



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion No. 20457

HEARING DATE: JUNE 6, 2019

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

Record No.: 2015-010013IKA
Project Address: 30 Otis Street
Date: May 30, 2019
Plan Area: Market & Octavia
Project Sponsor: Jessie Stuart
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APPROVING AN IMPACT FEE WAIVER FOR THE 30 OTIS PROJECT IN THE AMOUNT OF \$3,000,000 TO PROVIDE A NEW PEDESTRIAN PLAZA AND PUBLIC SPACE IMPROVEMENTS AT THE CORNER OF 12TH STREET, OTIS STREET, AND SOUTH VAN NESS AVENUE BASED ON THE COMPLETION OF AN IN-KIND AGREEMENT BETWEEN THE PROJECT SPONSOR AND THE CITY.

PREAMBLE

On May 30, 2008, the Market & Octavia Plan became effective, including now Section 421.3 of the San Francisco Planning Code, the Market and Octavia Community Improvements Fund applicable to all projects in the plan area, including the subject property. The Planning Code also enabled project sponsors to seek a waiver from the impact fees when providing public improvements through an In-Kind Agreement with the Planning Department.

On March 1, 2018, the Project Sponsor, Align Real Estate, filed an application with the City for approval of an In-Kind Agreement for provision of a new pedestrian plaza, public space, and streetscape improvements at the corner of 12th Street, Otis Street, and South Van Ness Avenue.

On September 27, 2018, the Planning Commission approved the 30 Otis project. The project consists of a consists a new 250' tall mixed-use building containing 416 residential units, 2,199 square feet of retail, 15,993 square feet of arts activities space and a theater to be occupied by the City Ballet School.

The proposed improvements would provide a new public open space to improve the public realm, enhance pedestrian safety, and provide open space. Creating the plaza is consistent with the Market & Octavia Area Plan; with the public realm improvements called for in Hub Public Realm Plan; and with the design for the area as part of the Van Ness Improvement and Bus Rapid Transit (BRT) Project. The improvements proposed for this agreement would support the policies established in the Market & Octavia Area Plan passed in 2008. The Plan envisioned high-density residential development at the Market and Van Ness intersection, an enhanced public realm, and improvements to support transit use, walking, and biking.

Further, both the Market & Octavia Plan as well as the Hub Public Realm Plan recognize underutilized streets and rights-of-way as an opportunity to create new public parks and plazas.

On May 20, 2019, in Motion 2019-05-20-01, the Market Octavia Citizens Advisory Committee passed a resolution supporting the proposed improvements for the 30 Otis In-Kind Agreement.

MOVED, that the Commission hereby authorizes the Market Octavia Community Improvements Fund Fee Waiver for 30 Otis in the amount of \$3,000,000 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. The proposed In-Kind Agreement is consistent with the Planning Code Section 421.3.
3. **In-Kind Agreement Approval Criteria.** The proposed improvements would present a suitable priority for an In-Kind Agreement to satisfy portions of the Area Plan infrastructure impact fees as they meet the following criteria established in the Planning Commission approved "Procedures of In-Kind Agreements".
 - Improvement Fulfills the Purpose of Community Improvements: Per Planning Code section 421.1(a) (which describes in-kind improvements under the Market Octavia Community Improvements Fund) public improvements, including community open spaces, pedestrian and streetscape improvements, are eligible for funding.
 - The Infrastructure Type is identified in the Fee Ordinance: The plaza project falls under the "Complete Streets" category of improvements in the Market and Octavia Community Improvements Fund and Van Ness and Market Residential SUD Infrastructure Fund, and therefore is eligible.
 - The Expenditure Category for Infrastructure Type is Not Exhausted: The "Complete Streets" category of these Infrastructure Fund funds have not been exhausted.
4. **Priority Improvements.** The proposed improvements are a priority for the Plan Area as they meet the following criteria:
 - Improvement is identified in the Five-Year Capital Plan

The project is included in the current IPIC and CAC endorsed Five Year Capital Plan for Fiscal Year 2020-2024, which was adopted in December 2018, but for a lower amount of \$2,200,000. However, the In-Kind fee waiver at the higher amount of \$3,000,000 in support of the project was approved by the IPIC and CAC in May 2019 and will accordingly be incorporated into the forthcoming Five-Year Capital Plan for Fiscal Year 2021-2025 which is expected to be approved by the IPIC and the CAC in November of this year. In addition, the Project is specifically included in the Hub Public Realm Plan as a priority public realm improvement in the area, and the Van Ness and 12th Street intersection is called out as one of the intersections

for pedestrian improvements. Thus, this project fulfills vision articulated in the Community Improvements identified in the Market Octavia Area Plan and in the Hub Public Plan.

- **Improvement does not Compete with a CAC and IPIC Endorsed Improvement:**

The In-Kind fee waiver amount in support of the Project was approved by the IPIC and CAC in Fall, 2018 and in May 2019. As part of the approval by each of these entities, the Project was determined not to be in competition with any currently identified capital project included in the CAC and IPIC endorsed Five Year Capital Plan. This Project falls within the Complete Streets funding category, which as of the most recently adopted Five Year Capital Plan for Fiscal year 2020-2024 contains a projected un-programmed cumulative balance of \$10,698,000 through the Market and Octavia Community Improvements Fund and \$9,018,000 through the Van Ness and Market Residential SUD Infrastructure Fund, for a total of \$19,716,000 in unprogrammed Complete Streets Infrastructure funds.

- **CAC Supports the Proposed Improvement:**

The CAC approved a resolution in May 2019 supporting the improvements in an amount up to \$3,000,000 and any eligible administrative and project management costs as to be determined by the Planning Department (Attachment 5).

- **Efficiencies are Gained Through Coordination with Development Project:**

Project Sponsors can utilize the construction tools and labor already working onsite for the 30 Otis development to deliver the improvements in a more timely and efficient manner. The Project would be timed with the development of the adjacent development and delivered no later than when the development is ready for occupancy. The Project could be built in conjunction with the development project, resulting in less disruption from construction than if the Project were independently built at another time

5. **Other City Agency Review.** The Project is recommended by the Planning Department and has been reviewed by other public agencies, including the Department of Public Works and the SFMTA. The Street Design Advisory Team, a multi-agency multi-disciplinary review team chaired by Planning, reviewed the project twice and is supportive of the concept design.
6. **Other Required City Actions.** The finalization of the design and the ultimate implementation of the plaza will require additional actions from other City Agencies, including but not necessarily limited to approval of a Major Encroachment Permit. These approvals are required in addition to this approval and the finalization of an In-Kind Agreement between the City and Project Sponsor.
7. **General Plan Compliance.** The Proposed Project is, on balance, consistent with the following Objectives and Policies of the General Plan. All required City approval actions where General Plan findings are required, including but not limited to a major encroachment permit and curb relocation legislation, may rely on findings below:

The proposed In-Kind improvements support the General Plan by implementing the below policies and objectives.

MARKET OCTAVIA AREA PLAN

OBJECTIVE 1.2

ENCOURAGE URBAN FORM THAT REINFORCES THE PLAN AREA'S UNIQUE PLACE IN THE CITY'S LARGER URBAN FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

Creation of this new pedestrian plaza at the highly-visible major intersection of South Van Ness Avenue and Otis/Mission Streets highlights the area's unique urban form as a transforming high-density residential neighborhood and strengthens the new neighborhood's fabric and character with a well-designed and integrated pedestrian plaza for public life.

OBJECTIVE 3.1

ENCOURAGE NEW BUILDINGS THAT CONTRIBUTE TO THE BEAUTY OF THE BUILT ENVIRONMENT AND THE QUALITY OF STREETS AS PUBLIC SPACE.

Creation of this new pedestrian plaza by the 30 Otis project contributes to the beauty of the surrounding built environment and the improved quality of the streets fronting the project's new high-rise residential building as public space.

OBJECTIVE 3.2

PROVIDE SAFE AND COMFORTABLE PUBLIC RIGHTS-OF-WAY FOR PEDESTRIAN USE AND IMPROVE THE PUBLIC LIFE OF THE NEIGHBORHOOD.

Creation of this plaza from former wide rights-of-way devoted to vehicles will improve the pedestrian experience and provide needed space for public life. The plaza builds on the approved design of this plaza as part of the Van Ness Improvement and Bus Rapid Transit (BRT) Project.

OBJECTIVE 5.3

ELIMINATE OR REDUCE THE NEGATIVE IMPACT OF PARKING ON THE PHYSICAL CHARACTER AND QUALITY OF THE NEIGHBORHOOD.

Creation of this plaza will eliminate and reduce the significant negative existing impacts of parking on 12th Street and neighborhood quality.

OBJECTIVE 7.2

ESTABLISH A FUNCTIONAL, ATTRACTIVE AND WELL-INTEGRATED SYSTEM OF PUBLIC STREETS AND OPEN SPACES IN THE SOMA WEST AREA TO IMPROVE THE PUBLIC REALM.

POLICY 7.2.7

Embark on a study to reconfigure major intersections to make them safer for vehicles and pedestrians alike, to facilitate traffic movement, and to take advantage of opportunities to create public spaces.

URBAN DESIGN ELEMENT

OBJECTIVE 4

IMPROVE OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT PRIVDE AND OPPORTUNITY.

Policy 4.11

Make use of street space and other unused public areas for recreation, particularly in dense neighborhoods, such as those close to downtown, where land for traditional open spaces is more difficult to assemble.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 3

IMPROVE ACCESS AND CONNECTIVITY TO OPEN SPACE

Policy 3.1

Creatively develop existing publicly-owned rights-of-way and streets into open space.

The proposed 30 Otis Plaza would create a new plaza in coordination with the development project at 30 Otis Street.

OBJECTIVE 6

SECURE LONG-TERM RESOURCES AND MANAGEMENT FOR OPEN SPACE ACQUISITION, AND RENOVATION; OPERATIONS, AND MAINTENANCE OF RECREATIONAL FACILITIES AND OPEN SPACE.

Policy 6.1

Pursue and develop innovative long-term funding mechanisms for maintenance, operation, renovation and acquisition of open space and recreation.

Approvals for the plaza will be required by Public Works and/or other agencies having jurisdiction over the plaza. Through these approvals, including the Major Encroachment Permit (MEP) approval, ongoing maintenance plans and funding plans for the long-term maintenance of the plaza will be required. Furthermore, the Project Sponsor acknowledges that the City could require that it participate in the City's Plaza Program whereby the programming of the plaza is turned over to a third party to assure that it is sufficiently maintained and is managed as a public resource

8. **Planning Code Sections 101.1 Findings.** The proposed replacement project is generally consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

- a) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced

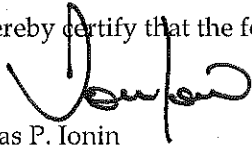
The proposed project will have no adverse effects on neighborhood-serving retail uses.

- b) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods:
The proposed project will protect and enhance the existing neighborhood character by creating a public plaza and improving the public life in the neighborhood.
- c) The City's supply of affordable housing will be preserved and enhanced:
The proposed project will have no adverse effects on the City's supply of affordable housing.
- d) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking:
The proposed project would not impede MUNI transit service.
- e) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced:
The proposed project would not adversely affect the industrial or service sectors or future opportunities for resident employment or ownership in these sectors.
- f) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.
The proposed project would not affect the preparedness against injury and loss of life in an earthquake is unaffected.
- g) That landmark and historic buildings will be preserved
The proposed project would not adversely affect landmark and historic buildings.
- h) Parks and open space and their access to sunlight and vistas will be protected from development
The proposed project will not affect access to sunlight and vistas in parks and open spaces.

Motion No. 20457
June 6, 2019

RECORD No. 2015-010013IKA
30 Otis In-Kind Agreement

I hereby certify that the foregoing Motion was adopted by the Planning Commission on June 6, 2019.



Jonas P. Ionin
Commission Secretary

AYES: Koppel, Johnson, Melgar, Moore, Richards

NAYS: None

ABSENT: Fung, Hillis

ADOPTED: June 6, 2019

