reasons herein by  
4 reference.

5 (d) The property commonly known as 3151 - 3155 Scott Street is located on the  
6 southwest corner of Scott and Lombard Streets (Block 0937, Lot 001) in the City and County  
7 of San Francisco. The property is zoned NC-3 and is within a 40-X height and bulk district. It  
8 currently contains a three-story building that functions as a tourist hotel with no permanent  
9 residents. No open space, off-street parking or rear yard currently exist for the building.

10 (e) With public funding to provide an affordability level at a maximum of 50% AMI, a  
11 local nonprofit housing developer proposes to rehabilitate the property and provide  
12 approximately 24 affordable group housing units on the site exclusively for transition-age  
13 youth. The proposed project would also include one on-site manager's unit. The proposed  
14 density of the group housing exceeds the Planning Code maximum.

15 (f) This Special Use District is being established in order to allow the sponsor to  
16 develop the affordable group housing project on the subject site to the proposed density with  
17 no required open space, parking or rear yard.

18 (g) On July 14, 2011, at a duly noticed public hearing, the Planning Commission  
19 adopted proposed Planning Code and Zoning Map amendments in Resolution No.  
20 18404 creating the Lombard and Scott Street Affordable Group Housing Special Use  
21 District.

22 (h) The letter from the Planning Department transmitting the proposed Planning Code  
23 and Zoning Map amendments to the Board of Supervisors, the Mitigated Negative Declaration  
24 with respect to the approval of the Project, and the Resolution approving the proposed  
Planning Code amendments are on file with the Clerk of the Board in File No. 110589.

1 These and any and all other documents referenced in this ordinance have been made  
2 available to, and have been reviewed by, the Board of Supervisors, and may be found in the  
3 files of the Planning Department, as the custodian of records, at 1650 Mission Street in San  
4 Francisco, and in File No. 110589. With the Clerk of the Board of Supervisors at One Dr.  
5 Carlton B. Goodlett Place, San Francisco, and are incorporated herein by reference.  
6

7 Section 2. The San Francisco Planning Code is hereby amended by adding Section  
8 249.55, to read as follows:

9 **SEC. 249.55 LOMBARD AND SCOTT STREET AFFORDABLE GROUP HOUSING**  
10 **SPECIAL USE DISTRICT.**

11 In order to facilitate the establishment of affordable group housing use on the subject  
12 property, there shall be established the Lombard and Scott Street Affordable Group Housing  
13 Special Use District located at 3151 – 3155 Scott Street (Assessor's block 0937, Lot 001), as  
14 designated on Sectional Map 2SU of the Zoning Map of the City and County of San  
15 Francisco. The following provisions shall apply within the Special Use District.

16 (a) **Purpose.** The Lombard and Scott Street Affordable Group Housing Special Use  
17 District is hereby established in order to facilitate the development of an affordable group  
18 housing project exclusively for transition-age youth.

19 (b) **Applicability.** The provisions of this Special Use District shall apply only to an  
20 affordable group housing project exclusively for transition-age youth by a nonprofit housing  
21 developer that receives funding from the San Francisco Mayor's Office of Housing to develop  
22 the project and any successors or assigns of the developer.

23 (c) **Conditional Use Approval.** In this Special Use District exceptions from otherwise  
24 applicable requirements of this Code may be appropriate in order to further the critical goal of  
25 creating affordable housing for transition-age youth. A conditional use approval shall be

1 required for any development subject to this Section 249.55. Such conditional use may grant  
2 the following exceptions from the requirements of this Code if the facts presented establish  
3 that the exceptions satisfy the criteria of Subsections 303(c)(1) through 303(c)(3) of this Code.  
4 The following exceptions from the requirements of this Code are appropriate in order to further  
5 the goal of preserving and enhancing a group housing use for transition-age youth.

6 (i) **Density.** An affordable group housing project meeting the requirements of  
7 subsection (b) above is authorized to have a density of up to 24 units of group housing and  
8 one manager's unit, with a minimum number of 143 square feet of lot area for each bedroom.  
9 The rules for calculating density set forth in Section 208 of this Code shall apply.

10 (ii) **Rear Yard.** The rear yard requirement for NC-3 zoning districts set forth in Section  
11 134 of this Code shall not apply to a rehabilitation project authorized by this Special Use  
12 District.

13 (iii) **Open Space.** The useable open space requirements for NC-3 zoning districts set  
14 forth in Section 135 of this Code shall not apply to a rehabilitation project authorized by this  
15 Special Use District.

16 (iv) **Exposure.** The exposure requirement set forth in Section 140 of this Code shall not  
17 apply for interior group housing units that do not face Scott Street or Lombard Street to a  
18 rehabilitation project authorized by this Special Use District.

19  
20 Section 3. Pursuant to Sections 106 and 302(c) of the Planning Code, and as duly  
21 approved by resolution of the Planning Commission, Section Map 2SU of the Zoning Map of  
22 the City and County of San Francisco shall designate the following real property as the  
23 Lombard and Scott Street Affordable Group Housing Special Use District:  
24  
25

1 Description of Property

Special Use District to be Approved

2 Assessor's Block 0937, Lot 001

Scott Street Affordable Group Housing

3 3151 – 3155 Scott Street

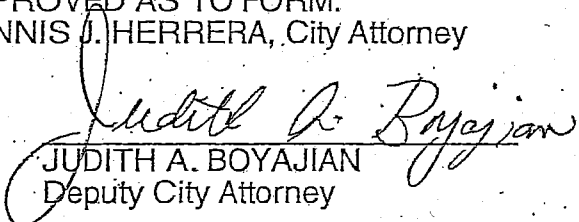
Special Use District

4 (d) **Expiration of Special Use District.** In the event that the group housing facility  
5 described in subsection (a) has not received a certificate of final completion or certificate of  
6 final occupancy by December 31, 2015, the authorization and right vested by this ordinance  
7 shall be deemed void and cancelled, and this section 249.55 shall expire on January 1, 2016.

8  
9 Section 4. Effective Date. This ordinance shall become effective 30 days from the date  
10 of passage.

11 APPROVED AS TO FORM:  
12 DENNIS J. HERRERA, City Attorney

13 By:

  
14 JUDITH A. BOYAJIAN  
15 Deputy City Attorney



LEGISLATIVE DIGEST

[Planning Code - Zoning Map - Establishing the Lombard and Scott Street Affordable Group Housing Special Use District - 3151-3155 Scott Street]

**Ordinance amending the San Francisco Planning Code by adding Section 249.55 and amending Section Map 2SU to: 1) create the Lombard and Scott Street Affordable Group Housing Special Use District for the real property encompassing 3151-3155 Scott Street (Assessor's Block No. 0937, Lot No. 001), at the southwest corner of Scott and Lombard Streets, in order to facilitate the development of an affordable group housing project; and 2) making environmental findings, Planning Code Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1.**

Existing Law

Article 2, Section 249.1 et seq., of the San Francisco Planning Code establishes a number of Special Use Districts (SUDs), including SUDs for specific affordable housing projects.

Amendments to Current Law

The proposed legislation will amend the San Francisco Zoning Map and add a new SUD to Article 2 of the Planning Code that will facilitate the development of an affordable group housing project at 3151-3155 Scott Street. The property currently contains a three-story building that functions as a tourist hotel with no permanent residents. No open space, off-street parking, or rear yard currently exist for the building.

With public funding to provide an affordability level at a maximum of 50% AMI, a local nonprofit housing developer proposes to rehabilitate the property and provide approximately 24 affordable group housing units on the site exclusively for transition-age youth. The project will also contain one on-site manager's unit.

The project will require conditional use approval. The conditional use approval may authorize exceptions from current Code requirements for density, rear yard, open space, and exposure. The project may have a density of up to 24 units of group housing and one manager's unit, with a minimum number of 143 square feet of lot area for each bedroom; the Planning Code Section 208 rules for calculating density will apply. The rear yard and open space requirements set forth in Planning Code Sections 134 and 135, respectively, will not apply to the project. If the group housing facility does not receive a certificate of final completion by December 31, 2015, the project authorization shall expire on January 1, 2016.



# SAN FRANCISCO PLANNING DEPARTMENT

BOS-11

File 110589

cpage

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

July 21, 2011

Ms. Angela Calvillo, Clerk  
Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Re: Transmittal of Planning Department Case Number 2010.0420TZ  
Board of Supervisors File No. 110589  
Code Text and Zoning Map Amendments for 3151 – 3155 Scott Street  
Assessor's Block 0937, Lot 001  
Planning Commission Recommendation: Approval

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2011 JUL 22 PM 2:51

Dear Ms. Calvillo,

On July 14, 2011, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance;

The proposed Ordinance would facilitate the following Planning Code Text and Zoning Map amendments at 3151 – 3155 Scott Street, Lot 001 in Assessor's Block 0937:

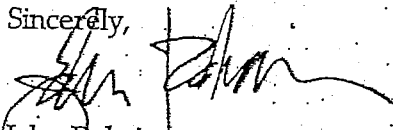
- Create a new Planning Code Section 249.55 establishing the Lombard and Scott Street Affordable Group Housing Special Use District.
- Amend the Special Use District Zoning Map Sheet SU02 to map this new Special Use District.

On July 14, 2011, the Planning Commission considered an appeal of the Preliminary Negative Declaration for the project at 3151 – 3155 Scott Street, including the proposed Planning Code text and zoning map amendments. The Planning Commission upheld the Preliminary Negative Declaration.

At the July 14, 2011 hearing, the Commission voted to recommend approval of the proposed Ordinance.

Please find attached documents relating to the Commission's action. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,



John Rahaim  
Director of Planning

Attachments (one copy of the following):

Planning Commission Resolution No. 18404

Planning Commission Executive Summary for Case No. 2010.0420CETZ

cc: Sara Velve, Current Planning, Planning Department

Andrea Contreras, Environmental Planning, Planning Department



# SAN FRANCISCO PLANNING DEPARTMENT

BDS-11

## Planning Commission Resolution No. 18404

HEARING DATE: JULY 14, 2011

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

*Date:* July 14, 2011  
*Case No.:* 2010.0420CETZ  
*Project Address:* 3151 – 3155 SCOTT STREET  
*Current Zoning:* NC-3 (Neighborhood Commercial, Moderate Scale)  
 40-X Height and Bulk District  
*Proposed Zoning:* Lombard and Scott Street Affordable Group Housing Special Use District  
*Block/Lot:* 0937/001  
*Initiated by:* Supervisors Chiu, Avalos, Kim, Mar, Mirkarimi  
*Project Sponsor:* Community Housing Partnership  
 280 Turk Street  
 San Francisco, CA 94102  
*Sponsor Contact:* Gail Gilman, Executive Director  
*Staff Contact:* Sara Vellve – (415) 558-6263  
 sara.vellve@sfgov.org  
*Recommendation:* Recommend adoption by the Board of Supervisors

2011 JUL 22 PM 2:51

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BOARD OF SUPERVISORS  
SAN FRANCISCO

RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE A PROPOSED ORDINANCE TO AMEND THE PLANNING CODE BY ADDING SECTION 249.55, CREATING THE LOMBARD AND SCOTT STREET AFFORDABLE GROUP HOUSING SPECIAL USE DISTRICT (SUD); TO AMEND SHEET SU02 OF THE SPECIAL USE DISTRICT MAP TO INCLUDE THE LOMBARD AND SCOTT STREET AFFORDABLE GROUP HOUSING SPECIAL USE DISTRICT OF THE CITY AND COUNTY OF SAN FRANCISCO TO RECLASSIFY 3151 – 3155 SCOTT STREET, BEING ALL OF LOT 001 IN ASSESSOR'S BLOCK 0937, WITHIN THE NC-3 (NEIGHBORHOOD COMMERCIAL, MODERATE-SCALE), AND TO MAKE AND ADOPT ENVIRONMENTAL FINDINGS AND FINDINGS OF CONSISTENCY WITH THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 AND THE GENERAL PLAN.

WHEREAS, on June 14, 2011, Supervisors Chiu, Avalos, Kim, Mar, Mirkarimi introduced an Ordinance under Board of Supervisors (hereinafter "Board") File Number 110589 for a Planning Code text change and Zoning Map amendment to create the Lombard and Scott Street Affordable Group Housing Special Use District (SUD), which would 1) create a new Planning Code Section 249.55, the Lombard and Scott Street Affordable Group Housing Special Use District, 2) amend the Special Use District Map sheet SU02 of the City and County of San Francisco to refer to this new Special Use District.

Whereas, the Planning Department (hereinafter "Department"), as Lead Agency responsible for the implementation of the California Environmental Quality Act, has undertaken the environmental review process for the proposed Community Housing Partnership Group Housing Project and provided appropriate public hearings before the Planning Commission (hereinafter "Commission"); and

Whereas, on July 14, 2011, the Commission, by Motion No. 18403, upheld the Mitigated Negative Declaration for the Project per State CEQA Guidelines; and

Whereas, on July 15, 2011 the Department adopted the Final Mitigated Negative Declaration for the Project; and

Whereas, on July 14, 2011, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance for Application No. 2010.0420TZ; and

Whereas, on July 14, 2011, the Commission adopted Resolution No. 18404 to approve the text change and map amendment creating the Lombard and Scott Street Affordable Group Housing Special Use District; and

Whereas, 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 by Department staff and other interested parties; and

Whereas, the Project Site consists of one Assessor's parcel (Lot 001) of approximately 3,450 square feet in area on Assessor's Block 0937. The parcel is at the southwest corner of the intersection of Scott and Lombard Streets, and currently contains a three-story with basement structure formerly used as a tourist hotel with a bar; and

Whereas, a project at the subject property proposes to convert a building containing 29 bedrooms formerly used as a tourist hotel and bar to a permanent group housing use containing up to 24 group housing units and one manager's unit (25 units total) for transitional age youth between the ages of 18 and 24 with a maximum income of 50% of Area Median Income; and

Whereas, the Commission has reviewed all the files before it relating to all the discretionary Approval Actions in connection with the approval of the Community Housing Partnership's Group Housing Project which includes the proposed Ordinance described above; and

Whereas, affordable housing specifically designed for transitional age youth are greatly lacking and necessary to ensure their successful integration into and be a contributing member of society; and

Whereas, the new Lombard and Scott Street Affordable Group Housing Special Use District would allow for a project that proposes to convert a 29 room tourist hotel to a use containing 24 units of group housing, one manager's unit (25 total units), and rooms for programmatic needs for low to very-low income transitional youths; and

Whereas, the proposed map changes and text amendment have been found to be consistent with the following relevant Objectives and Policies of the General Plan:

Whereas, on June 21, 2011 the Board of Supervisors adopted the 2009 Housing Element, which was signed by the Mayor on June 29, 2011 to become effective on July 29, 2011, and the Project complies with the update based on the following Policies and Objectives.

## 2009 HOUSING ELEMENT

### Objectives and Policies

#### OBJECTIVE 1:

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.10: Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

*The project will be located in the Marina/Cow Hollow/Union Street neighborhoods that provide a mix of housing densities, necessary amenities and access to public transportation. There are ample public transportation opportunities nearby, including: Muni lines #22, 30, 30X, 41, and 45, all of which stop within three blocks of the project site; and Golden Gate bus service to the North Bay, which stops near the project site. In addition, the project site is located near the Chestnut and Union Street Neighborhood Commercial corridors making it convenient for residents without private transportation to access a wide variety of commercial goods and services. The project site is located close to four banks and ATMs, several smaller neighborhood markets and coffee shops, many restaurants of varying affordability, and two movie theaters. The project site is also located near many cultural and educational opportunities including a branch of the SF Public Library, City College's Fort Mason Campus, the Exploratorium, the Palace of Fine Arts, and GGNRA interpretive programs in the Presidio. In addition, the project site is within five blocks of the Presidio YMCA, the Moscone Recreation Center and the Lyon Street entrance of the Presidio, and is also near Crissy Field and the Marina Green.*

#### OBJECTIVE 2:

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

Policy 2.5: Encourage and support the seismic retrofitting of the existing housing stock.

*Although the project site is not currently used as housing, the proposed rehabilitation will include seismic and structural upgrades as deemed necessary by a qualified structural engineer and consistent with the Department of Building Inspection's requirements.*

#### OBJECTIVE 3:

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

Policy 3.1: Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

Policy 3.5: Retain permanently affordable residential hotels and single room occupancy (SRO) units.

*The Special Use District will facilitate up to 24 new affordable group housing units, and will help to decrease the high demand for affordable group housing units. The creation of new group housing units will help to prevent displacement of tenants currently residing in affordable group housing units elsewhere in the City.*

**OBJECTIVE 4:**

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

**Policy 4.2:** Provide a range of housing options for residents with special needs for housing support and services.

**Policy 4.4:** Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

**Policy 4.5:** Ensure that the 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.

**Policy 4.7:** Consider environmental justice issues when planning for new housing, especially affordable housing.

*The proposed legislation will enable transitional age youth who are aging out of foster care and trying to prevent, or exit, homelessness, to permanently reside and receive supportive services in a financially and socially stable neighborhood. The Mayor's Office of Housing has played an active role in site acquisition and project facilitation to create a permanent housing situation in an existing structure. The project represents a collaboration between governmental (Mayor's Office of Housing) and non-profit organizations (Community Housing Partnership) to create this opportunity for permanent affordable housing. While some properties within close proximity to the site may have undesirable uses on them, in general, the neighborhood is considered a very desirable area that provides its residents with amenities and services that promote a high quality of life. The project will provide housing for economically disadvantaged youth in the generally affluent neighborhood of Cow Hollow/Marina, promoting economic integration of permanently affordable housing and market rate housing.*

**Objective 5:**

**ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.**

**Policy 5.2:** Increase access to housing, particularly for households who might not be aware of their housing choices.

**Policy 5.4:** Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

*The legislation will facilitate a project that will, when combined with the project sponsor's placement efforts, provide increased housing access to individuals who otherwise, due to their young age and low income, would be unlikely to be informed about available housing choices. The Project will be a permanent source of supportive housing for low-income at-risk youth, as opposed to temporary housing provided only on a weekly or monthly basis. Most youth in permanent supportive housing are eager to transition to fully-independent living situations, and the project will be able to provide developmentally-appropriate services targeted to residents to assist them in this time of growth and transition.*

**Objective 6:**

**REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.**

**Policy 6.1:** Prioritize permanent housing solutions while pursuing both short- and long-term strategies to eliminate homelessness.

**Policy 6.2:** Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

*The legislation will facilitate permanent housing and social support services for transition-age youth and reduce the need for temporary homeless shelters when youth leave the foster care system. This housing opportunity will enable youth to develop the necessary skills to transition to fully independent living situations.*

*At this time, demand for affordable units to serve the target population far exceeds the City's supply. The Project will greatly increase the stock of housing for low-income youth who are too old for foster care or who have left the foster care system and, as a result, have a high incidence of homelessness. Such youth are particularly underserved in the City.*

**OBJECTIVE 7:**

**SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.**

**Policy 7.5:** Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

*The proposed Special Use District, which modifies group housing density, open space, rear yard and exposure requirements of the Planning Code will allow the project to provide a greater number of group housing units than is otherwise permitted within the existing building envelope. As such, the Special Use District will facilitate permanent affordable housing without adversely affecting the scale or character of the surrounding neighborhood. Overall, the number of occupied rooms in the building will be reduced from 29 to 24 with one manager's unit, for 25 units total.*

**OBJECTIVE 11:**

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

**Policy 11.1:** Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

**Policy 11.3:** Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

**Policy 11.7:** Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

*The proposed legislation will enable a residential use to be established in a building that was constructed on the subject property in approximately 1914 without modifying the building's envelope or height. As the building will not be newly constructed, or substantially altered, it will continue to compliment, and be compatible with, the Marina/Cow Hollow/Union Street commercial and residential neighborhoods as they have developed over time.*

*The proposed legislation will allow the replacement of the prior tourist hotel use with a residential use that will have less effect on the surrounding neighborhood by reducing the total potential occupancy from as many as sixty hotel guests (at maximum occupancy) plus hotel employees to twenty-four residents*



*(generally), one live-in manager, and seven employees. By converting the existing building from a tourist hotel to a residential building without substantial structural modification, the project will create new housing while maintaining the same neighborhood scale and character as currently exists.*

*The proposed legislation will not affect a historic resource. Pursuant to an Historic Resources Evaluation Report, dated May 19, 2010, prepared by Architectural Resources Group, a copy of which is on file with the Planning Department, it was determined that the property is not an historical resource. In addition, the building on the project site is not listed in any standard lists of significant or historic structures. Furthermore, the appearance of the building will remain substantially unmodified.*

**OBJECTIVE 12:**

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

**Policy 12.1:** Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

**Policy 12.2:** Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

*The proposed legislation will allow group housing units to be located on a site that is well-served by existing public transit lines, including: Muni lines #22, 30, 30X, 41, and 45, all of which stop within three blocks of the project site; and Golden Gate bus service to the North Bay, which stops near the project site. Due to the required income level of residents, they are unlikely to own cars. The project will provide a minimum of nine (9) Class 1 bicycle storage spaces for use by residents. As a result, the project will provide housing that relies on public transit use and environmentally sustainable patterns of movement such as walking and bike riding.*

*An abundance of neighborhood services, cultural amenities and significant open spaces are located within close proximity to the project. For example, the project site is located within approximately ½ mile of four banks and ATMs, one major grocery store, several smaller neighborhood markets and retail outlets for shopping and possible resident employment. The project site is also located near the Exploratorium, the Palace of Fine Arts, Fort Mason and the Presidio. Within five blocks of the site are the Moscone Recreation Center, Crissy Field, and the Marina Green.*

**OBJECTIVE 13:**

**PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.**

**Policy 13.1:** Support "smart" regional growth that locates new housing close to jobs and transit.

**Policy 13.3:** Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

**Policy 13.4:** Promote the highest feasible level of "green" development in both private and municipally-supported housing.

*The proposed legislation would allow the location of group housing in an area with an abundance of public transportation and employment opportunities. It is unlikely that residents will own private cars due to affordability restrictions. A minimum of nine (9) Class 1 bicycle storage spaces will be available to the residents to promote an alternative mode of transportation.*

*As currently proposed, the Project would meet Leadership in Energy and Environmental Design (LEED) Silver certification criteria and would include recycled materials where feasible, low-water use showerheads and faucets and EnergyStar rated appliances. If feasible, the project may also include solar panels and other green energy devices.*

## 2004 HOUSING ELEMENT Objectives and Policies

### OBJECTIVE 1:

TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

Policy 1.4: Locate in-fill housing on appropriate sites in established residential neighborhoods.

*The legislation would facilitate a residential project in an area surrounded by buildings of similar scale and character, including residential and mixed-use retail-residential buildings. By converting the existing building from a tourist hotel to a residential building without substantial structural modifications, the project will create new housing and increased residential density while maintaining the same neighborhood scale and character. In addition, the project will have a minimal effect on parking and traffic because: (1) the project is well-served by existing public transit lines; (2) most residents of the project are unlikely to have their own cars, and bicycle storage will be provided; (3) the project converts an existing tourist hotel use which generated parking demand and traffic; and (4) the existence of kitchen and other common area facilities and on-site support programs will help to reduce the demand on street infrastructure.*

*The project site is a former tourist hotel in an established residential/commercial neighborhood. The proposed permanently affordable group housing use is appropriate to the location and promotes this policy. The need for affordable housing for transitional age youth has been established through a 2007 study and report conducted by the Mayor's Transitional Youth Task Force titled Disconnected Youth in San Francisco: A Roadmap to Improve the Life Chances of San Francisco's Most Vulnerable Young Adults.*

### OBJECTIVE 4:

SUPPORT AFFORDABLE HOUSING PRODUCTION BY INCREASING SITE AVAILABILITY AND CAPACITY.

Policy 4.1: Actively identify and pursue opportunity sites for permanently affordable housing;

*The tourist hotel building, located in a residential/commercial area, is currently unoccupied and can accommodate a residential component with permanently affordable housing units, which is consistent with this policy.*

Policy 4.3: Encourage the construction of affordable units for single households in residential hotels and "efficiency" units.

*Except for one manager unit, the Project proposes 24 units of group housing units for transitional-age occupants. Overall, the project proposes 25 units.*

**Policy 4.4:** Consider granting density bonuses and parking requirement exemptions for the construction of affordable housing or senior housing.

*The legislation will create the Lombard and Scott Street Affordable Group Housing SUD, which allows a density bonus for the creation of affordable housing for transition-age youth earning a maximum of 50% Area Median Income. In addition, the legislation would exempt the proposal from the Planning Code's rear yard and open space requirements, as well as modify the exposure requirement.*

**OBJECTIVE 5:**

**INCREASE THE EFFECTIVENESS AND EFFICIENCY OF THE CITY'S AFFORDABLE HOUSING PRODUCTION SYSTEM.**

**Policy 5.2:** Support efforts of for-profit and non-profit organizations and other community based groups and expand their capacity to produce and manage permanently affordable housing.

*The project is sponsored by Community Housing Partnership (CHP), a non-profit organization that has served San Francisco's formerly homeless individuals and families since 1990. CHP has partnered with the Mayor's Office of Housing to secure funding for the proposal and with Larkin Street Youth Services for client programming and services. These partnerships will enable CHP to expand their capacity to produce and manage the proposal as well as providing necessary client services and programming.*

**OBJECTIVE 8:**

**ENSURE EQUAL ACCESS TO HOUSING OPPORTUNITIES.**

**Policy 8.1:** Encourage sufficient and suitable rental housing opportunities and emphasize permanently affordable rental units wherever possible.

*The group housing units in the proposal will be rental units that are permanently affordable to transition age youth and will promote this objective and policy.*

**Policy 8.6:** Increase the availability of units suitable for users with supportive housing needs.

*The 24 group housing units will be permanent housing designated for emancipated foster youth and homeless youth, who will be able to access on-site supportive services to transition to independent living and to successfully integrate into society. One unit will be used by a resident manager.*

**OBJECTIVE 10:**

**REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS IN COORDINATION WITH RELEVANT AGENCIES AND SERVICE PROVIDERS.**

**Policy 10.1:** Focus efforts on the provisions of permanent affordable and service-enriched housing to reduce the need for temporary homeless shelters.

Policy 10.2: Aggressively pursue other strategies to prevent homelessness and the risk of homelessness by addressing its contributory factors.

Policy 10.4: Facilitate childcare and educational opportunities for homeless families and children.

*The housing and services provided by CHP and its partners will be designed to provide the tenants a stable residential environment with supportive services to help them become contributing members of society.*

## NEIGHBORHOOD COMMERCE

### Objectives and Policies

#### OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

#### Policy 6.3

Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.

*The proposed legislation will create new affordable housing in an established NC-3 (Moderate Scale, Neighborhood Commercial) district. The proposed density will permit a higher number of people to reside at the project site than would be otherwise permitted, which will permanently increase the number of people on the street at different times of the day, increasing safety and business vitality on evenings and weekends. The proposed legislation will not jeopardize existing affordable housing as the subject building was previously used as a tourist hotel.*

## TRANSPORTATION

### 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 1.3

Give priority to public transit and other alternatives to the private automobile as the means of meeting San Francisco's transportation needs, particularly those of commuters.

#### Policy 1.7

Assure expanded mobility for the disadvantaged.

*As a result of the proposed legislation, the project would locate permanent residents within very close proximity to significant public transportation opportunities in the neighborhood. As off-street parking would not be provided, the project would promote walking and bicycling amongst the residents. Due to*

*income limitations of residents, it is not expected that many will own private automobiles. Promoting the use of public transportation, bicycling and walking is consistent with the city's Transit First policy. The proposed legislation will facilitate the location of permanent housing for economically disadvantaged and underemployed workers close Muni lines #22, 30, 30X, 41, and 45. This affordable transportation choice can be used as a tool for improving the economic and social situation of project residents to provide access to employment, educational institutions, medical services and recreation facilities.*

**OBJECTIVE 16:**

DEVELOP AND IMPLEMENT PROGRAMS THAT WILL EFFICIENTLY MANAGE THE SUPPLY OF PARKING AT EMPLOYMENT CENTERS THROUGHOUT THE CITY SO AS TO DISCOURAGE SINGLE-OCCUPANT RIDERSHIP AND ENCOURAGE RIDESHARING, TRANSIT AND OTHER ALTERNATIVES TO THE SINGLE-OCCUPANT AUTOMOBILE.

Policy 16.6: Encourage alternatives to the private automobile by locating public transit access and ride-sharing vehicle and bicycle parking at more close-in and convenient locations on site, and by location parking facilities for single-occupancy vehicles more remotely.

*The project will include a minimum of nine (9) Class 1 bicycle parking spaces for resident and employee use.*

**OBJECTIVE 28:**

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1: Provide Secure and bicycle parking in new governmental, commercial, and residential developments.

*A minimum of nine (9) Class 1 bicycle parking spaces are proposed in the basement level.*

**AIR QUALITY**

**Objectives and Policies**

**OBJECTIVE 3**

DECREASE THE AIR QUALITY IMPACTS OF DEVELOPMENT BY COORDINATION OF LAND USE AND TRANSPORTATION DECISIONS.

**Policy 3.1:**

Take advantage of the high density development in San Francisco to improve the transit infrastructure and also encourage high density and compact development where an extensive transportation infrastructure exists.

*The proposed legislation would increase the group housing density from a ratio of 1 unit for every 210 square feet of lot area to a ratio of 1 unit for every 143 square feet of lot area resulting in more group housing units on the property than allowed by the Planning Code for the NC-3 (Moderate Scale, Neighborhood Commercial) district. As the site is within close proximity to Muni lines #22, 30, 30X, 41, and 45, the Project would result in a high density development where an extensive transportation infrastructure exists.*

## URBAN DESIGN

### Objectives and Policies

#### OBJECTIVE 4

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

#### Policy 9

Maximize the use of recreation areas for recreational purposes.

*The site is located within close proximity to the Moscone Recreation Center, Crissy Field, and the Marina Green, and use of these recreational spaces by occupants is consistent with this policy.*

#### Policy 15

Protect the livability and character of residential properties from the intrusion of incompatible new buildings.

*The proposed legislation does not facilitate the construction of a new building that would be incompatible with the existing livability and character of residential buildings. The proposed group housing units would be accommodated within a building that was constructed on the site in 1914.*

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The previous tourist hotel use was discontinued in September 2010, and the use accommodated tourists rather than residents. The project will enhance the neighborhood-serving retail uses in that the project will increase the neighborhood's permanent resident population resulting in a broader consumer base for neighborhood retail businesses in the Marina, Union Street and Cow Hollow neighborhoods. It is possible that residents of the proposed project could be employed by such businesses as well.*

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

*The text and map amendments will not alter the housing, neighborhood character, cultural or economic diversity of the neighborhood. The existing building does not currently contain any residential housing and the project does not include a building expansion or exterior changes that would alter its character. The Lombard and Scott Street Affordable Group Housing SUD allows for a higher density with no rear yard or open space requirements, and certain exposure exceptions. The existing building was constructed prior to creation of the Planning Code, and as a result, the site does not currently provide any on-site, off-street parking, open space or Code compliant rear yard setback. The exposure requirement is met only for those rooms that front Lombard and Scott Streets. Overall, the Project is consistent with the neighborhood's existing mix of uses. Increased density will add to the neighborhood character in that it will bring residents*

*and consumers to this transit-oriented, mixed-use neighborhood. The Project could promote economic diversity by housing low-income at-risk youth in this generally affluent area.*

3. That the City's supply of affordable housing be preserved and enhanced;

*The text and map amendments for the Lombard and Scott Street Affordable group Housing SUD will facilitate the creation of up to 24 group housing units for at-risk low-income youth, plus one manager's unit for an overall unit count of 25. The project will not result in the removal any existing legal residential units as the building has been used as a tourist hotel since its construction in approximately 1914.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

*Although the project text and map amendments would result in additional density, the site is located on Lombard Street, which is a major transit corridor. Due to the required income levels of residents, it is unlikely that they will own private vehicles for commuting. Storage for a minimum of nine bicycles will be provided on the site. The Planning Code does not require off-street parking for group housing.*

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

*The text and map amendments involve the creation of affordable group housing units.*

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

*Development pursuant to the text and map amendments must meet current Building Code requirements. The proposed amendments will not alter any such requirements.*

7. That the landmarks and historic buildings be preserved;

*The text and map amendments would not affect any historic buildings. Through CEQA review of the proposal, it was determined that the building is not a historic resource.*

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

*The text and map amendment would not alter the existing building height, or height district of the property. The subject building does not currently exceed a height of 40 and the proposal does not include the expansion of the building that would exceed a height of 40 feet. The Project will have no negative affect on existing parks and open spaces.*

NOW THEREFORE BE IT RESOLVED that the Commission hereby recommends that the Board APPROVE the proposed Ordinance as described in this Resolution No. 18404 to create the Lombard and Scott Street Affordable Group Housing Special Use District and to amend the Zoning Map to include the Lombard and Scott Street Affordable Group Housing Special Use District.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on July 14, 2011.

Linda D. Avery  
Commission Secretary

- AYES: Commissioners Olague, Miguel, Moore, Sugaya and Fong  
NOES: Commissioner Antonini  
ABSENT: Commissioner Borden  
ADOPTED: July 14, 2011.





# SAN FRANCISCO PLANNING DEPARTMENT

BOS-11

## Executive Summary

HEARING DATE: JULY 14, 2011

*Date:* July 7, 2011  
*Case No.:* 2010.0420CETZ  
*Project Address:* 3151 - 3155 SCOTT STREET  
*Current Zoning:* NC-3 (Neighborhood Commercial, Moderate Scale)  
 40-X Height and Bulk District  
*Proposed Zoning:* Lombard and Scott Street Affordable Group Housing Special Use District  
*Block/Lot:* 0937/001  
*Initiated by:* Supervisors Chiu, Avalos, Kim, Mar, Mirkarimi  
*Project Sponsor:* Community Housing Partnership  
 280 Turk Street  
 San Francisco, CA 94102  
*Sponsor Contact:* Gail Gilman, Executive Director  
*Staff Contact:* Sara Vellve - (415) 558-6263  
 sara.vellve@sfgov.org  
*Recommendation:* 1) Recommend the Board of Supervisors Adopt the proposed Ordinance  
 2) Approve the Conditional Use Authorization with Conditions

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

### PROJECT DESCRIPTION

Community Housing Partnership proposes to convert the vacant tourist hotel (formerly d.b.a. Edward II Inn) to 24 affordable group housing units for transitional-age youth between the ages of 18 and 24 earning a maximum of 50% Area Median Income, and one unit for a resident manager, for an overall unit count of 25. The use will generally accommodate one person for each bedroom. Interior building modifications would reduce the number of on-site bedrooms from 29 to 25 (including the manager's unit) on the second and third floors, create bathrooms for each unit, construct a kitchen, offices and rooms for programmatic needs on the ground floor, and create a laundry room, entertainment room and parking for a minimum of nine bicycles in the basement. Exterior modifications would include window replacement, painting, new signage and facade enhancements. The proposal does not involve alterations to the building's size or height, although mechanical equipment will be located on the building's roof in the future.

The project as proposed requires Planning Code and Zoning Map Amendments to create the Lombard and Scott Street Affordable Group Housing Special Use District (SUD) as an overlay in this NC-3 District. The SUD would:

1. Permit one unit for every 143 square feet of lot area for a total of 24 group housing units and one manager's unit (Planning Code Section 204.4 exempts manager's unit's from the density calculation for group housing), where one unit for every 210 square feet of lot area for a total of 16 group housing units and one manager's unit is permitted as-of-right by Planning Code Sections 208 and 712.92;

2. Eliminate the rear yard requirement where a minimum rear yard of approximately 15 feet is required by Planning Code Section 134;
3. Eliminate the open space requirement where a minimum of approximately 675 square feet of private open space and approximately 875 square feet of common open space would be required by Planning Code Section 135;
4. Modify the exposure requirement for approximately 13 group housing units that do not face a street, alley or Code-compliant rear yard or courtyard as required by Planning Code Section 140.

On June 14, 2011, Supervisors Chiu, Avalos, Kim, Mar and Mirkarimi introduced an Ordinance proposing to create the SUD at 3151 – 3155 Scott Street. The Planning Commission will consider a Planning Code Text Amendment to create the SUD by adding Planning Code Section 249.55 pursuant to Planning Code Sections 302 and 306. The Planning Commission will also consider a Zoning Map Amendment pursuant to Planning Code Sections 302 and 306 that would establish the SUD at Lot 001 in Assessor's Block 0937 on Zoning Map Sheet SU02.

#### SITE DESCRIPTION AND PRESENT USE

The subject property is Lot 001 in Assessor's Block 0937, located on the southwest corner of Lombard and Scott Streets. The Scott Street frontage is approximately 69 feet, with 50 feet of frontage on Lombard Street. The lot area is approximately 3,450 square feet.

The project site is located in the Marina District and is developed with an approximately 8,100 square foot three-story building with a basement formerly used as a tourist hotel (d.b.a. Edward II Inn) with a pub at the ground floor fronting Lombard Street. The building occupies most of the lot except for an approximately 7-foot setback from the south property line. The property does not currently provide any off-street parking or open space for users/occupants. The building was constructed in 1914 and has been altered.

#### SURROUNDING PROPERTIES AND NEIGHBORHOOD

The site is located in an NC-3 (Neighborhood Commercial, Moderate Scale) Zoning District and 40-X Height and Bulk District. Lots fronting Lombard Street to the east and west are zoned NC-3, while lots fronting Scott Street to the south of the site are zoned RH-2 and RM-2. The site is located one block south of the Chestnut Street shopping district and three blocks northwest of the Union Street shopping district. Properties in the vicinity fronting Lombard Street contain a mix of uses including restaurants, hotels, personal services, retail stores, and automotive repair shops. Building heights range from one to four stories with residential uses generally above the ground-floor commercial uses. Properties fronting Scott Street south of Lombard Street generally contain residential uses with building heights ranging from two to four stories. The height designation for the entire neighborhood is 40-X.

#### ENVIRONMENTAL REVIEW

The Planning Department, the Lead Agency responsible for the implementation of the California Environmental Quality Act ("CEQA") has undertaken the environmental review process for the

proposed Community Housing Partnership Group Housing Project, Case 2010.0420E, and has prepared a Mitigated Negative Declaration, the appeal of which the Planning Commission will consider prior to consideration of the Ordinance and Conditional Use authorization.

### HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	June 24, 2011	June 22, 2011	22 days
Posted Notice	20 days	June 24, 2011	June 24, 2011	20 days
Mailed Notice	20 days	June 24, 2011	June 24, 2011	20 days

### PUBLIC COMMENT

The Department has received correspondence in opposition from neighborhood residents and community organizations on a broad range of topics including but not limited to: a decline in the quality of life for existing neighborhood residents and businesses, reduction of property values, increased density, lack of off-street parking and open space, and the inadequacy of the subject building for the proposed use and proposed occupant services and the necessity of an Institutional Master Plan.

### ISSUES AND OTHER CONSIDERATIONS

- The property was purchased in July 2010 by CHP Scott St LLC, an affiliate of the project sponsor, for the proposed use. The Mayor's Office of Housing has played a prominent role in funding the site acquisition.
- The site is well served by public transportation along Lombard, Chestnut, Union and Fillmore Streets which will reduce reliance on private transportation on a site that does not provide off-street parking. The Sponsor anticipates that the building's intended use will generate less parking demand than its prior use as a tourist hotel.
- As a result of concerns expressed by the neighborhood, Community Housing Partnership will provide 24-hour on-site staffing and create a Project Advisory Committee to discuss operational issues.
- The site is located in a stable residential/mixed-use neighborhood that provides well-balanced service and commercial sectors which future residents can access for goods and services. While there are nearby properties (such as the Bridge Hotel) at which undesirable activities take place, the Marina, Union Street and Cow Hollow neighborhoods are generally known to be highly desirable and stable neighborhoods in which to reside.
- Overall, the proposal will reduce the number of occupied rooms from 29 tourist hotel rooms to 24 affordable group housing units for San Francisco residents, plus one manager's unit, for an overall unit count of 25.

- Up to 16 units of group housing are permitted as-of-right on the subject property in the NC-3 zoning district.

## REQUIRED COMMISSION ACTIONS

In considering the project's compliance with the California Environmental Quality Act (CEQA) the Commission must adopt the Mitigated Negative Declaration.

In considering Planning Code and Zoning Map Amendment including the proposed Ordinance to establish the Lombard and Scott Street Affordable Group Housing Special Use District, the Commission may recommend adoption, rejection, or adoption with modifications to the Board of Supervisors.

Approval of the proposed project requires Conditional Use authorization pursuant to Planning Code Section 303. In considering the project as proposed, the Commission may disapprove the Conditional Use authorization, approve the Conditional Use authorization with conditions or approve the Conditional Use authorization with modifications and conditions.

## BASIS FOR RECOMMENDATION

- On balance the project, including the Planning Code and Zoning Map Amendments to establish the Lombard and Scott Street Affordable Group Housing Special Use District, is consistent with the General Plan and the Priority Policies of Planning Code Section 101.1.
- Specifically, establishing the Lombard and Scott Street Affordable Group Housing Special Use District is consistent with the General Plan's objectives and policies to create incentives to encourage the construction of permanently affordable housing.
- The project would provide up to 24 permanently affordable group housing units, which are greatly needed to increase and diversify the City's housing stock. Including the manager's unit, there would be 25 units on the property.
- The project is well served by public transit which is consistent with the City's Transit First Policy and should not adversely affect traffic, public transit or access to existing off-street parking for surrounding residential or commercial uses.
- The project's residential use is compatible with the adjacent residential neighborhood and neighborhood-serving commercial uses within the immediate and broader communities.
- The proposed project meets all applicable requirements of the Planning Code and the Lombard and Scott Street Affordable Group Housing Special Use District.

**RECOMMENDATION:** 1) Recommend that the Board of Supervisors Adopt the proposed Ordinance  
2) Approve the Conditional Use Authorization with Conditions

## Attachment Checklist

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Executive Summary           | <input type="checkbox"/> Project sponsor submittal    |
| <input checked="" type="checkbox"/> Draft Resolution            | Drawings: <u>Existing Conditions</u>                  |
| <input checked="" type="checkbox"/> Environmental Determination | <input type="checkbox"/> Check for legibility         |
| <input checked="" type="checkbox"/> Zoning District Map         | Drawings: <u>Proposed Project</u>                     |
| <input checked="" type="checkbox"/> Height & Bulk Map           | <input type="checkbox"/> Check for legibility         |
| <input checked="" type="checkbox"/> Parcel Map                  | <input checked="" type="checkbox"/> Correspondence    |
| <input checked="" type="checkbox"/> Sanborn Map                 | <input checked="" type="checkbox"/> Draft Legislation |
| <input checked="" type="checkbox"/> Aerial Photo                |   |
| <input checked="" type="checkbox"/> Context Photos              |   |
| <input type="checkbox"/> Site Photos                            |   |

Exhibits above marked with an "X" are included in this packet

\_\_\_\_\_  
Planner's Initials

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# SAN FRANCISCO PLANNING DEPARTMENT



## Final Mitigated Negative Declaration

*PMND Date:* May 25, 2011; amended on July 6, 2011  
*Case No.:* 2010.0420E  
*Project Title:* 3151-3155 Scott Street  
*BPA Nos.:* N/A  
*Zoning:* NC-3 (Moderate-Scale Neighborhood Commercial District)  
 40-X Height and Bulk District  
*Block/Lot:* 0937/001  
*Lot Size:* 3,436 square feet  
*Project Sponsor:* Hershey Hirschkop, Community Housing Partnership  
 (415) 929-2470  
*Lead Agency:* San Francisco Planning Department  
*Staff Contact:* Andrea Contreras – (415) 575-9044  
 andrea.contreras@sfgov.org

1650 Mission St.  
 Suite 400  
 San Francisco,  
 CA 94103-2479

Reception:  
 415.558.6378

Fax:  
 415.558.6409

Planning  
 Information:  
 415.558.6377

### PROJECT DESCRIPTION:

The project site is located in the Marina District of San Francisco, at the southwest corner of Lombard and Scott Streets, on the block bounded by Lombard Street to the north, Scott Street to the east, Greenwich Street to the south, and Divisadero Street to the west. The project site contains an 8,125 square-foot building that is three stories in height plus basement. The building was most recently used as a 29-room tourist hotel, with no on-site parking or open space. The proposed project would convert the former hotel into 25 units of group housing, including 24 units for transitional-age youth ages 18-24, and one unit for a resident manager. The project would include interior reconfiguration of the building for the proposed use, and minor exterior work including repainting, window replacement, and façade enhancements. The project sponsor is seeking Conditional Use authorization, and an amendment to the Planning Code to create the Lombard and Scott Street Affordable Group Housing Special Use District (SUD). The SUD would allow a higher density of group housing units (25) than currently permitted under NC-3 zoning (16), with no off-street parking, open space, or rear yard requirements.

### FINDING:

This project could not have a significant effect on the environment. This finding is based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance), and 15070 (Decision to prepare a Negative Declaration), and the following reasons as documented in the Initial Evaluation (Initial Study) for the project, which is attached.

Mitigation measures are included in this project to avoid potentially significant effects. See page 103.

BOARD of SUPERVISORS



City Hall  
Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

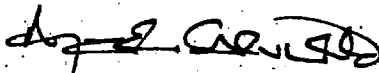
**NOTICE OF PUBLIC HEARING**  
**LAND USE & ECONOMIC DEVELOPMENT COMMITTEE**  
**SAN FRANCISCO BOARD OF SUPERVISORS**

NOTICE IS HEREBY GIVEN to the general public, property owners and interested parties that the Land Use & Economic Development Committee will hold a public hearing to consider the following proposed legislation that amends the Planning Code and Zoning Map:

- Date:** Monday, September 12, 2011
- Time:** 1:00 p.m.
- Location:** Committee Room 263 located at City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA
- Subject:** File No. 110589. Ordinance amending the San Francisco Planning Code by adding Section 249.55 and amending Section Map 2SU to: 1) create the Lombard and Scott Street Affordable Group Housing Special Use District for the real property encompassing 3151-3155 Scott Street (Assessor's Block No. 0937, Lot No. 001), at the southwest corner of Scott and Lombard Streets, in order to facilitate the development of an affordable group housing project; and 2) making environmental findings, Planning Code Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1.

A copy of this measure and supporting data are available in the above-mentioned file in the Office of the Clerk of the Board. For more information regarding the above matter, call (415) 554-5184 or write to: Office of the Clerk of the Board, Room 244, City Hall, San Francisco, CA 94102.

Persons who are unable to attend the hearing may submit written comments regarding this matter prior to the beginning of the hearing. These comments will become part of the official public record.

  
Angela Calvillo, Clerk of the Board

POSTED and MAILED: September 2, 2011

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San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 544-5227

### PROOF OF MAILING

Legislative File No. 110589

Description of Items:

September 12, 2011 @ 1:00 p.m. Land Use and Economic Development Committee

Planning Code - Zoning Map - Establishing the Lombard and Scott Street Affordable Group Housing Special Use District - 3151-3155 Scott Street

I, Alisa Miller, an employee of the Office of the Clerk of the Board Supervisors, mailed the above described document(s) by depositing the sealed items with the United States Postal Service (USPS) with the postage fully prepaid as follows:

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# SAN FRANCISCO PLANNING DEPARTMENT

MEMO

## Conditional Use Authorization Appeal 3151 – 3155 Scott Street

**DATE:** September 2, 2011

**TO:** Angela Calvillo, Clerk of the Board of Supervisors

**FROM:** John Rahaim, Planning Director – Planning Department (415) 558-6411  
Sara Vellve, Case Planner – Planning Department (415) 558-6263

**RE:** File No. 110935 Planning Case No. 2010.0420C –  
Appeal of approval of Conditional Use authorization for 3151 – 3155 Scott Street

**HEARING DATE:** September 13, 2011

**ATTACHMENTS:**

- A. Commission Packet for Conditional Use Authorization (including plans)
- B. Adopted Commission Motion No. 18405
- C. Final Mitigated Negative Declaration

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

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**PROJECT SPONSOR:** Community Housing Partnership, 280 Turk Street, San Francisco, CA 94102

**APPELLANT:** Adam Polakoff, Hammond Law, 1829 Market Street, San Francisco, CA 94103

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### INTRODUCTION:

This memorandum and the attached documents are a response to the letter of appeal to the Board of Supervisors (the "Board") regarding the Planning Commission's ("Commission") July 14, 2011 approval of the application for Conditional Use Authorization under Planning Code Section 303 (Conditional Use Authorization) to convert a vacant tourist hotel (d.b.a. Edward II Inn) to a group housing use containing up to 25 units (24 units for transitional age youth between 18 and 24 years of age, and one manager's unit) within the NC-3 (Moderate Scale, Neighborhood Commercial) district, the Lombard and Scott Street Affordable Group Housing Special Use District and a 40-X Height and Bulk District.

This response addresses the appeal ("Appeal Letter") to the Board filed on August 15, 2011 by Adam Polakoff, Hammond Law, 1829 Market Street. The Appeal Letter referenced the proposed project in Case No. 2010.0420C.

The decision before the Board is whether to uphold or overturn the Commission's approval of Conditional Use Authorization to allow conversion of a vacant tourist hotel to 24 units of affordable group housing for transitional age youth between the ages of 18 and 24 and one manager's unit.

Memo

### SITE DESCRIPTION & PRESENT USE:

The subject property is Lot 001 in Assessor's Block 0937, located on the southwest corner of Lombard and Scott Streets. The Scott Street frontage is approximately 69 feet, with 50 feet of frontage on Lombard Street. The lot area is approximately 3,450 square feet.

The project site is located in the Marina District and is developed with an approximately 8,100 square foot three-story building with a basement formerly used as a tourist hotel (d.b.a. Edward II Inn) with a pub at the ground floor fronting Lombard Street. The building occupies most of the lot except for an approximately 7-foot setback from the south property line. The property does not currently provide any off-street parking or open space for users/occupants. The building was constructed in 1914 and has been altered.

### SURROUNDING PROPERTIES AND NEIGHBORHOOD:

The site is located in an NC-3 (Neighborhood Commercial, Moderate Scale) Zoning District and 40-X Height and Bulk District. Lots fronting Lombard Street to the east and west are zoned NC-3, while lots fronting Scott Street to the south of the site are zoned RH-2 and RM-2. The site is located one block south of the Chestnut Street shopping district and three blocks northwest of the Union Street shopping district. Properties in the vicinity fronting Lombard Street contain a mix of uses including restaurants, hotels, personal services, retail stores, and automotive repair shops. Building heights range from one to four stories with residential uses generally above the ground-floor commercial uses. Properties fronting Scott Street south of Lombard Street generally contain residential uses with building heights ranging from two to four stories. The height designation for the entire neighborhood is 40-X.

### PROJECT DESCRIPTION:

Community Housing Partnership, the project sponsor, proposes to convert the vacant tourist hotel (formerly d.b.a. Edward II Inn) to 24 affordable group housing units for transitional-age youth between the ages of 18 and 24 earning a maximum of 50% Area Median Income, and one unit for a resident manager, for an overall unit count of 25. The units will generally accommodate one person for each bedroom. Interior building modifications would reduce the number of on-site bedrooms from 29 to 25 (including the manager's unit) on the second and third floors, create bathrooms for each unit, construct a kitchen, offices and rooms for programmatic needs on the ground floor, and create a laundry room, entertainment room and parking for a minimum of nine bicycles in the basement. Exterior modifications would include window replacement, painting, new signage and façade enhancements. The proposal does not involve alterations to the building's size or height; although mechanical equipment will be located on the building's roof in the future.

The project as proposed requires Planning Code and Zoning Map Amendments to create the Lombard and Scott Street Affordable Group Housing Special Use District (SUD) as an overlay in this NC-3 District. The SUD would:

1. Permit one unit for every 143 square feet of lot area for a total of 24 group housing units and one manager's unit<sup>1</sup>, where one unit for every 210 square feet of lot area for a total of 16 group housing units and one manager's unit is permitted as-of-right by Planning Code Sections 208 and 712.92;

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<sup>1</sup> Planning Code Section 204.4 exempts managers units from the density calculation for group housing.

2. Eliminate the rear yard requirement where a minimum rear yard of approximately 15 feet is required by Planning Code Section 134;
3. Eliminate the open space requirement where a minimum of approximately 675 square feet of private open space and approximately 875 square feet of common open space would be required by Planning Code Section 135;
4. Modify the exposure requirement for approximately 13 group housing units that do not face a street, alley or Code-compliant rear yard or courtyard as required by Planning Code Section 140.

On June 14, 2011, Supervisors Chiu, Avalos, Kim, Mar and Mirkarimi introduced an Ordinance proposing to create the SUD at 3151 – 3155 Scott Street. On July 14, 2011 the Commission adopted Resolution 18404 recommending that the Board of Supervisors approve a Planning Code Text Amendment to create the SUD by adding Planning Code Section 249.55 pursuant to Planning Code Sections 302 and 306 and approve a Zoning Map Amendment pursuant to Planning Code Sections 302 and 306 that would establish the SUD at Lot 001 in Assessor's Block 0937 on Zoning Map Sheet SU02.

#### **BACKGROUND:**

##### *2011 – Conditional Use Authorization Application filed*

On March 11, 2011, Hershey Hirschkop for Community Housing Partnership (hereinafter "CHP") filed a Conditional Use application with the Planning Department.

On June 14, 2011, the Appellant filed an appeal the Preliminary Mitigated Negative Declaration to the Planning Commission. Note: the CEQA document was not appealed to the Board of Supervisors.

On July 14, 2011, the Commission upheld the Preliminary Mitigated Negative Declaration and approved the issuance of the Final Mitigated Negative Declaration as prepared by the Planning Department in compliance with CEQA, the State CEQA Guidelines and Chapter 31.

On July 14, 2011, the Commission adopted Resolution No. 18404, Case No. 2010.0420TZ, recommending that the Board of Supervisors adopt the text change and map amendments to create the Lombard and Scott Street Affordable Group Housing Special Use District.

##### *2011 – Conditional Use Authorization hearing*

On July 14, 2011, the Commission adopted Motion No. 18405, approving Conditional Use Authorization to convert a vacant tourist hotel to 24 units of affordable group housing for transitional age youth between the ages of 18 and 24 and one manager's unit pursuant to Planning Code Section 303 at a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2010.0420C.

#### **CONDITIONAL USE AUTHORIZATION REQUIREMENTS:**

The Commission must refer to the criteria outlined in Section 303 (Conditional Use) of the Planning Code. Section 303 states that the following must be met in order for the Commission to grant approval of an application:

1. That the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community [*emphasis added*]; and
2. That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:
  - a. The nature of the proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;
  - b. 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 and of proposed alternatives to off-street parking, including provisions of car-share parking spaces, as defined in Section 166 of this Code.
  - c. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;
  - d. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs; and
  - e. That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the Master Plan.

#### APPELLANT ISSUES AND PLANNING DEPARTMENT RESPONSES:

The concerns raised in the Appeal Letter are cited in a summary below and are followed by the Department's response:

**ISSUE #1: Proper action on the Conditional Use and Final Negative Declaration.** The Appellant contends that the Commission made a decision on the Conditional Use Authorization on July 14, 2011 and a decision on the Mitigated Negative Declaration on July 15, 2011, a sequence that is not consistent with the requirements of the California Environmental Quality Act (CEQA).

**RESPONSE #1: The Commission properly acted upon the Conditional Use and Final Negative Declaration.** CEQA Guidelines Section 15074, Consideration and Adoption of a Negative Declaration or Mitigated Negative Declaration, states that the decision making body of a lead agency (i.e., Commission) shall consider the proposed mitigated negative declaration (MND) together with any comments received during the public review process. As shown in Commission Motion 18403, which was adopted July 14, 2011, the Commission had available for its review and consideration, all information related to the project in the Planning Department's case file (2010.0420E). At the July 14, 2011 hearing, the Commission considered the findings of the MND and found that the project could not have any significant effect on the environment and affirmed the Department's decision to issue a MND. The MND then became final.

In approving the Conditional Use authorization in Motion 18405, the Commission adopted the MND and the project's Mitigation Monitoring and Reporting Program. Thus the actual date of adoption of the MND was July 14, 2011, and occurred when the Commission voted to uphold the MND and approve the Conditional Use in Motion No. 18405.

Motion 18405, which was voted on by the Commission on July 14, 2011 but clerically finalized by the Department on July 15, 2011, refers to July 15, 2011 as the Department's adoption date of the Final MND (FMND). This is based on the Environmental Review Officer's signature on the FMND cover page,

which occurred after the Planning Commission adopted the MND. This is not the relevant document or approving body. The relevant approving body is the Commission who adopted the MND after finding on the basis of the whole record before it that there was no substantial evidence that the project would have a significant effect on the environment and that the MND reflected the lead agency's independent judgment and analysis. Therefore, the Commission considered the findings of the MND as required in Section 15074 and did not violate CEQA.

**ISSUE #2: Proper action on the Conditional Use before the Board of Supervisors (BOS) action upon the Proposed Special Use District.** The Appellant contends that the Commission could not approve the Conditional Use Authorization because the Lombard and Scott Street Affordable Housing Special Use District (SUD) had not taken legal effect as the Board of Supervisors had not voted to approve the SUD to implement the zoning controls related to the proposal.

**RESPONSE #2: The Commission properly acted upon the Conditional Use before the Board of Supervisors (BOS) acted upon the Proposed Special Use District.** The Conditional Use Authorization is dependent upon BOS approval of the Lombard and Scott Street Affordable Housing Special Use District (SUD). Without approval of the SUD, the Conditional Use Authorization is not valid. In order to vet the environmental considerations and project details, it is standard procedure for the Commission to act upon Conditional Use authorization prior to BOS review and approval of associated legislation. The BOS could add additional language to the proposed SUD at the appeal hearing should they wish which would be binding on the project.

**ISSUE #3: Sufficient time for public review of plans and documents prior to the Commission's action was provided.** The Appellant contends that plans submitted for review by the project sponsor on March 11, 2011 were incomplete and missing information necessary to make a determination on the project and contained material gaps such as information relating to Americans with Disabilities Act ("ADA") access. Furthermore, the Appellant contends that the public did not have sufficient time to comment on the revised plans that were submitted for review on July 7 and July 14.

**RESPONSE #3: The public was provided with sufficient time for public review of plans and documents prior to the Planning Commission's action.** The public may request to review documents submitted to the Planning Department at any time during the review period. All hearing notices (newspaper ad, on-site posters, mailed notice) complied with the 20-day noticing period on, or before, June 24, 2011. Planning Code Section 306.3 does not require that mailed hearing notices include plan drawings. It is not uncommon for applicants to update their application materials, particularly plans, throughout the review process as a project becomes more defined, even up to, and at, a hearing. Compliance with ADA is outside of both the Planning Department's, and Commission's, purview. This concern is also addressed in Issue 7K.

**ISSUE #4:- Consideration of public correspondence and public comment from those in opposition to granting Conditional Use Authorization by the Commission.** The Appellant contends that the Commission's Motion does not address arguments of those opposed to the proposal. The Appellant also contends that while the Commission may disagree with public comments, it must provide evidence to support its

conclusions, rather than assert its own contradictory conclusions with no explanation as it did in its decision. Finally, the Appellant contends that the Commission, "without further comment, analysis or evidentiary support", concluded that the project met the requirements of Planning Code Section 101.1 without considering the comments in opposition to the project.

**RESPONSE #4: The Commission considered public correspondence and public comment from those in opposition to granting the Conditional Use authorization.** The Commission held a duly noticed public hearing on July 14, 2011. The public hearing took a number of hours and included public comment in support of and in opposition to the proposal. The public was not denied the opportunity to comment on the proposal, or to provide the Commission with additional information to review and consider. In fact, the Commission received over 40 letters and emails, and one petition, about this project. The Commission reached an independent judgment, based on evidence in the record that differed from those in opposition to the project. Finding No. 5 of Motion 18405 presents a summary of concerns raised by the opposition.

At the hearing the Commission found that the project meets the intent of Planning Code Sections 101.1, 303, and the General Plan; as is evident through Findings 7 and 9 of Motion 18405. The Motion records compliance with the policies of the General Plan and sites five specific Elements (2009 & 2004 Housing Elements, Neighborhood Commerce, Transportation, Air Quality, and Urban Design), 21 objectives and 38 policies that apply to the project.

**ISSUE #5: Receipt of conditions proposed by the Cow Hollow Association (CHA) by the Commission:** The Appellant contends that the Commission did not consider restrictions (attached to the Appeal as Exhibit B) proposed by the Appellant "that would strengthen the project and ensure that it operates to the greatest benefit of future residents, the neighboring community and City". The Appellant contends that their proposed restrictions *might* make the project consistent with Planning Code Sections 101.1(b) and 303(d).

**RESPONSE #5: The Commission received conditions proposed by the Cow Hollow Association (CHA).** The Commission receives information submitted to it for review prior to and during the hearing. Should any Commissioner wish to initiate a motion to implement conditions as a result of public comment, they may do so at the hearing. At the subject hearing, such a motion was not made and therefore the conditions proposed by CHA were not acted upon. Motion 18405 includes the Commission's findings related to Planning Code Sections 101.1(b) and 303(d) and compliance with the City's Housing Element.

**ISSUE #6 - Commission awareness of the number of proposed transitional age youth residents.** The Appellant contends that the Commission did not accurately analyze the project's consistency with Planning Code Sections 101.1(b), 303(d), 303(C)(1), 303(C)(1)(A)(ii) (applicable only to non-residential uses), 303(c)(2)(A), 101.1(b)(4), 303(c)(2)(B) and Housing Element Policy 4.4 because Motion 18405 claims that there will *generally* be 24 residents occupying the site. The Appellant contends that in order to meet the above Planning Code and General Plan requirements, the exact number of occupants needs to be defined in the Motion and considered by the Commission.

**RESPONSE #6: The Commission was informed of the number of proposed transitional age youth residents.** The word "generally" was included in the overall number of occupants to allow guests to be permitted to

stay with occupants. The Planning Department did not want to create a situation where guests would not be permitted because they exceeded the stated number of occupants. The Department and Commission understand that there will be 24 single-occupancy rooms, and that occupants will be permitted to have guests stay with them, under certain limitations.

The Commission accurately analyzed the project's consistency with the Planning Code Sections. Below is a summary of their review with regard to some specific Sections raised by the appellant:

101.1(b)(4) Muni Transit Service: After review of the project documents, including the PMND document, the Commission found that the project would not impede Muni transit service or overburden our streets or neighborhood parking as outlined in Finding 9(4) as project occupants are not expected to own private vehicles due to their income levels. In addition, it is unknown whether or not the occupants will be commuters.

303(d) Application of Specific Conditions: Under this Section, the Planning Commission may impose additional conditions in order to secure the objectives of the Planning Code. The Commission prescribed those conditions that it found to be necessary to secure the objectives of the Planning Code in the Conditions of Approval contained in Motion 18405, and did not choose to impose additional conditions as suggested by the Appellant.

303(c)(1) Necessary or Desirable and Compatible with the Neighborhood or Community: Upon review of the case documents and lengthy public testimony both in support of and opposition to the project, the Commission found that the proposed development was necessary or desirable, and compatible with, the neighborhood or community as articulated in Findings 8, 9 and 10 of Motion 18405.

303(c)(1)(A)(ii) The non-residential use will serve the neighborhood and requires a larger size to function: This Planning Code Section is applicable only to non-residential uses. Per Planning Code Section 712.92 group housing is considered a residential use within the NC-3 (Neighborhood Commercial, Moderate Scale) District, thus this section does not apply to the project.

303(c)(2)(A) The proposed use will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to its size and shape, and the proposed size, shape and arrangement of structures: The number of building residents will not change the physical nature of the existing building, and the project does not propose an enlargement, or rearrangement, of the building that would conflict with this Planning Code Section.

303(c)(2)(B) and 101.1(b)(4) The proposed use's effect on parking and traffic: Planning Code Section 151 *does not* require off-street parking for group housing use. In fact, if the proposal were to provide parking it would be considered an accessory use and the Planning Code would *establish a maximum* limit of no more than 9 parking spaces and *no parking would be required*. Earning no more than 50% of the Area Median Income, project occupants are not expected to be of an income level to enable ownership and operation of private vehicles. The sponsor has included an alternative to off-street parking by providing secure bicycle storage. Under CEQA review, the number of trips associated with the subject project (17) did not warrant further study or specific mitigations.

2009 Housing Element Policy 4.4: This policy promotes "sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible." The Commission's

decision regarding the proposal supports this policy in Finding 8 of Motion 18405 without regard to the number of project residents.

2004 Housing Element Policy 4.4: This policy promotes "granting density bonuses and parking requirement exemptions for the construction of affordable or senior housing." The Commission's decision regarding the proposal supports this policy in Finding 8 of Motion 18405 without regard to the number of project residents.

**ISSUE #7: Consistency with Planning Code Sections 101.1(b) and 303 and the City's Housing Element.** The Appellant contends that approval of the Conditional Use Authorization is not consistent with Planning Code Sections 101.1(b), 303 and the General Plan because the Commission did not consider CHA's concerns regarding the project as presented during public comment at the hearing. The Appellant contends that the Commission abused its discretion by using only those City policies that support the project.

**RESPONSE #7: The Commission's Conditional Use Authorization is consistent with Planning Code Sections 101.1(b) and 303 and the City's Housing Element.** Motion 18405, Findings 7, 8, and 9 describe that the project is, *on balance*, consistent with the Conditional Use Findings, Section 101.1 Findings and the Objectives and Policies of the General Plan. The Planning Commission adopted findings that the project is, on balance, consistent with the applicable Objectives and Policies of the General Plan. Findings of consistency with the General Plan requires a balancing of General Plan policies and a determination of overall consistency, not a microscopic look at each individual phrase of the General Plan. In preparing proposed findings for the Planning Commission's consideration, the Planning Department identified those Objectives and Policies of the General Plan that were most applicable to the Project, as is its practice, rather than proposing findings on all General Plan Objectives and Policies that have any conceivable relevancy to the Project.

The first item listed under Finding No. 8 demonstrates the project's compliance with the 2009 Housing Element. In authorizing Conditional Use, the Commission is required to make findings which are *applicable* to the project. The language contained in Findings Nos. 6, 7, and 9 of Motion 18405 substantiate compliance with all Planning Code Sections, including Sections 101.1 and 303. Although not all of the concerns called out by Appellant were among those judged most pertinent by Planning Department staff, in this response, the Department addresses the concerns called out by Appellant, and explains how the Project is consistent with these Objectives and Policies of the General Plan identified by the appellant. Should the Board uphold the approval of the Planning Commission, the Board may choose to incorporate this additional information into Board findings in support of the consistency of the Project.

**ISSUE #7A: Appropriateness of the size and density of the project, suitability of the site for transitional age youth residents, and the neighboring community and satisfaction of the City's affordable housing needs.**

**ISSUE #7A1: Appropriateness of unit size for transitional age youth residents:** The Appellant contends that the project violates Planning Code Sections 303(c)(1) and 303(c)(2)(A) as the project is undesirable for residents and neighbors because of the proposed size and intensity in the proposed location, the size (143 square feet) of each proposed group housing unit. They contend that current zoning would allow only 6 dwelling units where the current proposal is to house at least 24 residents, guests and supervisors.



Finally, the Appellant contends that the project packs too many residents into the building only to meet the project's funding needs.

**RESPONSE #7A1: The unit size is appropriate for transitional age youth residents** The property is located in an NC-3 District, which permits up to six dwelling units or 16 group housing units with one manager's unit. Density limitations for group housing units are set forth under Planning Code Section 208, which allows one bedroom ("unit") for each 210 square feet of lot area and assumes two beds per group housing unit. The subject property is 3,436 square feet and may contain up to 16 group housing units, each with two beds, and one on-site manager unit; therefore, up to 32 full-time occupants are permitted as-of-right under the Code. While the subject project proposes 24 group housing units (8 more than currently allowed under the Code) and one on-site manager unit, each unit would only contain one bed, not two beds as assumed under the Planning Code. As a result, up to 24 full-time occupants (8 less occupants than currently allowed under the Code) and one on-site resident manager would be permitted to occupy the property under the current proposal. Therefore, the findings of Motion 18405 are appropriate as is the project's density.

Furthermore, under the State Density Bonus Law the sponsor could have applied for a density increase of up to 35% over the permitted number of group housing units for affordable housing projects through a Special Use District. Under this density bonus, the Commission could have considered approving up to 44 full-time occupants living in up to 22 bedrooms each of which could contain two occupants. However, the project sponsor chose to pursue and the Commission chose to approve a project of 24 occupants—nearly ½ of the size that could have been permitted under law.

**ISSUE #7A2 -Adequacy of the Kitchen Facilities:** The Appellant contends that the project is undesirable because the units lack individual kitchens and the project only provides one 73 square foot communal kitchen, and that this situation will lead to poor nutritional habits because residents will not have an appropriate facility in which to prepare meals contrary to program objectives. The Appellant contends that the Commission failed to sufficiently address the kitchen facilities through analysis or evidence. Finally, the Appellant questions compliance with Planning Code Section 890.88(b) because the program will provide neither meals nor individual cooking facilities.

**RESPONSE #7A2: The project provides sufficient kitchen facilities.** Exhibit B of Motion 18405 indicates that the kitchen will be approximately 300 square feet and will provide two four-burner stoves, two refrigerators, two side-by-side double sinks, approximately 11 linear feet of counter space and food lockers. A dining area of approximately 150 square feet is located immediately adjacent to the kitchen and will augment the kitchen area. The Code is silent on the size of kitchens required for group housing uses.

The project is located in an NC-3 district and therefore the use is controlled by Article 7: Neighborhood Commercial Districts rather than Article 8: Mixed Use Districts. As such, Section 790.88(b) applies to the project. Planning Code Section 790.88(b) characterizes group housing as "A residential use which provides [either] lodging or both meals and lodging without individual cooking facilities . . . in a space not defined as a dwelling unit." Since the project provides lodging without meals and individual cooking facilities (such as a kitchen in each unit) it is consistent with Article 7's definition of group housing.

**ISSUE #7A3: Space for supportive services programming.** The Appellant contends that the project does not meet Housing Element Objective 1 and Policy 4.4 because the building contains only one room of approximately 427 square feet to provide supportive programming, which is insufficient to accommodate the various services that will be offered to help the transitional age youth residents become independent.

**RESPONSE #7A3: The project provides sufficient space for supportive services programming.** Exhibit B of Motion 18405 indicates that approximately 700 square feet of the ground floor will be used for supportive programming for program participants. This area will be divided into a program room including computer stations and TV screen, office, counseling office and tenant services area. These rooms are located immediately adjacent to the entry area and building lobby and will be visible and accessible to program participants. Such spaces will serve the various programs to be provided at the site. Both the Planning Code and General Plan do not prescribe the area required for programmatic needs of group housing uses.

**ISSUE #7B: Appropriateness of the site for the project and investigation of more appropriate sites in the neighborhood.** The Appellant contends that the sponsor could have purchased a building within District 2 that did not require a rezoning. The Appellant contends that the sponsor has refused to consider a different site that would be more appropriate for the use.

**RESPONSE #7B: The Commission is not responsible for properties purchased by individuals for a specific use.** The project sponsor is free to pursue entitlements through legislated avenues. The project sponsor filed an appropriate application and followed the legislated steps for such entitlements. The Commission duly noticed the required public hearing and acted upon the application for Conditional Use Authorization. Neither the Commission nor the Department are involved in the site acquisition process of outside parties. Community Housing Partnership, its partners and funders are qualified to understand the physical, programmatic and financial needs of the proposed use and related programs necessary for transitional age youth occupants. On July 14, 2011 the Commission approved with conditions the application associated with Case No. 2010.0420C with Motion Number 18405.

**ISSUE #7C: Questions about the supportive services programming that will be provided to transitional age youth residents.** The appellant contends that the Conditional Use authorization does not ensure nor require the provision of supportive services, and specific conditions should have been imposed to address the Appellant's concerns.

**RESPONSE #7C: The Commission is confident that supportive services programming that will be provided to transitional age youth residents.** The Commission approved a Conditional Use Authorization to convert a vacant tourist hotel to 24 units of affordable group housing and one manager's unit pursuant to Planning Code Section 303 at a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2010.0420C. The Conditional Use Authorization does not regulate the provision of supportive services. If the Commission had concerns, the Commission had the option of expanding their conditions for the project; however, the Commission chose not to and acted upon the Conditional Use request per Motion 18405.

That said, the authorization for the Edward II included a 305 sq. ft. tenant services suite consisting of an outer room with a counselor workstation, a supervisor's office, and a private counseling room. The project sponsor has advised that the adjacent program room of 350 sq. ft. will be used by the Tenant Services for group meetings, classes and related activities. Together, these spaces consist of approximately 650 sq. ft. dedicated to supporting the residents. In addition, there are two separate lounge areas, a dining room, community kitchen, and laundry room for the residents.

Further, the project sponsor has indicated that funding sources require that there be on-site tenant services. The California Department of Housing and Community Development's Multifamily Housing Program for Homeless Youth requires a detailed plan, budget, and staffing ratios in order to be awarded funding. In addition, the SF Mayor's Office of Housing not only requires onsite support, but is also instrumental in leveraging funds from other City sources to ensure services are provided.

As reported by the sponsor, Community Housing Partnership, they have been developing, managing, and providing tenant services at supportive housing sites for over 20 years, and under their own mission statement they not only to house the homeless, but also ensure their lives improve once they are housed. Like all of the sponsor's properties, the Edward II will have onsite tenant services, and the sponsor has teamed with Larkin Street Youth Services, who will provide an array of on- and off-site services including two full time services staff at the subject property.

Per the sponsor, every youth at the Edward II site will work with the on-site case manager to develop a case plan/life plan. These plans will include between 20 and 40 hours a week of the youth participating in any/all of the following: college classes, GED preparation, including subject-specific tutoring, participation in job readiness classes such as computer literacy, internships with local business and full- or part- time employment. Youth will also work with the on-site peer counselor, who will arrange resident outings and assist tenants with life skills and study skills. As an apartment building rather than a treatment program, residents cannot be required by their lease to participate in services, but the sponsor's and service provider's experience is that tenants are eager to engage in services in order to obtain the resources that permit them to maintain their housing and progress in their life goals.

The Commission was presented information about the Appellant's concern and moved to approve the Draft Motion as presented by staff without changes proposed by the appellant.

**ISSUE #7D: Questions about adequate supervision and security.** The Appellant contends that the level of supervision for 24 full-time residents and their guests is inadequate and that the project does not comply with Planning Code Section 303(c)(2) requiring the "use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity." As an example, the Appellant uses an existing transitional age youth project managed by Larkin Street Youth Services (LSYS) at 864 Ellis Street where instances of crime, noise and police calls have increased in the neighborhood. The Appellant contends that the Commission is not limited to the four factors identified in Planning Code Section 303(c)(A)-(D) as Planning Code Section 303(c)(2) states that the health/safety/convenience/general welfare analysis "not be limited" to the four factors the Commission relied on. Finally, the Appellant contends that restrictions proposed by CHA were presented to the Commission and were not acted upon.

**RESPONSE #7D: The project provides adequate supervision and security.**

Under Planning Code Section 303(c)(2), the Commission considered if the proposed use would be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity. The Commission found that the project would not be determination with respect to several factors. Further, if the Commission had concerns, the Commission had the option of expanding their conditions for the project; however, the Commission chose not to and acted upon the Conditional Use request per Motion 18405.

In response to the Appeal, the project sponsor has committed in writing to maintaining a safe building and positive community relationships. They have committed to a building design that includes an extensive security system with camera coverage of all sidewalks around the building and all community spaces within the building, which can be monitored both by site staff and remotely via the internet. The sponsor's management plan for the building includes both a resident manager and twenty-four hour front desk staffing. This staffing pattern was established at the request of neighbors and is richer than the coverage the sponsor employs at any of its other buildings, all of which are larger and in more troubled neighborhoods than the subject site. Per the sponsor, the appellants' proposal of two round-the-clock staff in addition to the resident manager, corresponds to approximately 12 full-time equivalent staff persons, or one staff person for every two tenants. This staffing level far exceeds that at any comparable building, and would raise operating costs for the building to unsustainable levels.

The sponsor has reported to the Department that residents and their guests will be required to comply with lease and house rules and actively work together to create a positive community inside and outside the building. These house rules include limitations on the number of guests and the duration of their stay, consistent with City ordinances around renters' rights. Tenants will be responsible for their guests' behavior, and property management staff can prohibit guests from returning to the building.

Based on the sponsor's appeal response to the Department, the subject property differs from the Ellis Street Apartments not only in its more robust staffing but also in having a greater number and variety of community spaces that provide recreational area for tenants within the building envelope. Most importantly, the subject site is in a location that, though on a busy thoroughfare, has far lower crime rates than the Tenderloin neighborhood surrounding the Ellis Street Apartments. The sponsor notes that according to the San Francisco Police Department crime maps, crime rates in the radius immediately around the Ellis Street building are lower, not higher, than on the blocks immediately to its north or south, suggesting a neighborhood with an already high incidence of crime. Police logs have shown that calls originating from the Ellis Street Apartments are reporting on crimes outside of the building, not within.

**ISSUE #7E: The relationship of the public entitlement process and the Housing Element's Objectives and Policies:** The Appellant contends that the entitlement process for the subject project did not comply with Housing Element Objective 10, Policies 10.1 and 10.2 relating to the public process and the flow of information between neighborhoods and project sponsors. As an example, the Appellant cites a number of issues relating to site planning processes managed by the Mayor's Office of Housing (MOH).

**RESPONSE #7E: The public entitlement process is consistent with the Housing Element's Objectives and Policies.** Motion 18405, Finding No. 8 describes that the project is, on balance, consistent with the applicable Objectives and Policies of the General Plan. The first item under Finding No. 8 demonstrates the project's compliance with the Housing Element. In authorizing the Conditional Use, the Commission

is required to make findings regarding the Objectives and Policies which are *applicable* to the project. Specifically, nine Objectives and 21 corresponding Policies of the 2009 Housing Element are contained in the Motion, and they discuss how the project complies with each of the applicable Policies (Motion No. 18405, pages 7-11). In preparing proposed findings for the Planning Commission's consideration, the Planning Department identified those Objectives and Policies of the General Plan that were most applicable to the Project, as is its practice, rather than proposing findings on all General Plan Objectives and Policies that have any conceivable relevancy to the Project. Although the Objectives and Policies called out by Appellant were not among those judged most pertinent by Planning Department staff, the Planning Department addresses each of the Objectives and Policies called out by Appellant, and explains how the Project is consistent with these Objectives and Policies. Should the Board uphold the approval of the Planning Commission, the Board may choose to incorporate this additional information into Board findings in support of the consistency of the Project with the General Plan.

With regard to Housing Element objective and policies called out by the appellant,

- *Objective 10: ENSURE A STREAMLINED, YET THOROUGH, AND TRANSPARENT DECISION-MAKING PROCESS.*

In general, this Objective is focused on eliminating constraints to development.

- *Policy 10.1: Create certainty in the development entitlement process, by providing clear community parameters for development and consistent application of these regulations.*

The processes implemented by the Planning Department and Mayor's Office of Housing complied with noticing requirements and documents are available for public review upon request. The process implemented by the Mayor's Office of Housing is detailed below. Planning Department staff responded to inquiries by the community on a timely basis and it was understood by staff that the sponsor was engaging in public discourse to address the neighborhood's concerns, more fully explain the project and provide information. The sponsor has provided a detailed list of community outreach efforts. The project does not include an area plan that would have entailed a larger community-based planning process.

- *Policy 10.2: Implement planning process improvements to both reduce undue project delays and provide clear information to support community review.*

In February of 2011, the Planning Department initiated the Preliminary Project Assessment process for projects creating 6 or more dwelling units and/or constructing a new non-residential building or addition of 10,000 square feet or more. Projects that had not submitted an entitlement request prior to February 1, 2011 are subject to the policy. Since the sponsor submitted an environmental application on June 3, 2010, the project was not subject to this review. The Planning Department issues a Preliminary Project Assessment letter to the sponsor and posts them on-line at [www.sf-planning.org](http://www.sf-planning.org).

The Pre-Application Process is primarily to reduce the number of requests for Discretionary Review and is tied to the Planning Code Section 311 and 312 processes. Those projects subject to this process include new construction, vertical additions that add 7' or more to the existing building depth at any level, horizontal additions that add 10' or more to the existing building depth at any level, decks that require Section 311 or 312 Notification and all Formula Retail uses subject to Conditional Use authorization., The subject project does not involve any of the scopes of work that would trigger the Pre-Application Process.

With regard to the process led by the Mayor’s Office of Housing, in 2006, the Mayor convened the Transitional Youth Task Force to address the needs of Transition Age Youth in San Francisco. The Task Force published findings in July 2006 and charged City departments with developing detailed work plans for several relevant areas, including housing. The Mayor’s Office of Housing (MOH) facilitated a six-month process focused on transitional age youth housing, which included representatives of City agencies and nonprofit organizations, and culminated in a 2007-2012 Work Plan. The plan calls for MOH and SFRA to fund 400 units of housing – using a number of housing models – for various subpopulations of transitional age youth.

On August 24, 2009, MOH issued a Notice of Funding Availability (NOFA) for \$2 million – its only NOFA in 2009 – to support transitional age youth projects. As is customary with MOH policy and practice, the NOFA was published on MOH’s website, and emails were sent to all of San Francisco’s nonprofit affordable housing developers alerting them of the NOFA’s issuance.

Only one application was submitted by the deadline of October 30, 2009. After the deadline was extended to December 30, 2009, six proposals were submitted. Scoring criteria included experience in development, property management and services for transitional age youth or similar populations (30 points out of 100 points), neighborhood safety (15 points), proximity to transitional age youth - appropriate amenities (10 points), leveraging (10 points, with an additional 15 bonus points possible for capital grants), and cost effectiveness based on MOH’s share of capital sources (20 points).

Of the five proposals that met the NOFA’s threshold requirements, MOH selected the top three scorers for funding. In the aggregate the top three applicants requested more than \$3.1M. These three applicants represent a variety of San Francisco neighborhoods and transitional age youth models:

Project	Type	TAY units	TAY sub-Population	Neighborhood	Sponsor
Edward II	TAY only	25	mixed	Marina	CHP
Aarti Hotel	TAY only	40	TAY w/ ment. illness	Tenderloin	TNDC
Booker T. Washington	mixed populations	15	Former foster youth	Western Addition	Booker T. Washington

Community Housing Partnership’s application received the highest score, with 100 points.

In addition to the three projects above, MOH is funding transitional age youth housing units at the Phelan Loop mixed-use project in the Oceanview neighborhood.

**ISSUE #7F: Questions about the population to be served when considering the application.** The Appellant contends that the sponsor was inconsistent in describing the population to be served by the project and that the inconsistency could not create a project that is appropriate for eventual residents as the needs of various populations can differ. The Appellant contends that without knowing the exact population of transitional age youth between the ages of 18 – 24 earning a maximum of 50% Area Median Income, the Commission could not determine if the project is appropriate for the population to be served, which is inconsistent with Housing Element Policy 5.4. Finally, the sponsor voluntarily suggested restricting

occupants to youth transitioning out of foster care or to bar felons and probationers but the Commission did not act upon this suggestion.

**RESPONSE #7F: The Commission was aware of the population to be served when considering the application.** Policy 5.4 of the 2009 Housing Element discusses a number of housing types that are beneficial and should be provided to residents as their housing needs change either up the "housing ladder" or down the "housing ladder". The policy is designed to allow flexibility in the populations that could be in need of housing, and support the development of a broad range of housing types to fit their needs. The sponsor submitted an application to establish a group housing use as defined in Planning Code Section 790.88, which does not specify a particular population to be served. The Planning Commission and Department understand that the group housing project will serve transitional age youth between the ages of 18 – 24 earning a maximum of 50% Area Median Income.

**ISSUE #7G: Analysis of traffic considerations.** The Appellant contends that the Commission improperly analyzed the proposal under Planning Code Sections 101.1(b)(4) and 303(c)(2)(B) because the Commission believed that the population residing in the project would likely not own cars due to their level of income. The Appellant contends that the Commission did not consider the traffic generated and parking required from employees and service providers travelling to and from the site. Finally, the Appellant contends that the traffic problems caused by the project will exacerbate traffic issues associated with the Drive replacement project and the America's Cup.

**RESPONSE #7G: The Commission adequately analyzed traffic considerations.** Planning Code Section 151 does not require parking for group housing and as such the project does not provide any off-street parking for residents, employees or service providers. The site does not currently provide any off-street parking spaces and creation of such an amenity would result in either a reduction in the overall space available in the building envelope for housing and programmatic needs, the necessity to raise the building to accommodate a new garage, and installation of a garage door and curb cut on either Lombard Street or Scott Street, or both.

With regard to Planning Code Sections 101.1(b)(4), the finding stipulates that commuter traffic is not to impede MUNI transit service or overburden our streets or neighborhood parking. In addition to the response that project residents are not expected to privately own cars, it is questionable whether or not the project residents can be defined as commuters as it is unknown where they will need to travel in their day-to-day routines. The project will support a decrease the dependency on private autos by providing bicycle storage spaces and the more-than-adequate access to existing public transportation in the neighborhood.

The Appellant appealed the Preliminary Mitigated Negative Declaration to the Planning Commission and Concern #3 of that appeal was traffic associated with the proposal. In Exhibit A of Motion 18404 of the Planning Department's Response to Appeal of the Preliminary Mitigated Negative Declaration (page 7) it is stated that:

"The CEQA document for the 34th America's Cup has not been finalized; however, it is possible that the project could have adverse transportation effects. The project at 3155 Scott Street would generate approximately 17 net new trips, which would not be considered a substantial contribution to

cumulative impacts. While the 34<sup>th</sup> America's Cup may have adverse transportation effects, those effects would occur regardless of whether the project at 3155 Scott Street is implemented."

Under CEQA review, the number of trips associated with the subject project (17) did not warrant further study or specific mitigations.

Traffic concerns were adequately addressed by the Commission through the CEQA review and Planning Code Section 101.1 and 303 Findings. This transportation analysis cited in the CEQA document accounts for service-providing staff and visitors as well as cumulative impacts accounting for the Doyle Drive replacement project.

**ISSUE #7H: The proposed use and local retail business.** The Appellant contends that the project does not comply with Planning Code Section 101.1(b) because the project's occupants are not part of the target consumer group of neighborhood business. The Appellant contends that conversion of the building from a tourist hotel to a group housing use will eliminate a steady stream of tourist consumers.

**RESPONSE #7H: The Commission found that the proposed use will not negatively impact local retail business.** The project will not result in the loss of an existing neighborhood-serving retail use on the site as the former use of the building was a tourist hotel and not a neighborhood-serving retail use. The project *itself* will not eliminate a steady stream of tourist consumers as the tourist hotel was sold by the former property owner and is currently vacant. The site was purchased in order to create affordable housing for a population with a specific housing need. The current owner is not obligated to continue the tourist hotel use. The project before the Commission for consideration by the current property owner is a group housing use and not a tourist hotel use. The Commission is not involved in the site's transfer of ownership.

The commercial areas around the project site (Union Street Neighborhood Commercial District, the Lombard Street corridor and the Chestnut Street commercial area) represent a diverse range in neighborhood-serving retail opportunities. While Union Street shopping is geared toward higher-income consumers, it is punctuated with corner stores and some retail outlets that would be economically appropriate for project residents. The Lombard Street corridor provides a greater number of retail outlets that are economically appropriate for project residents. Retail opportunities on Chestnut Street are a mix of those types found on Lombard Street and Union Street. The proposed group housing use will locate new residents to the neighborhood who will likely patronize existing neighborhood-serving retail uses.

**ISSUE #7I: The building's historical character.** The Appellant contends that the project does not meet the requirements of Planning Code Section 101.1(b)(7) and Housing Element Policy 11.7 and that the subject building is a historic resource.

**RESPONSE #7I: The Commission appropriately analyzed the building's historical character** Note that appeal of the CEQA document is not before the Board of Supervisors. Pursuant to the California Environmental Quality Act (CEQA), alterations to the building were considered in a Historic Resources Evaluation Report (HRER) dated May 19, 2010 and prepared by a third party as is standard procedure. The historic



resource status was assessed objectively during the CEQA process and the building was not found to be a historic resource.

The analysis of the building at 3155 Scott Street in the FMND considered all applicable criteria as required to determine the eligibility for listing in the California Register and determined the building to be ineligible under all four criteria.

Page 38 of the FMND describes the process of determining whether a building may be a historical resource by evaluating the property per the California Register of Historic Places (CRHP) criteria, which include events (Criterion 1), persons (Criterion 2), architecture (Criterion 3), and information potential (Criterion 4). The property is evaluated for individual historical significance and to determine if it contributes to a historic district or context. To be a historical resource under CEQA, a property must be shown to be not only significant under CRHP criteria, but it also must retain sufficient integrity from the period of significance that qualifies the property for listing on the CRHP. A resource that is designated or recognized as significant on a local register of historical resources or one that is significant under the Public Resources Code, Section 5024.1(g), is also presumed to be significant under CEQA "unless the preponderance of evidence demonstrates that the resource is not historically or culturally significant." Per these criteria, the FMND concluded the building was not eligible for listing in the CRHP.

The Appellant states that it is beyond dispute that Charles J. Rousseau was a historic architect and that the building retains the character and appearance of his original design. In fact, the FMND does not dispute the architect's historical significance, but finds that the building is not a strong representation of his work due to the extensive alterations that have taken place over the years. The Department concurred with the Historic Resource Evaluation Report prepared by the Architectural Resources Group (ARC) that the subject building retains integrity of location, association, workmanship and feeling. However the Department did not find the building to retain sufficient integrity of design, setting or materials to convey historical significance under Criterion 3 primarily due to the demolition of approximately one-fifth of the building's original volume, the alteration of the building's storefronts, and the widening of Lombard Street. The Appellant states that the building is one of the few remaining buildings from the Pan American Expo, presumably referring to the Panama-Pacific International Exposition of 1915 held nearby the project site. In fact, the building was not part of the exposition. The FMND explains that the building was constructed for lodging purposes around the time of the exposition; this provides an indirect connection with the exposition, but the building was not constructed to be part of the exposition, and never had a relationship linkage with this event. The Appellant has provided no information to support the contention that the property is an historic resource.

**ISSUE #7J: Seismic analysis.** The Appellant contends that the Commission did not adequately assess the project pursuant to Planning Code Section 101.1(b)(6) for seismic considerations. The Appellant provides an example through a project at 2395 Lombard Street located directly north of the project site.

**RESPONSE #7J: The Commission's seismic analysis is sufficient.** Note that appeal of the CEQA document is not before the Board of Supervisors. Through adoption of the Final Mitigated Negative Declaration, Case No. 2010.0420E as noted in Motion 18405, page 2, the Commission inherently adequately assessed the seismic considerations of Planning Code Section 101.1(b). Issue Number 1 of this Appeal Response addresses the timing of Commission actions as they relate to CEQA.

The geology analysis in the FMND is appropriate for the renovation of a building that does not include and would not require extensive sub-surface grading or excavation. In addition, the renovation would include extensive upgrades to the building, in accordance with all applicable state and City seismic codes and regulations.

The Appellant states that a geotechnical report, similar to that conducted for a project at 2395 Lombard Street, should have been conducted. The City required an extensive geotechnical investigation for the project at 2395 Lombard Street because it involved the construction of a 12 unit condominium building involving new foundation, drilled piers, subsurface footings, and other structural details. The proposed project consists of renovation of an existing building at 3155 Scott Street.

The FMND included an analysis of existing geologic conditions and referenced property structural reports. According to the United States Geological Survey, the site is not within a liquefaction zone. The geotechnical report referenced by the Appellants notes the potential for site liquefaction. That information is noted, but is more relevant for construction and structural foundation recommendations for a new building. The building at the project site is a three story plus basement structure. The foundation is reinforced concrete, with continuous perimeter footings and interior footings. The proposed project includes minor structural stabilization in the basement. A recent survey of the building revealed that the subject property suffered no significant structural damage from the Loma Prieta earthquake on October 17, 1989. In addition, the proposed project would be required to incorporate all seismic improvements identified by the Department of Building Inspection during plan review as referenced in Finding 9(6) of Motion 18405.

The Appellant further states that "available evidence prepared by geotechnical engineers indicates the potential for a significant seismic hazard to project occupants", referencing the project at 2395 Lombard Street. While there can be no doubt that the residents of the proposed project at 3155 Scott Street would also be subject to potentially significant seismic hazards, so would all the occupants of the Marina neighborhood and other areas subject to seismic hazards. Given the current positive physical condition of the building at 3155 Scott Street, the required structural reinforcements with the renovation of the building, and the adherence to all required state and City seismic codes during project construction, potential geology impacts have been adequately addressed.

**ISSUE #7K: Compliance with the American's with Disabilities Act (ADA)** The Appellant contends that the Commission improperly authorized Conditional Use as wheelchair residents will not have access to the third floor, and access to the third floor is necessary due to the lack of open space provided on the site.

**RESPONSE 7K: The Commission compliance with ADA is not under the Commission's jurisdiction.** Compliance with ADA is under the jurisdiction of the Department of Building Inspection and the Mayor's Office of Housing, and should the project move through the permit process, those departments will conduct the plan check. ADA compliance is not within the Planning Department's or Commission's purview. As noted by the Appellant, the plans submitted for review by the Commission (Exhibit B of Motion 18405) do not indicate that the Limited Use Limited Access elevator will access the building's third floor. The Appellant contends that access to the building's third floor is necessary to gain access to common space for those who require the lift. The plans indicate that common space for the project is located on the first and basement levels, and that bedrooms, bathrooms and hallways constitute the third floor.

ISSUE #8: Housing for the transitional age youth population. The Appellant contends that the Commission improperly addressed a conflict they perceive between permanent housing that is targeted to youth ages 18 – 24 and permanent housing with eviction control as occupants turn 25 years of age. The Appellant argues that “there is a serious risk that once the Project is fully occupied, current residents will not cycle out to make room for additional transitional age youth residents. After several years, the project could be at full capacity with only residents over the age of 24.” Finally, the Appellant is concerned that their proposed restrictions on the term of tenancy and evictions were not implemented.

RESPONSE #8: The Commission appropriately approved group housing and is confident that the project sponsor will properly house transitional age youth. The Commission approved a Conditional Use Authorization to convert a vacant tourist hotel to 24 units of affordable group housing and one manager’s unit pursuant to Planning Code Section 303 at a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2010.0420C. The Conditional Use Authorization does not regulate tenancy nor does the Commission have the authority to review or alter rent control laws. If the Commission had concerns, the Commission had the option of expanding their conditions for the project; however, the Commission chose not to and acted upon the Conditional Use request per Motion 18405.

The project sponsor has indicated that as lease-holding tenants, building residents may not be evicted simply for reaching their 25th birthdays. However, all of the programming from the moment each youth moves into the program will be focused on achieving independence and moving out of the Edward II housing before age 25. Each youth’s service plan, developed at initial move-in, focuses on identifying the life skills and resources the individual requires to achieve housing self-sufficiency. In addition, group housing of the type provided at the Edward II is developmentally appropriate for young adults, who then naturally progress to desiring greater independence.

The physical design of the subject property is intended to be comfortable but not luxurious. Much of the resources of this project have been put into community services spaces and not into in-unit amenities, in order to foster community and support tenants in their goals of independence. For example, units will not have kitchenettes, and tenants will instead cook in a shared kitchen. Occupancy restrictions will limit units to one tenant each, prohibiting residents from cohabiting with a partner or spouse. Restrictions regarding overnight guests, visitors, a set of house rules and the level of supervision at the building create an incentive for residents to attain during their tenancy the resources necessary for independent living and to move to a more conventional housing setting as they mature into adulthood.

#### CONCLUSION:

In the Commission’s authorization of the Conditional Use, the project was found to be necessary, desirable and compatible with the community or neighborhood. The project is necessary to address a specific housing need for the City and transitional age youth between the ages of 18 and 24 earning no more than 50% of the Area Median Income. Under the State Density Bonus Law the sponsor *could* have applied for a density increase of up to 35% over the permitted number of group housing units for affordable housing projects through a Special Use District. Under this density bonus, the Commission

could have considered approving up to 44 full-time occupants living in up to 22 bedrooms each of which could contain two occupants. However, the project sponsor chose to pursue and the Commission chose to approve a project of 24 occupants—nearly ½ of the size what could have been permitted under law. The 2007-2012 Work Plan calls for MOH and SFRA to fund 400 units of housing for various subpopulations of transitional age youth. The proposed project works to secure a small amount of this desperately needed housing. In granting the Conditional Use and authorization, the Commission made Findings that the project promotes the applicable Objectives and Policies of General Plan. The Department points to four General Plan policies from the Commission's motion for your concluding considerations:

OBJECTIVE 1:  
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

OBJECTIVE 4:  
FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFESTYLES.

Policy 4.2: Provide a range of housing options for residents with special needs for housing support and services.

Policy 4.7: Consider environmental justice issues when planning for new housing, especially affordable housing.

For the reasons stated above, the Planning Department recommends that the Board uphold the Commission's decision in approving the Conditional Use authorization for 3151 – 3155 Scott Street and deny the Appellant's request for appeal.



# SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

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

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

## Planning Commission Motion No. 18405 HEARING DATE: JULY 14, 2011

*Date:* July 14, 2011  
*Case No.:* 2010.00420CETZ  
*Project Address:* 3151 – 3155 SCOTT STREET  
*Current Zoning:* NC-3 (Neighborhood Commercial, Moderate Scale)  
 40-X Height and Bulk District  
*Proposed Zoning:* Scott Street Affordable Group Housing Special Use District  
*Block/Lot:* 0937/001  
*Project Sponsor:* Community Housing Partnership  
 280 Turk Street  
 San Francisco, CA 94102  
*Sponsor Contact:* Gail Gilman, Executive Director  
*Staff Contact:* Sara Vellve – (415) 558-6263  
 sara.vellve@sfgov.org

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303 AND 249.55 TO CONVERT A VACANT TOURIST HOTEL (D.B.A. EDWARD II INN) TO A GROUP HOUSING USE CONTAINING UP TO 25 UNITS (24 UNITS FOR TRANSITIONAL AGE YOUTH BETWEEN 18 AND 24, AND ONE MANAGER’S UNIT) WITHIN THE NC-3 (MODERATE SCALE, NEIGHBORHOOD COMMERCIAL) DISTRICT, THE LOMBARD AND SCOTT STREET AFFORDABLE GROUP HOUSING SPECIAL USE DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

### PREAMBLE

On March 11, 2011 Gail Gilman (hereinafter “Project Sponsor”) filed an application with the Planning Department (hereinafter “Department”) for Conditional Use Authorization under Planning Code Section 303 of the Planning Code to allow establishment of up to 24 group housing units to be occupied by transitional age youth and a manager’s unit (25 units total), within the NC-3 (Moderate Scale, Neighborhood Commercial) District, the Lombard and Scott Street Affordable Group Housing Special Use District (SUD) and a 40-X Height and Bulk District.

On July 14, 2011, the San Francisco Planning Commission (hereinafter "Commission"), by Motion No. 18403, upheld the Mitigated Negative Declaration, Case No. 2010.0420E, for the project at 3151 – 3155 Scott Street.

On July 15, 2011, the Department adopted the Final Mitigated Negative Declaration, Case No. 2010.0420E, for the project at 3151 – 3155 Scott Street.

On July 14, 2011 the Commission adopted Resolution No. 18404, Case No. 2010.0420TZ recommending to the Board of Supervisors to adopt the text change and map amendment creating the Lombard and Scott Street Affordable Group Housing Special Use District; and,

On July 14, 2011 the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2010.0420C.

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 requested in Application No. 2010.0420C, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

## **FINDINGS**

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The subject property is Lot 001 in Assessor's Block 0937, located on the southwest corner of Lombard and Scott Streets. The Scott Street frontage is approximately 69 feet, with 50 feet of frontage on Lombard Street. The lot area is approximately 3,450 square feet.

The project site is located in the Marina District and is developed with an approximately 8,100 square foot three-story building with a basement formerly used as a tourist hotel (d.b.a. Edward II Inn) with a pub at the ground floor fronting Lombard Street. The building occupies most of the lot except for an approximately 7-foot setback from the south property line. The property does not currently provide any off-street parking or open space for users/occupants. The building was constructed in 1914 and has been altered.

3. **Surrounding Properties and Neighborhood.** The site is located in an NC-3 (Neighborhood Commercial, Moderate Scale) Zoning District and 40-X Height and Bulk District. Lots fronting Lombard Street to the east and west are zoned NC-3, while lots fronting Scott Street to the south of the site are zoned RH-2 and RM-2. The site is located one block south of the Chestnut Street

shopping district and three blocks northwest of the Union Street shopping district. Properties in the vicinity fronting Lombard Street contain a mix of uses including restaurants, hotels, personal services, retail stores, and automotive repair shops. Buildings heights range from one to four stories with residential uses generally above the ground-floor commercial uses. Properties fronting Scott Street south of Lombard Street generally contain residential uses with building heights ranging from two to four stories. The height designation for the entire neighborhood is 40-X.

4. **Project Description.** Community Housing Partnership proposes to convert the vacant tourist hotel (formerly d.b.a. Edward II Inn) to 24 affordable group housing units for transitional-age youth between the ages of 18 and 24 earning a maximum of 50% Area Median Income, and one unit for a resident manager, for an overall unit count of 25. The use will generally accommodate one person for each bedroom. Interior building modifications would reduce the number of on-site bedrooms from 29 to 25 (including the manager's unit) on the second and third floors, create bathrooms for each unit, construct a kitchen, offices and rooms for programmatic needs on the ground floor, and create a laundry room, entertainment room and parking for a minimum of nine bicycles in the basement. Exterior modifications would include window replacement, painting, new signage and façade enhancements. The proposal does not involve alterations to the building's size or height; although mechanical equipment will be located on the building's roof in the future.

The project as proposed requires Planning Code and Zoning Map Amendments to create the Lombard and Scott Street Affordable Group Housing Special Use District (SUD) as an overlay in this NC-3 District. The SUD would:

1. Permit one unit for every 143 square feet of lot area for a total of 24 group housing units and one manager's unit (Planning Code Section 204.4 exempts managers unit's from the density calculation for group housing) where one unit for every 210 square feet of lot area for a total of 16 group housing units and one manager's unit is permitted as-of-right by Planning code Sections 208 and 712.92;
2. Eliminate the rear yard requirement where a minimum rear yard of approximately 15 feet is required by Planning Code Section 134;
3. Eliminate the open space requirement where a minimum of approximately 675 square feet of private open space and approximately 875 square feet of common open space would be required by Planning Code Section 135;
4. Modify the exposure requirement for approximately 13 group housing units that do not face a street, alley or Code-compliant rear yard or courtyard as required by Planning Code Section 140.

On June 14, 2011, Supervisors Chiu, Avalos, Kim, Mar and Mirkarimi introduced an Ordinance proposing to create the SUD at 3151 – 3155 Scott Street. The Planning Commission will consider a Planning Code Text Amendment to create the SUD by adding Planning Code Section 249.55 pursuant to Planning Code Sections 302 and 306. The Planning Commission will also consider a

Zoning Map Amendment pursuant to Planning Code Sections 302 and 306 that would establish the SUD at Lot 001 in Assessor's Block 0937 on Zoning Map Sheet SU02.

5. **Public Comment.** The Department has received correspondence in opposition from neighborhood residents and community organizations on a broad range of topics including but not limited to: a decline in the quality of life for existing neighborhood residents and businesses, reduction of property values, increased density, lack of off-street parking and open space, and the inadequacy subject building for the proposed use and proposed occupant services.
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. **Lombard and Scott Street Affordable Group Housing Special Use District (SUD).** Planning Code Section 249.55 establishes the Lombard and Scott Street Affordable Group Housing SUD which allows a project containing an affordable group housing and manager's unit, with Planning Commission approval, an increase in the group housing density, and exemptions from the open space, rear yard and exposure requirements. Up to 24 of the units would be for transitional age youth between the ages of 18 and 24 who earn a maximum of 50% Area Median Income. The 25<sup>th</sup> unit would be used by a resident manager.

*The project is proposed to contain up to 24 permanently affordable group housing units for transitional age youth between the ages of 18 and 24 earning a maximum of 50% Area Median Income, and one manager's unit; thus the Commission may approve the increased density, open space, rear yard and exposure exemptions for the project.*

- B. **Open Space.** Planning Section 135 of the Planning Code requires approximately 27 square feet of private or approximately 35 square feet of common open space per group housing unit.

*The subject building was constructed as a tourist hotel in approximately 1914 and does not provide any outside area that qualifies as private or common open space. The only undeveloped area on the lot is an approximately 7-foot wide corridor along the lot's south property line. The project is proposed to contain up to 24 permanently affordable group housing units for youth earning a maximum of 50% AMI and one manager's unit; thus the Commission may approve the open space exemption for the project pursuant to the Lombard and Scott Street Affordable Group Housing SUD.*

- C. **Rear Yard.** Planning Code Section 134(a)(1)(C) requires a rear yard equaling 25% or 15 feet, whichever ever is greater, of the total lot depth at each level containing a dwelling unit.

*The subject building was constructed as a tourist hotel in 1914 prior to creation of the rear yard requirement. As such, the existing building extends to within seven feet of the south property line and is a noncomplying structure. Conversion of a tourist hotel to a residential use requires implementation of the rear yard requirement, which equals approximately 15 feet measured from the south property line. As the project is proposed to contain up to 24 permanently affordable group housing units for youth earning a maximum of 50% AMI and one manager's unit; the Commission may approve the*



*rear yard exemption for the project pursuant to the Lombard and Scott Street Affordable Group Housing SUD.*

- D. **Parking.** Planning Code Section 151 does not require off-street parking for group housing uses of any kind unless such a use is located within an RH-2 (Residential, House, Two-Family) District.

*The subject lot is located within an NC-3 (Moderate Scale, Neighborhood Commercial) District and the group housing use is not required to provide off-street parking for residents or managers.*

- E. **Exposure.** Planning Code Section 140 requires that each dwelling unit shall face directly on to a public street or alley, a side yard of at least 25 feet in width, a Code compliant rear yard, or a courtyard that is no less than 25 feet in every horizontal direction.

*The subject building was constructed as a tourist hotel in approximately 1914 with frontages on Lombard and Scott Streets. As originally constructed, the building does not provide a Code compliant side or rear yard, or contain a courtyard that is 25 feet in every horizontal direction. As originally constructed, the building contains approximately 12 occupiable guest rooms with windows that front on Lombard and Scott Streets. After modifications to the building to accommodate the proposed group housing use, approximately 12 of 25 occupiable rooms will meet the exposure requirement as they front on Lombard and Scott Streets. The remaining 13 rooms will face a lightwell area in the middle of the building and/or the 7-foot-wide rear building setback. As the project is proposed to contain up to 24 permanently affordable group housing units at 50% AMI; and one manager's unit, the Commission may approve the exposure modification for the project pursuant to the Lombard and Scott Street Affordable Group Housing SUD.*

- F. **Bicycle Parking.** Planning Code Section 155.5 requires one Class 1 bicycle parking space for every three group housing units regardless of zoning district.

*A minimum of nine restricted access Class 1 bicycle parking/storage spaces will be located in the basement of the subject building.*

- G. **Signage.** Currently, there is not a proposed sign program on file with the Planning Department. The proposed business does not have a name as of this writing. Any proposed signage will be subject to the review and approval of the Planning Department.

7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply 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 proposed new residential group housing use is permitted as-of-right in the NC-3 (Neighborhood Commercial, Moderate Scale) District pursuant to Planning Code Section 712.92. The site is located in a block that contains lots zoned RH-2 (Residential, House, Two-Family) and RM-2 (Mixed, Moderate Density) and the residential nature of the proposal is consistent with the zoning of the block. Although the density of group housing units exceeds the maximum permitted by the Planning Code, the overall number of people occupying the group housing use is expected to be less in comparison to the previous tourist hotel use. The proposed density is consistent with the Lombard and Scott Street Affordable Group Housing SUD. The proposed use will not affect traffic as residents are not expected to own private vehicles. A minimum of nine bicycle storage spaces will be available for residents. The project will occur within an existing building and expansion of the building is not proposed.*

- 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:

- i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

*Modifications to the existing building that would change its height and bulk are not proposed. The existing building was constructed on the site in approximately 1914 and will remain an integral part of the neighborhood character.*

- ii. 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 Planning Code does not require parking or loading for group housing. It is not expected that residents of the site will own private automobiles due to their level of income. A minimum of nine on-site bicycle storage spaces will be made available to residents. The subject neighborhood is well served by public transportation and it is expected that residents will use this service for much of their transportation needs.*

- iii. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

*Noxious or offensive emissions are not associated with residential uses. All interior and exterior lighting will direct illumination downward.*

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

*The proposed residential use does not propose any such features referenced above that would require additional review and/or conditions to ensure that they are appropriate for the site and neighborhood.*

- 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 with all relevant requirements and standards of the Planning Code and 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 Lombard and Scott Street Affordable Group Housing Special Use District.

*The proposed project is consistent with the stated purpose of the Lombard and Scott Street Affordable Group Housing Special Use District. The project will create up to 24 permanently affordable group housing units for transitional age youth between the ages of 18 -24 with an income level not to exceed 50% of the Area Median Income. One unit will be used for the manager for a total unit count of 25.*

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

On June 21, 2011 the Board of Supervisors adopted the 2009 Housing Element, which was signed by the Mayor on June 29, 2011 to become effective on July 29, 2011, and the Project complies with the update based on the following Policies and Objectives.

## 2009 HOUSING ELEMENT

### Objectives and Policies

#### OBJECTIVE 1:

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

**Policy 1.10.** Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

*The project will be located in the Marina/Cow Hollow/Union Street neighborhoods that provide a mix of housing densities, necessary amenities and access to public transportation. There are ample public transportation opportunities nearby, including: Muni lines #22, 30, 30X, 41, and 45, all of which stop within three blocks of the project site; and Golden Gate bus service to the North Bay, which stops near the project site. In addition, the project site is located near the Chestnut and Union Street Neighborhood Commercial corridors making it convenient for residents without private transportation to access a wide variety of commercial goods and services. The project site is located close to four banks and ATMs, several smaller neighborhood markets and coffee shops, many restaurants of varying affordability, and two movie theaters. The project site is also located near many cultural and educational opportunities including a branch of the SF Public Library, City College's Fort Mason Campus, the Exploratorium, the Palace of Fine Arts, and GGNRA interpretive programs in the Presidio. In addition, the project site is within five blocks of the Presidio YMCA, the Moscone Recreation Center and the Lyon Street entrance of the Presidio, and is also near Crissy Field and the Marina Green.*

#### OBJECTIVE 2.

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

**Policy 2.5:** Encourage and support the seismic retrofitting of the existing housing stock.

*Although the project site is not currently used as housing, the proposed rehabilitation will include seismic and structural upgrades as deemed necessary by a qualified structural engineer and consistent with the Department of Building Inspection's requirements.*

**OBJECTIVE 3:**

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

**Policy 3.1:** Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

**Policy 3.5:** Retain permanently affordable residential hotels and single room occupancy (SRO) units.

*The Special Use District will facilitate up to 24 new affordable group housing units, and will help to decrease the high demand for affordable group housing units. The creation of new group housing units will help to prevent displacement of tenants currently residing in affordable group housing units elsewhere in the City.*

**OBJECTIVE 4:**

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

**Policy 4.2:** Provide a range of housing options for residents with special needs for housing support and services.

**Policy 4.4:** Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

**Policy 4.5:** Ensure that the 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.

**Policy 4.7:** Consider environmental justice issues when planning for new housing, especially affordable housing.

*The proposed project will enable transitional age youth who are aging out of foster care and trying to prevent, or exit, homelessness, to permanently reside and receive supportive services in a financially and socially stable neighborhood. The Mayor's Office of Housing has played an active role in site acquisition and project facilitation to create a permanent housing situation in an existing structure. The project represents a collaboration between governmental (Mayor's Office of Housing) and non-profit organizations (Community Housing Partnership) to create this opportunity for permanent affordable housing. While some properties within close proximity to the site may have undesirable uses on them, in*

*general, the neighborhood is considered a very desirable area that provides its residents with amenities and services that promote a high quality of life. The project will provide housing for economically disadvantaged youth in the generally affluent neighborhood of Cow Hollow/Marina, promoting economic integration of permanently affordable housing and market rate housing.*

**Objective 5:**

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

**Policy 5.2:** Increase access to housing, particularly for households who might not be aware of their housing choices.

**Policy 5.4:** Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

*The project will facilitate a project that will, when combined with the project sponsor's placement efforts, provide increased housing access to individuals who otherwise, due to their young age and low income, would be unlikely to be informed about available housing choices. The Project will be a permanent source of supportive housing for low-income at-risk youth, as opposed to temporary housing provided only on a weekly or monthly basis. Most youth in permanent supportive housing are eager to transition to fully-independent living situations, and the project will be able to provide developmentally-appropriate services targeted to residents to assist them in this time of growth and transition.*

**Objective 6:**

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS.

**Policy 6.1:** Prioritize permanent housing solutions while pursuing both short- and long-term strategies to eliminate homelessness.

**Policy 6.2:** Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

*The project will facilitate permanent housing and social support services for transition-age youth and reduce the need for temporary homeless shelters when youth leave the foster care system. This housing opportunity will enable youth to develop the necessary skills to transition to fully independent living situations.*

*At this time, demand for affordable units to serve the target population far exceeds the City's supply. The Project will greatly increase the stock of housing for low-income youth who are too old for foster care or who have left the foster care system and, as a result, have a high incidence of homelessness. Such youth are particularly underserved in the City.*

**OBJECTIVE 7:**

SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

**Policy 7.5:** Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.

*The proposed Special Use District which modifies group housing density, open space, rear yard and exposure requirements of the Planning Code will allow the project to provide a greater number of group housing units than is otherwise permitted within the existing building envelope. As such, the Special Use District will facilitate permanent affordable housing without adversely affecting the scale or character of the surrounding neighborhood. Overall, the number of occupied rooms in the building will be reduced from 29 to 24 with one manager's unit, for 25 units total.*

**OBJECTIVE 11:**

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

**Policy 11.1:** Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

**Policy 11.3:** Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

**Policy 11.7:** Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

*The proposed project will enable a residential use to be established in a building that was constructed on the subject property in approximately 1914 without modifying the building's envelope or height. As the building will not be newly constructed, or substantially altered, it will continue to compliment, and be compatible with, the Marina/Cow Hollow/Union Street commercial and residential neighborhoods as they have developed over time.*

*The proposed project will allow the replacement of the prior tourist hotel use with a residential use that will have less effect on the surrounding neighborhood by reducing the total potential occupancy from as many as sixty hotel guests (at maximum occupancy) plus hotel employees to twenty-four residents (generally), one live-in manager, and seven employees. By converting the existing building from a tourist hotel to a residential building without substantial structural modification, the project will create new housing while maintaining the same neighborhood scale and character as currently exists.*

*The proposed project will not affect a historic resource. Pursuant to an Historic Resources Evaluation Report, dated May 19, 2010, prepared by Architectural Resources Group, a copy of which is on file with the Planning Department, it was determined that the property is not an historical resource. In addition, the building on the project site is not listed in any standard lists of significant or historic structures. Furthermore, the appearance of the building will remain substantially unmodified.*

**OBJECTIVE 12:**

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

**Policy 12.1:** Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

**Policy 12.2:** Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

*The proposed project will allow group housing units to be located on a site that is well-served by existing public transit lines, including: Muni lines #22, 30, 30X, 41, and 45, all of which stop within three blocks of the project site; and Golden Gate bus service to the North Bay, which stops near the project site. Due to the required income level of residents, they are unlikely to own cars. The project will provide a minimum of nine (9) Class 1 bicycle storage spaces for use by residents. As a result, the project will provide housing that relies on public transit use and environmentally sustainable patterns of movement such as walking and bike riding.*

*An abundance of neighborhood services, cultural amenities and significant open spaces are located within close proximity to the project. For example, the project site is located within approximately ½ mile of four banks and ATMs, one major grocery store, several smaller neighborhood markets and retail outlets for shopping and possible resident employment. The project site is also located near the Exploratorium, the Palace of Fine Arts, Fort Mason and the Presidio. Within five blocks of the site are the Moscone Recreation Center, Crissy Field, and the Marina Green.*

**OBJECTIVE 13:**

**PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.**

**Policy 13.1:** Support “smart” regional growth that locates new housing close to jobs and transit.

**Policy 13.3:** Promote sustainable land use patterns that integrate housing with transportation in order to increase transit, pedestrian, and bicycle mode share.

**Policy 13.4:** Promote the highest feasible level of “green” development in both private and municipally-supported housing.

*The proposed project would allow the location of group housing in an area with an abundance of public transportation and employment opportunities. It is unlikely that residents will own private cars due to affordability restrictions. A minimum of nine (9) Class 1 bicycle storage spaces will be available to the residents to promote an alternative mode of transportation.*

*As currently proposed, the Project would meet Leadership in Energy and Environmental Design (LEED) Silver certification criteria and would include recycled materials where feasible, low-water use showerheads and faucets and EnergyStar rated appliances. If feasible, the project may also include solar panels and other green energy devices.*

**2004 HOUSING ELEMENT**  
**Objectives and Policies**

**OBJECTIVE 1:**

**TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES**

INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

**Policy 1.4:** Locate in-fill housing on appropriate sites in established residential neighborhoods.

*The project would facilitate a residential project in an area surrounded by buildings of similar scale and character, including residential and mixed-use retail-residential buildings. By converting the existing building from a tourist hotel to a residential building without substantial structural modifications, the project will create new housing and increased residential density while maintaining the same neighborhood scale and character. In addition, the project will have a minimal effect on parking and traffic because: (1) the project is well-served by existing public transit lines; (2) most residents of the project are unlikely to have their own cars, and bicycle storage will be provided; (3) the project converts an existing tourist hotel use which generated parking demand and traffic; and (4) the existence of kitchen and other common area facilities and on-site support programs will help to reduce the demand on street infrastructure.*

*The project site is a former tourist hotel in an established residential/commercial neighborhood. The proposed permanently affordable group housing use is appropriate to the location and promotes this policy. The need for affordable housing for transitional age youth has been established through a 2007 study and report conducted by the Mayor's Transitional Youth Task Force titled Disconnected Youth in San Francisco: A Roadmap to Improve the Life Chances of San Francisco's Most Vulnerable Young Adults.*

**OBJECTIVE 4:**

SUPPORT AFFORDABLE HOUSING PRODUCTION BY INCREASING SITE AVAILABILITY AND CAPACITY.

**Policy 4.1:** Actively identify and pursue opportunity sites for permanently affordable housing;

*The tourist hotel building, located in a residential/commercial area, is currently unoccupied and can accommodate a residential component with permanently affordable housing units, which is consistent with this policy.*

**Policy 4.3:** Encourage the construction of affordable units for single households in residential hotels and "efficiency" units.

*Except for one manager unit, the Project proposes 24 units of group housing units for transitional-age occupants. Overall, the project proposes 25 units.*

**Policy 4.4:** Consider granting density bonuses and parking requirement exemptions for the construction of affordable housing or senior housing.

*The project will create the Lombard and Scott Street Affordable Group Housing SUD, which allows a density bonus for the creation of affordable housing for transition-age youth earning a maximum of 50% Area Median Income. In addition, the legislation would exempt the proposal from the Planning Code's rear yard and open space requirements, as well as modify the exposure requirement.*

**OBJECTIVE 5:**



INCREASE THE EFFECTIVENESS AND EFFICIENCY OF THE CITY'S AFFORDABLE HOUSING PRODUCTION SYSTEM.

**Policy 5.2:** Support efforts of for-profit and non-profit organizations and other community based groups and expand their capacity to produce and manage permanently affordable housing.

*The project is sponsored by Community Housing Partnership (CHP), a non-profit organization that has served San Francisco's formerly homeless individuals and families since 1990. CHP has partnered with the Mayor's Office of Housing to secure funding for the proposal and with Larkin Street Youth Services for client programming and services. These partnerships will enable CHP to expand their capacity to produce and manage the proposal as well as providing necessary client services and programming.*

**OBJECTIVE 8:**

ENSURE EQUAL ACCESS TO HOUSING OPPORTUNITIES.

**Policy 8.1:** Encourage sufficient and suitable rental housing opportunities and emphasize permanently affordable rental units wherever possible.

*The group housing units in the proposal will be rental units that are permanently affordable to transition age youth and will promote this objective and policy.*

**Policy 8.6:** Increase the availability of units suitable for users with supportive housing needs.

*The 24 group housing units will be permanent housing designated for emancipated foster youth and homeless youth, who will be able to access on-site supportive services to transition to independent living and to successfully integrate into society. One unit will be used by a resident manager.*

**OBJECTIVE 10:**

REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS IN COORDINATION WITH RELEVANT AGENCIES AND SERVICE PROVIDERS.

**Policy 10.1:** Focus efforts on the provisions of permanent affordable and service-enriched housing to reduce the need for temporary homeless shelters.

**Policy 10.2:** Aggressively pursue other strategies to prevent homelessness and the risk of homelessness by addressing its contributory factors.

**Policy 10.4:** Facilitate childcare and educational opportunities for homeless families and children.

*The housing and services provided by CHP and its partners will be designed to provide the tenants a stable residential environment with supportive services to help them become contributing members of society.*

**NEIGHBORHOOD COMMERCE**

**Objectives and Policies**

**OBJECTIVE 6**

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

**Policy 6.3**

Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.

*The proposed project will create new affordable housing in an established NC-3 (Moderate Scale, Neighborhood Commercial) district. The proposed density will permit a higher number of people to reside at the project site than would be otherwise permitted, which will permanently increase the number of people on the street at different times of the day, increasing safety and business vitality on evenings and weekends. The proposed project will not jeopardize existing affordable housing as the subject building was previously used as a tourist hotel.*

**TRANSPORTATION**

**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 1.3**

Give priority to public transit and other alternatives to the private automobile as the means of meeting San Francisco's transportation needs, particularly those of commuters.

**Policy 1.7**

Assure expanded mobility for the disadvantaged.

*As a result of the proposed project, the Project would locate permanent residents within very close proximity to significant public transportation opportunities in the neighborhood. As off-street parking would not be provided, the Project would promote walking and bicycling amongst the residents. Due to income limitations of residents, it is not expected that many will own private automobiles. Promoting the use of public transportation, bicycling and walking is consistent with the city's Transit First policy.*

*The proposed project will facilitate the location of permanent housing for economically disadvantaged and underemployed workers close Muni lines #22, 30, 30X, 41, and 45. This affordable transportation choice can be used as a tool for improving the economic and social situation of Project residents to provide access to employment, educational institutions, medical services and recreation facilities.*

**OBJECTIVE 16:**

DEVELOP AND IMPLEMENT PROGRAMS THAT WILL EFFICIENTLY MANAGE THE SUPPLY OF PARKING AT EMPLOYMENT CENTERS THROUGHOUT THE CITY SO AS TO

DISCOURAGE SINGLE-OCCUPANT RIDERSHIP AND ENCOURAGE RIDESHARING, TRANSIT AND OTHER ALTERNATIVES TO THE SINGLE-OCCUPANT AUTOMOBILE.

**Policy 16.6:** Encourage alternatives to the private automobile by locating public transit access and ride-sharing vehicle and bicycle parking at more close-in and convenient locations on site, and by location parking facilities for single-occupancy vehicles more remotely.

*The project will include a minimum of eight (9) Class 1 bicycle parking spaces for resident and employee use.*

**OBJECTIVE 28:**

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

**Policy 28.1:** Provide Secure and bicycle parking in new governmental, commercial, and residential developments.

*A minimum of nine (9) Class 1 bicycle parking spaces are proposed in the basement level.*

**AIR QUALITY**

**Objectives and Policies**

**OBJECTIVE 3**

DECREASE THE AIR QUALITY IMPACTS OF DEVELOPMENT BY COORDINATION OF LAND USE AND TRANSPORTATION DECISIONS.

**Policy 3.1:**

Take advantage of the high density development in San Francisco to improve the transit infrastructure and also encourage high density and compact development where an extensive transportation infrastructure exists.

*The proposed project would increase the group housing density from a ratio of 1 unit for every 210 square feet of lot area to a ratio of 1 unit for every 143 square feet of lot area resulting in more group housing units on the property than allowed by the Planning Code for the NC-3 (Moderate Scale, Neighborhood Commercial) district. As the site is within close proximity to Muni lines #22, 30, 30X, 41, and 45, the Project would result in a high density development where an extensive transportation infrastructure exists.*

**URBAN DESIGN**

**Objectives and Policies**

**OBJECTIVE 4**

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

**Policy 9**

Maximize the use of recreation areas for recreational purposes.

*The site is located within close proximity to the Moscone Recreation Center, Crissy Field, and the Marina Green, and use of these recreational spaces by occupants is consistent with this policy.*

**Policy 15**

Protect the livability and character of residential properties from the intrusion of incompatible new buildings.

*The proposed project does not facilitate the construction of a new building that would be incompatible with the existing livability and character of residential buildings. The proposed group housing units would be accommodated within a building that was constructed on the site in 1914.*

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The previous tourist hotel use was discontinued in September 2010, and the use accommodated tourists rather than residents. The project will enhance the neighborhood-serving retail uses in that the project will increase the neighborhood's permanent resident population resulting in a broader consumer base for neighborhood retail businesses in the Marina, Union Street and Cow Hollow neighborhoods. It is possible that residents of the proposed project could be employed by such businesses as well.*

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

*The project will not alter the housing, neighborhood character, cultural or economic diversity of the neighborhood. The existing building does not currently contain any residential housing and the project does not include a building expansion or exterior alterations that would alter its character. The Lombard and Scott Street Affordable Group Housing SUD allows for a higher density with no rear yard or open space requirements, and certain exposure exceptions. Overall, the Project is consistent with the neighborhood's existing mix of uses. Increased density will add to the neighborhood character in that it will bring residents and consumers to this transit-oriented, mixed-use neighborhood. The Project could promote economic diversity by housing low-income at-risk youth in the generally affluent area of Cow Hollow.*

3. That the City's supply of affordable housing be preserved and enhanced;

*The project will facilitate the creation of up to 24 group housing units for at-risk low-income youth, plus one manager's unit for an overall unit count of 25. The project will not result in the removal any existing legal residential units as the building has been used as a tourist hotel since its construction in approximately 1914.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

*Although the Project would result in additional density, the site is located on Lombard Street, which is a major transit corridor. . Due to the required income levels of residents, it is unlikely that they will own private vehicles for commuting. Storage for a minimum of nine bicycles will be provided on the site. The Planning Code does not require off-street parking for group housing.*

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

*The project involves the creation of group housing units.*

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

*Development pursuant to the project must meet current Building Code requirements. The proposed amendments will not alter any such requirements.*

7. That the landmarks and historic buildings be preserved;

*The project would not affect any historic buildings. Through CEQA review of the proposal, it was determined that the building does not qualify as a historic resource.*

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

*The project would not alter the existing building height, or height district of the property. The subject building does not currently exceed a height of 40 and the proposal does not include the expansion of the building that would exceed a height of 40 feet. The Project will have no negative effect on existing parks and open spaces*

10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

11. The Commission hereby finds that approval of the 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 Conditional Use Application No. 2010.0420C** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated July 14, 2011, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

**APPEAL AND EFFECTIVE DATE OF MOTION:** Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 18405. 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.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on July 14, 2011.

Linda D. Avery  
Commission Secretary

AYES: Commissioners Olague, Miguel, Moore, Sugaya and Fong

NAYS: Commissioner Antonini

ABSENT: Commissioner Borden

ADOPTED: July 14, 2011

## EXHIBIT A

### AUTHORIZATION

1. This authorization is for a conditional use to allow a group housing use containing up to 24 group housing units and one manager's unit (25 units total), with exemptions from the open space, rear yard and exposure requirements located at 3151 - 3155 Scott Street, Lot 001 in Assessor's Block 0937 pursuant to Planning Code Section(s) 303 within the NC-3 (Moderate-Scale Neighborhood Commercial) District, Lombard and Scott Street Affordable Group Housing SUD and a 40-X Height and Bulk District; in general conformance with plans, dated July 7, 2011, and stamped "EXHIBIT B" included in the docket for Case No. 2010.0420ETZC and subject to conditions of approval reviewed and approved by the Commission on July 14, 2011 under Motion No. 18405. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.
2. The "Mitigation Monitoring and Reporting Program" attached herein as Exhibit C and which identifies Mitigation Measures and Improvement Measures to be included as part of the project as outlined in the Final Mitigated Negative Declaration, Case No. 2010.0420E, shall be Conditions of Approval and are accepted by the project applicant and any successor-in-interest. If any measures of the Mitigation Monitoring and Reporting Program are less restrictive than the following conditions of approval, the more restrictive and more protective condition of approval shall apply.  
*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

### RECORDATION OF CONDITIONS OF APPROVAL

3. Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on July 14, 2011 under Motion No. 18405.

### PRINTING OF CONDITIONS OF APPROVAL ON PLANS

4. The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 18405 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

5. 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

6. 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.

## PERFORMANCE

7. **Validity and Expiration.** The authorization and right vested by virtue of this action is valid for three years from the effective date of the Motion. A building permit from the Department of Building Inspection to construct the project and/or commence the approved use must be issued as this Conditional Use authorization is only an approval of the proposed project and conveys no independent right to construct the project or to commence the approved use. The Planning Commission may, in a public hearing, consider the revocation of the approvals granted if a site or building permit has not been obtained within three (3) years of the date of the Motion approving the Project. Once a site or building permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. The Commission may also consider revoking the approvals if a permit for the Project has been issued but is allowed to expire and more than three (3) years have passed since the Motion was approved.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

## DESIGN

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

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org).*

## PARKING AND TRAFFIC

9. **Bicycle Parking.** The project shall provide no fewer than 9 Class 1 bicycle parking spaces required by Planning Code Section 155.5.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

## MONITORING

10. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.



*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

11. **Extension.** This authorization may be extended at the discretion of the Zoning Administrator only where failure to issue a permit by the Department of Building Inspection to perform said tenant improvements is caused by a delay by a local, State or Federal agency or by any appeal of the issuance of such permit(s).

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

12. **Community Liaison.** Prior to issuance of a building permit application to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community 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](http://www.sf-planning.org)*

13. **Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designated and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## OPERATION

14. **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/>*

MITIGATION MONITORING AND REPORTING PROGRAM  
EXHIBIT "C"

Page 1 of 1

MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/Report Responsibility	Status/Date Completed
<p><b>Air Quality Mitigation Measure</b>  <b>AQ-1: Mitigation Measure: Building Air Filtration and Ventilation Requirements</b>  To reduce the potential for exposure of building occupants to PM2.5 and other toxic air contaminants, the project shall be designed to incorporate a mechanical ventilation system with air filtration that is capable of removing 80 percent of ambient PM2.5. This level of filtration requires filters with at least a MERV (minimum efficiency reporting value) rating of 12 per American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standard 52.2 (equivalent to approximately ASHRAE Standard 52.1 Dust Spot 85%). In addition, the project's air intakes shall be located on the eastern, western, or southern half of the building as specified in the Air Quality Technical Report to increase the separation from traffic emissions on Lombard Street. The ventilation system shall be designed by an engineer certified by ASHRAE, who shall provide a written report documenting that the system offers the best available technology to minimize outdoor to indoor transmission of air pollution. In addition to installation of air filtration, the project sponsor shall present a plan that ensures ongoing maintenance plan for the ventilation and filtration systems.</p>	<p>Project sponsor as part of structural design and construction of the project.</p>	<p>During construction.</p>	<p>Planning Department, Department of Public Health (DPH), and the Department of Building Inspection (DBI)</p>	<p>Considered complete upon approval of final construction documents showing the mechanical ventilation system, as appropriate.</p>



**SAN FRANCISCO  
PLANNING DEPARTMENT**

**MEMO**

**APPEAL OF FINAL MITIGATED NEGATIVE  
DECLARATION AND CONDITIONAL USE  
AUTHORIZATION  
3151-3155 Scott Street**

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

**DATE:** October 4, 2011

**TO:** Angela Calvillo, Clerk of the Board of Supervisors

**FROM:** John Rahaim, Planning Director - (415) 558-6411  
Bill Wycko, Environmental Review Officer - (415) 575-9048  
Andrea Contreras, Case Planner - (415) 575-9044  
Sara Vellve, Case Planner - (415) 558-6263

**RE:** File Nos. 110935 and 110977, Planning Case Nos. 2010.0420EC  
Department's Response to Appellant's Submittal of September 26, 2011

**HEARING DATE:** October 4, 2011

**ATTACHMENTS:** A - Supplemental Appeal Letter, dated September 26, 2011  
B - Bay Area Air Quality Management District's Adopted Air Quality  
CEQA Thresholds of Significance Table - June 2, 2010

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**PROJECT SPONSOR:** Hershey Hirschkop, Community Housing Partnership

**APPELLANT:** Adam Polakoff, on behalf of Cow Hollow Association, Marina  
Community Association, Marina Merchants Association, Marina Cow  
Hollow Neighbors and Merchants, and Union Street Merchants  
Association

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**INTRODUCTION:**

This memorandum and the attached document is a response ("Supplemental Appeal Response") to a supplemental appeal letter ("Supplemental Appeal Letter") submitted on September 26, 2011 by the Appellant to the Board of Supervisors (the "Board") regarding the Planning Department's (the "Department") issuance of a Final Mitigated Negative Declaration ("FMND") under the California Environmental Quality Act ("CEQA Determination") for a project at 3151-3155 Scott

Memo

Street (the "Project"). The Supplemental Appeal Letter and Response also address the appeal of the Conditional Use ("CU") Authorization and issues raised regarding the Lombard and Scott Street Affordable Group Housing Special Use District ("SUD") ordinance.

Department staff submitted a FMND appeal response memorandum on September 26, 2011 ("Original Appeal Response"), addressing concerns raised in the September 8, 2011, Letter of Appeal ("Original Appeal Letter"). Staff also submitted a CU appeal response memorandum on September 2, 2011 in response to the CU Authorization appeal to the Board filed on August 15, 2011 by the Appellant.

The decision before the Board is three-fold: whether to uphold the Department's decision to issue a FMND and deny the appeal, or to overturn the Department's decision to issue a FMND and return the project to the Department staff for preparation of an Environmental Impact Report ("EIR"); whether to uphold the Planning Commission's approval of CU Authorization to allow conversion of a vacant tourist hotel to 24 units of affordable group housing for transitional age youth between the ages of 18 and 24 and one manager's unit; and whether to approve the SUD ordinance for 3151-3155 Scott Street.

#### **SITE DESCRIPTION & PRESENT USE:**

Please refer to the Department's Original Appeal Response for a description of the Project site and present use.

#### **PROJECT DESCRIPTION:**

Please refer to the Department's Original Appeal Response for a description of the Project.

#### **APPELLANT ISSUES AND PLANNING DEPARTMENT RESPONSES:**

The new concerns raised in the Supplemental Appeal Letter are cited in the issue summary below, followed by the Department's response. The Appellant's submittal contains numerous attachments, including the original FMND and CU appeal letters and the PMND appeal letter. This Supplemental Appeal Response focuses on the new information, specifically Exhibit 1 (Letter dated September 26, 2011) and Exhibit 4 (Letter dated September 26, 2011). Exhibit 1 is addressed in Response 1 while Exhibit 4 is addressed in Response 2.

#### **Environmental Review Process**

**Issue 1:** The Appellant claims that the City did not complete CEQA prior to the first project approval.

**Response 1:** The Department Believes That the Loan Approval Was Not A Project Approval Under CEQA and Prepared An Initial Study in Response to Continuing Neighborhood Concern. Citing *Save Tara v. City of West Hollywood*, (2008) 45 Cal. 4th 116, the Appellant claims

that when the Mayor's Office of Housing ("MOH") approved a loan on July 20, 2010 to Community Housing Partnership ("CHP") to acquire the property, the City violated CEQA by committing to the project before it completed its CEQA analysis. This is incorrect. The loan did not commit the City to the project. On the contrary, it expressly stated that if the City determines "at its sole discretion" that the project is unlikely to be developed within a reasonable time "for any reason," including the project's inability to secure required approvals from the Planning Commission or the Board of Supervisors, the City may require that CHP sell the property, and use the proceeds to pay back its loan. (See Appellant's September 26, 2011 document submission, Exhibit E, Loan Agreement, p. 11.) Moreover, the loan is secured by a Deed of Trust, and the City has a first lien position on the Deed of Trust, helping ensure that in the event of a default by CHP, the City would be able to recover its monies. (See Appellant's September 26, 2011 document submission, Exhibit D, Deed of Trust.) Because the loan did not commit the City to a definitive course of action on the project, or result in an irretrievable commitment of resources, the loan is not an "approval" under CEQA. (See 14 Cal. Code of Regs. ("CEQA Guidelines") §15352(a) [defining "approval" as "the decision by a public agency which commits the agency to a definite course of action in regard to a project"].)

The situation is different from that in *Save Tara*, where the City of West Hollywood loaned a developer half a million dollars to be repaid after project completion, over a period of 55 years. (45 Cal. 4<sup>th</sup> at 140.) Because of the way that loan was structured, the Supreme Court concluded that "if the city did not give final approval to the project, it would not be repaid." (*Id.*) Here, the reverse is true – if the City does not approve the project, the loan must be repaid and if the loan is not repaid, the City has the ability to foreclose on its Deed of Trust and become the owner of the property, which it may sell to recover its funds. Moreover, the loan has a 5 year term, regardless of whether the project is developed, meaning that the loan *must* be repaid within 5 years in any event. In *Save Tara*, the city had also expressed strong commitment to the project, and had engaged in other actions that showed it had decided to move ahead with the project prior to completion of environmental review. For example, it had started relocating tenants to facilitate development of the proposed project – a "likely irreversible" step in the development process. (45 Cal. 4<sup>th</sup> at 142.) Indeed, the loan agreement expressly states that the City's loan was provided for the sole purpose "to allow for the purchase of the Property in order to *preserve the possibility* of developing the Property as affordable housing." (See Appellant's September 26, 2011 document submission, Exhibit E, Loan Agreement, p. 11.) (emphasis added). The loan agreement also contains acknowledgments making clear that MOH was acting solely in its proprietary capacity as a lender and that providing the loan did not in any way imply that the required land use approvals would be granted nor did it limit the City's discretion to review and scrutinize the project in its regulatory capacity.

Although the Department believes that the loan approval was not an approval of the project under CEQA and did not authorize CHP to proceed with any physical changes to the environment, the Department determined that the project was exempt from CEQA in any event and issued a Certificate of Determination of Exemption from Environmental Review ("Exemption Determination") for the project on July 20, 2010. (See Appellant's September 26, 2011 document submission, Exhibit F, Certificate of Determination of Exemption from Environmental Review.) No Notice of Exemption was filed. Appellants are correct that the Department later decided to

prepare an Initial Study ("IS") for the project approvals. An IS is designed to help the City determine whether a Negative Declaration or Environmental Impact Report ("EIR") is appropriate under CEQA for the proposed project. The Department made this decision out of an abundance of caution, partly in response to concerns brought up by neighbors, and partly to fully assess the potential impacts of the project under the 2010 Bay Area Air Quality Management District ("BAAQMD") *CEQA Air Quality Guidelines* and thresholds of significance. (See Appellant's September 26, 2011 document submission, Exhibit G, Email from Andrea Contreras, Planning Department staff, to Ariel Ungerleider.)

The IS identified one potential impact to air quality resulting from the project, and proposed mitigation to bring that potential impact below the threshold of significance. (See Planning Department Response to the Appeal of Final Mitigated Negative Declaration for 3151-3155 Scott Street, Exhibit C, Initial Study, pp. 60-61.) This Impact AQ-3 identified that, because of the existing and future traffic conditions in the project vicinity, "the proposed project would expose sensitive receptors to substantial pollutant concentrations" particularly concentrations of PM2.5 and toxic air contaminants ("TACs") emissions based on the BAAQMD new *CEQA Guidelines*. (*Id.*) The IS identified Mitigation Measure M-AQ-1: Building Air Filtration and Ventilation Requirements to reduce exposure of building occupants to PM2.5 and other TACs below the BAAQMD threshold of significance.

The BAAQMD's revised threshold of significance that resulted in the Department determining that a mitigation measure was appropriate to address TACs was not effective at the time of the Exemption Determination, or at the time the Department decided to conduct an IS for the project, and, therefore, was not applicable to the project. (See BAAQMD's Adopted Air Quality CEQA Thresholds of Significance Table - June 2, 2010 [stating that the new threshold of significance for Risk and Hazards Exposure for New Receptors applies to all projects with an Notice of Preparation published on or after May 1, 2011], Attachment B herein.) Therefore, the record shows that the Department acted prudently and cautiously in this matter. When it came to the Department's attention that the project's Exemption Determination should be re-evaluated under the revised BAAQMD *CEQA Guidelines* for thresholds of significance, it did so, and required that the project incorporate a mitigation measure that was not required by the BAAQMD's earlier *CEQA Guidelines*, in effect at the time of the Exemption Determination, and that was strictly not applicable to this project. The Department decided to incorporate this mitigation measure out of an abundance of caution. This is the only mitigation measure identified for the project.

Moreover, to the extent that the Appellant is challenging the July, 2010 Exemption Determination, this challenge would fail. The CEQA document that is on appeal before the Board at this time is the Final Mitigated Negative Declaration, issued by the Department on July 15, 2011. (See Appellant's September 26, 2011 document submission, Exhibit K, Planning Commission Motion 18043.)

### Density Bonus for Affordable Housing

**Issue 2:** The Appellant questions the application of the Lombard and Scott Street Affordable Group Housing Special Use District (SUD) as a method for complying with the State Density Bonus Law.

**Response 2:** The Lombard and Scott Street Affordable Group Housing Special Use District (SUD) Is an Appropriate Vehicle for Conveying a Density Bonus for Affordable Housing at This Property. State Government Code 65915 states, "When an applicant seeks a density bonus for a housing development within... the jurisdiction of a city, county, or city and county, that local government shall provide the applicant incentives or concessions for the production of housing units..." In this case, the applicant is providing 24 affordable group housing units for transitional-age youth earning a maximum of 50% Area Median Income. While other California jurisdictions have adopted a single ordinance that provides universal rules for density bonuses for affordable housing, San Francisco has developed tailored ordinances for each applicant that are specific to the development and to the neighborhood housing the development. State Government Code states that this bonus must be provided via ordinance, but does not limit the manner in which the bonus is granted to a single ordinance. The applicant has requested the density bonus via an SUD Ordinance and the Planning Commission has recommended approval of said Ordinance. While the Appellant seems to be questioning the *"thorough[ness] and transparen[cy of this] decision making process,"* the fact that the Ordinance is specific to this property allowed the neighbors to see exactly how the proposed density bonus would be applied in their neighborhood and provide detailed testimony to the Commission and this Board about the implications. Therefore the Department submits that this SUD both meets the intent of the State Housing Density law and provides the "thorough and transparent decision making" process sought by the City's General Plan.

### CONCLUSION

The Department conducted an in-depth and thorough analysis of the project at 3151-3155 Scott Street pursuant to the CEQA Guidelines. For the reasons stated in the Original Appeal Response, this Supplemental Appeal Response, and the CEQA Determination, the Department finds that the CEQA Determination complies with the requirements of CEQA. The Department therefore recommends that the Board uphold the FMND and deny the appeal.

In addition, the Lombard and Scott Street Affordable Group Housing SUD is an appropriate vehicle for conveying a density bonus for affordable housing at this property. The Department therefore recommends that the Board uphold the Planning Commission's approval of Conditional Use Authorization to allow conversion of a vacant tourist hotel to 24 units of affordable group housing for transitional age youth between the ages of 18 and 24 and one manager's unit and to approve the SUD ordinance for 3151-3155 Scott Street.

