



# SAN FRANCISCO PLANNING DEPARTMENT

## Planning Commission Motion No. 20034

HEARING DATE: OCTOBER 19, 2017

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

*Case No.:* **2015-005848ENV**

*Project Address:* **1601-1645 Market Street (aka 1629 Market St Mixed-Use Project)**

*Existing Zoning:* NCT-3 (Neighborhood Commercial, Moderate Scale) Zoning District;  
P (Public) Zoning District  
OS, 40-X and 85-X Height and Bulk Districts

*Block/Lot:* 3505/001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A, 035

*Project Sponsor:* Strada Brady, LLC

*Staff Contact:* Richard Sucre – (415) 575-9108  
[richard.sucre@sfgov.org](mailto:richard.sucre@sfgov.org)

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, INCLUDING FINDINGS OF FACT, FINDINGS REGARDING SIGNIFICANT IMPACTS AND SIGNIFICANT AND UNAVOIDABLE IMPACTS, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES, AND A STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO APPROVALS FOR THE 1629 MARKET STREET MIXED-USE PROJECT (“PROJECT”), LOCATED ON ASSESSOR’S BLOCK 3505 LOT 001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A, 035.

### PREAMBLE

The 1629 Market Street Mixed-Use Project (“Project”) comprises a project site of approximately 2.2-acres (or approximately 97,617 square feet) on the block bounded by Market, 12<sup>th</sup>, Otis and Brady Streets. Strada Brady, LLC is the Project Sponsor for the Project.

The Project is a new mixed-use development with new residential, retail, and institutional uses, as well as a publicly-accessible open space. The Project would demolish the existing UA Local 38 building, demolish the majority of the Lesser Brothers Building at 1629-1645 Market Street, and rehabilitate the Civic Center Hotel at 1601 Market Street, as well as demolish the 242-space surface parking lots on the project site. The Project would construct a total of five new buildings on the project site, including a new UA Local 38 Building, and a 10-story addition to the Lesser Brothers Building with ground-floor retail/restaurant space at the corner of Brady and Market Streets (“Building A”). A new 10-story residential building with ground-floor retail/restaurant space (“Building B”) would be constructed on Market Street between the new UA Local 38 building and Building A. A nine-story residential building would be constructed at the end of Colton Street and south of Stevenson Street (“Building D”). The five-story Civic Center Hotel (also referred to as “Building C”), would be rehabilitated to contain residential units and ground-floor retail/restaurant space, and a new six-story Colton Street Affordable Housing building would be constructed south of Colton Street as part of the proposed project. Overall, the proposed project would include construction of 455,900 square feet of residential use that would contain up to 484 residential units and up to 100 affordable units in the Colton Street Affordable Housing building, for a total of up to 584 units. In addition, the Project would include 32,100 square feet of union

facility use, 13,000 square feet of ground-floor retail/restaurant use, and 33,500 square feet of publicly-accessible and residential open space. As part of the project, the Project Sponsor would develop a new privately-owned publicly-accessible open space at the northeast corner of Brady and Colton Streets. The Project is more particularly described in Attachment A (See Below).

The Project Sponsors filed an Environmental Evaluation Application for the Project with the San Francisco Planning Department ("Department") on July 10, 2015.

Pursuant to and in accordance with the requirements of Section 21094 of CEQA and Sections 15063 and 15082 of the CEQA Guidelines, the Department, as lead agency, published and circulated a Notice of Preparation ("NOP") on February 8, 2017, which notice solicited comments regarding the scope of the environmental impact report ("EIR") for the proposed project. The NOP and its 30-day public review comment period were advertised in a newspaper of general circulation in San Francisco and mailed to governmental agencies, organizations and persons interested in the potential impacts of the proposed project. The Department held a public scoping meeting on March 1, 2017, at the American Red Cross Building at 1663 Market Street.

During the approximately 30-day public scoping period that ended on March 10, 2017, the Department accepted comments from agencies and interested parties that identified environmental issues that should be addressed in the EIR. Comments received during the scoping process were considered in preparation of the Draft EIR.

The Department prepared the Draft EIR, which describes the Project and the environmental setting, analyzes potential impacts, identifies mitigation measures for impacts found to be significant or potentially significant, and evaluates alternatives to the Project. The Draft EIR assesses the potential construction and operational impacts of the Project on the environment, and the potential cumulative impacts associated with the Project in combination with other past, present, and future actions with potential for impacts on the same resources. The analysis of potential environmental impacts in the Draft EIR utilizes significance criteria that are based on the San Francisco Planning Department Environmental Planning Division guidance regarding the environmental effects to be considered significant. The Environmental Planning Division's guidance is, in turn, based on CEQA Guidelines Appendix G, with some modifications.

The Department published a Draft EIR for the Project on May 10, 2017, and circulated the Draft EIR to local, state, and federal agencies and to interested organizations and individuals for public review. On May 10, 2017, the Department also distributed notices of availability of the Draft EIR; published notification of its availability in a newspaper of general circulation in San Francisco; posted the notice of availability at the San Francisco County Clerk's office; and posted notices at locations within the project area. The Planning Commission held a public hearing on June 15, 2017, to solicit testimony on the Draft EIR during the public review period. A court reporter, present at the public hearing, transcribed the oral comments verbatim, and prepared written transcripts. The Department also received written comments on the Draft EIR, which were sent through mail, fax, hand delivery, or email. The Department accepted public comment on the Draft EIR until June 26, 2017.

The Department then prepared the Comments and Responses to Comments on Draft EIR document ("RTC"). The RTC document was published on October 4, 2017, and includes copies of all of the comments received on the Draft EIR and written responses to each comment.

In addition to describing and analyzing the physical, environmental impacts of the revisions to the Project, the RTC document provided additional, updated information, clarification and modifications on issues raised by commenters, as well as Planning Department staff-initiated text changes to the Draft EIR. The Final Environmental Impact Report (Final EIR), which includes the Draft EIR, the RTC document, the Appendices to the Draft EIR and RTC document, and all of the supporting information, has been reviewed and considered. The RTC documents and appendices and all supporting information do not add significant new information to the Draft EIR that would individually or collectively constitute significant new information within the meaning of Public Resources Code Section 21092.1 or CEQA Guidelines Section 15088.5 so as to require recirculation of the Final EIR (or any portion thereof) under CEQA. The RTC documents and appendices and all supporting information contain no information revealing (1) any new significant environmental impact that would result from the Project or from a new mitigation measure proposed to be implemented, (2) any substantial increase in the severity of a previously identified environmental impact, (3) any feasible project alternative or mitigation measure considerably different from others previously analyzed that would clearly lessen the environmental impacts of the Project, but that was rejected by the project sponsor, or (4) that the Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

The Commission reviewed and considered the Final EIR for the Project and found the contents of said report and the procedures through which the Final EIR was prepared, publicized and reviewed complied with the California Environmental Quality Act (Public Resources Code section 21000 *et seq.*) ("CEQA"), the CEQA Guidelines (14 Cal. Code Reg. section 15000 *et seq.*), and Chapter 31 of the San Francisco Administrative Code.

The Commission found the Final EIR was adequate, accurate and objective, reflected the independent analysis and judgment of the Department and the Planning Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR, and certified the Final EIR for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31 by its Motion No. 20033.

The Commission, in certifying the Final EIR, found that the Project described in the Final EIR will have the following significant and unavoidable environmental impacts:

- Cause a substantial adverse change in the significance of a historical resource, the Lesser Brothers Building at 1629-1645 Market Street.
- Combine with past, present, and reasonably foreseeable future development to contribute considerably to significant cumulative construction-related transportation impacts.

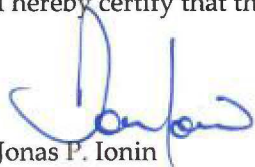
The Planning Commission Secretary is the custodian of records for the Planning Department materials, located in the File for Case No. 2015-005848ENV, at 1650 Mission Street, Fourth Floor, San Francisco, California.

On October 19, 2017, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No. 2015-005848ENV to consider the approval of the Project. 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 Project, the Planning Department staff, expert consultants and other interested parties.

This Commission has reviewed the entire record of this proceeding, the Environmental Findings, attached to this Motion as Attachment A and incorporated fully by this reference, regarding the alternatives, mitigation measures, environmental impacts analyzed in the FEIR and overriding considerations for approving the Project, and the proposed MMRP attached as Attachment B and incorporated fully by this reference, which material was made available to the public.

**MOVED**, that the Planning Commission hereby adopts these findings under the California Environmental Quality Act, including rejecting alternatives as infeasible and adopting a Statement of Overriding Considerations, as further set forth in Attachment A hereto, and adopts the MMRP attached as Attachment B, based on substantial evidence in the entire record of this proceeding.

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on October 19, 2017.



Jonas P. Ionin  
Commission Secretary

AYES: Fong, Johnson, Koppel and Richards  
NAYS: None  
ABSENT: Hillis, Melgar, and Moore  
ADOPTED: October 19, 2017

# Attachment A

## 1629 Market Street Mixed-Use Project

### California Environmental Quality Act Findings:

#### FINDINGS OF FACT, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES, AND STATEMENT OF OVERRIDING CONSIDERATIONS

#### SAN FRANCISCO PLANNING COMMISSION

October 19, 2017

In determining to approve the 1629 Market Street Mixed-Use Project ("Project"), as described in Section I.A, Project Description, below, the following findings of fact and decisions regarding mitigation measures and alternatives are made and adopted, and the statement of overriding considerations is made and adopted, based on substantial evidence in the whole record of this proceeding and under the California Environmental Quality Act, California Public Resources Code Sections 21000-21189.3 ("CEQA"), particularly Sections 21081 and 21081.5, the Guidelines for implementation of CEQA, California Code of Regulations, Title 14, Sections 15000-15387 ("CEQA Guidelines"), particularly Sections 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code.

This document is organized as follows:

**Section I** provides a description of the project proposed for adoption, project objectives, the environmental review process for the project, the approval actions to be taken and the location of records;

**Section II** identifies the impacts found not to be significant that do not require mitigation;

**Section III** identifies potentially significant impacts that can be avoided or reduced to less-than-significant levels through mitigation and describes the disposition of the mitigation measures;

**Section IV** identifies significant impacts that cannot be avoided or reduced to less-than-significant levels and describes any applicable mitigation measures as well as the disposition of the mitigation measures;

**Section V** identifies mitigation measures considered but rejected as infeasible for economic, legal, social, technological, or other considerations;

**Section VI** evaluates the different project alternatives and the economic, legal, social, technological, and other considerations that support approval of the project and the rejection as infeasible of alternatives, or elements thereof, analyzed; and

**Section VII** presents a statement of overriding considerations setting forth specific reasons in support of the actions for the project and the rejection as infeasible of the alternatives not incorporated into the project.

The Mitigation Monitoring and Reporting Program ("MMRP") for the mitigation measures that have been proposed for adoption is attached with these findings as **Exhibit 1** to Attachment A to Motion No.

20034. The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. The MMRP provides a table setting forth each mitigation measure listed in the Final Environmental Impact Report for the Project ("Final EIR") that is required to reduce or avoid a significant adverse impact. The MMRP also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule. The full text of the mitigation measures is set forth in the MMRP.

These findings are based upon substantial evidence in the entire record before the San Francisco Planning Commission (the "Commission"). The references set forth in these findings to certain pages or sections of the Draft Environmental Impact Report ("Draft EIR" or "DEIR") or the Responses to Comments document ("RTC") in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

**I. PROJECT DESCRIPTION, OBJECTIVES, ENVIRONMENTAL REVIEW PROCESS, APPROVAL ACTIONS, AND RECORDS**

The Project is a mixed-use development containing approximately 501,000 gross square feet ("gsf")<sup>1</sup> of new construction, renovated and rehabilitated buildings, and 33,500 square feet of open space<sup>2</sup> on an approximately 2.2-acre site bounded by Market, 12th, Otis, and Brady Streets. Overall, the Project is proposed to include up to 455,900 gsf of residential uses (approximately 584 residential units), 13,000 gsf of retail/restaurant uses, and 32,100 gsf of union facility use.<sup>3</sup>

The Project is more particularly described below in Section I.A.

**A. Project Description.**

**1. Project Location and Site Characteristics.**

The Project is proposed on an approximately 2.2-acre site (Assessor's Block 3505, Lots 001, 007, 008, 027, 028, 029, 031, 031A, 032, 032A, 033, 033A, 034, and 035) on the block bounded by Market, 12th, Otis, and Brady Streets (the "Project site"). Stevenson Street, perpendicular to 12th Street, separates Lots 007 and 008 from the lots to the north fronting Market Street (Lots 001, 033, 033A). Colton Street, perpendicular to Brady Street, turns south into Colusa Place in the middle of the block, then west into Chase Court and wraps around Lots 027 and 028. The Project site is located within the Market & Octavia Area Plan, an area plan of the San Francisco General Plan (General Plan). Most of the site is located within the NCT 3 (Moderate-Scale Neighborhood Commercial Transit) Zoning District, while the southwestern portion of the site, occupying approximately 20,119 square feet is in a P (Public) Zoning District. The P Zoning District is designated in the Market & Octavia Area Plan as the location for a planned open space, referred to as the Mazzola Gardens.<sup>4</sup> The portions of the Project site north of Stevenson Street and east of Colusa Place are located within an 85-X height and bulk district, while the portion of the Project site south of Colton Street is in a 40-X height and bulk district.

---

<sup>1</sup> Gross square footage excludes subterranean parking and loading, parking and loading ingress and egress, as well as other spaces excluded under Planning Code Section 102. All quantities stated herein are approximate unless otherwise noted.

<sup>2</sup> The Project's open space includes 10,100 square feet of common residential and 23,400 square feet of privately-owned publicly-accessible private open space. The privately-owned publicly-accessible open space includes a 13,700 square foot Mazzola Gardens (including space on the parcel owned by BART), an 8,600 square foot mid-block alley between Building A and Building B, and an 1,100 square foot space adjacent to Building A and Brady Street. For purposes of CEQA analysis, all common residential and privately-owned publicly-accessible open space has been included; development of open space on the parcel owned by BART is subject to final agreement with BART. For entitlements purposes, the Mazzola Gardens space has been excluded from the required open space calculations under Planning Code Section 135, because the non-BART portion of the Mazzola Gardens will be subject to an in-kind agreement for satisfaction of the Market & Octavia Community Infrastructure Impact Fee.

<sup>3</sup> The Project described in the EIR has undergone minor changes following publication of the DEIR, as more particularly described in plans dated August 31, 2017. The Planning Department has determined that these changes in the project description do not change the conclusions in the FEIR. These documents are all available for review in File No.2015-005848ENV at the Planning Department, 1650 Mission Street, 4th Floor, for review.

<sup>4</sup> The Mazzola Gardens is referred to in the EIR as the Brady Open Space.

The Project site is currently occupied by four surface parking lots, a Bay Area Rapid Transit ("BART") ventilation structure, as well as three buildings: the Civic Center Hotel, built in 1915; the UA Local 38 building, built in 1923 and extensively remodeled in 1964; and the Lesser Brothers Building, built in 1925.

The Civic Center Hotel occupies the entirety of Lot 001 as a five-story, 55-foot-tall, 36,000-square-foot building with pedestrian access from 12th Street. The Civic Center Hotel is temporarily serving as a Navigation Center (since June 2016) and residential use, and while acting as such, is housing up to 140 transitional occupants supported with up to 14 employees at a single time.

The existing UA Local 38 building, located on Lot 032A, is a two-story, 35-foot-tall, 24,100-square-foot building containing an assembly hall, union support space, including offices, for the UA Local 38. The building covers the entire lot, and pedestrian access is available from Market Street. A surface parking lot (Lots 033 and 033A), accessible via a curb cut on Market Street, containing 69 off-street vehicle parking spaces is located adjacent to the existing UA Local 38 building.

The Lesser Brothers Building, located on Lot 032, is a one-story, 20-foot-tall, 13,000-square-foot building. The building fronts on Market Street and covers approximately one-third of the lot.

A surface vehicle parking lot (Lots 031, 031A, 032, and 035), accessible via a curb cut on Brady Street, extends south of the building to Colton Street and contains 95 off-street vehicle parking spaces. Another surface parking lot (Lots 007, 008, and 029), accessible via a curb cut on Colton Street, containing 39 off-street vehicle parking spaces is located on the Project site south of Stevenson Street. A surface parking lot (Lots 027 and 028), accessible via a curb cut on Colton Street, containing 39 off-street vehicle parking spaces is also located on the Project site, bounded by Colton Street to the north, Colusa Place to the east, and Chase Court to the south. The BART ventilation structure is located on Lot 34 (owned by BART) between the two surface parking lots south of Stevenson Street and north of Colton Street.

Interstate 80 and U.S. Highway 101 (U.S. 101) provide the primary regional access to the Project area. Interstate 280 provides regional access from the South of Market Area ("SoMa") neighborhood to southern San Francisco, the Peninsula, and the South Bay. South Van Ness Avenue serves as U.S. 101 between Market Street and the Central Freeway (at 13th Street), providing direct access to the Project site. The Muni Van Ness Station and surface Muni stops on Market Street and Van Ness Avenue are located approximately 550 feet west (0.10 mile) of the Project site. There are multiple bus stops located in proximity to the Project site, including a stop along South Van Ness Avenue and stops on Mission Street and on Otis Street.

## **2. Project Characteristics.**

The Project is a mixed-use development containing approximately 501,100 gross square feet ("gsf") of new construction, renovated and rehabilitated buildings, and 33,500 square feet of open space on an approximately 2.2-acre site bounded by Market, 12th, Otis, and Brady Streets.

The Project would construct five new buildings on the Project site (one of which would be located behind the portion of the Lesser Brothers Building to be retained), and rehabilitate the Civic Center Hotel (Building C). Overall, the Project would include construction of 455,900 square feet of residential use that would contain up to 484 residential units (including market-rate units and affordable units) in Buildings A through D, as well as up to 100 affordable units in the Colton Street Affordable Housing building. In



addition, the Project would construct 32,100 square feet of union facility use, 13,000 square feet of ground-floor retail/restaurant space along Market, 12th, and Brady Streets in Buildings A, B, and C (Civic Center Hotel), and 33,500 square feet of publicly-accessible and residential open space. The residential unit breakdown for the 484 units would consist of approximately 129 studio units (26.7 percent), 189 one-bedroom units (39.0 percent), and 166 two-bedroom units (34.3 percent).

a. Proposed Buildings.

The Project contains six buildings (five new buildings with heights ranging from 57 to 85 feet,<sup>5</sup> and one retained and rehabilitated building), each as described below.

i. UA Local 38 Building

The Project would construct a new four-story, 58-foot-tall, 32,100-square-foot UA Local 38 building with an assembly hall and office space to replace the existing building. The new UA Local 38 building, located between Building B and the rehabilitated Civic Center Hotel (Building C), would front Market Street, and would have no setbacks.

ii. Building A

Upon demolition of a majority of the Lesser Brothers Building, the Project would construct a 10-story, 85-foot-tall, 164,200-square-foot addition behind the remaining 140-foot-long Market Street façade. The Project would retain the primary Market Street façade, including the façade's single-story height, storefronts divided by piers and capped by wood-frame transoms, stucco-clad and cast cement frieze and cornice, and tile-clad pent roof, all of which have been identified as character-defining features of the building. In addition, the Project would retain 80 percent (48 of 60 feet) of the west (Brady Street) façade, as well as 40 percent (24 of 60 feet) of the east façade, which currently abuts 1621 Market Street. This partially retained façade would be newly visible with demolition of 1621 Market Street and development of a pedestrian walkway between Buildings A and B. Building A, located on the corner of Brady and Market Streets, would contain 190 residential units and 6,600 square feet of ground-floor retail/restaurant space along Market Street and a small portion at the southwest corner of the building on Brady Street. The ground floor retail/restaurant area, with pedestrian entrances for the residential portion of the building available from the mid-block alley and Brady Street. A 19-foot-wide curb cut and garage opening would provide access to the two-level, below-grade parking garage under Building A. The first level of the below-grade parking garage would also contain amenity space and bike storage. Although Building A would rise to a height of 85 feet, the rear portion of the building fronting Brady Street would rise to a height of 72 feet to accommodate a 3,000-square-foot roof deck. The Market Street façade of Building A would be set back from the portion of the Lesser Brothers Building façade proposed to be retained by 10 feet; however, the vertical bay projections and fins would be set back approximately two feet and two inches from the Lesser Brothers Building façade. An additional 2,100 square feet of common residential open space would be provided east of the building, to the west of the mid-block alley open space, and an additional 1,100 square feet of privately-owned publicly-accessible open space would be provided along the west side of the building adjacent to Brady Street. The rear façade of the building,

---

<sup>5</sup> Building heights for the Project do not include rooftop mechanical penthouses. In accordance with Section 260(b)(1)(B) of the Planning Code, elevator, stair, and mechanical penthouses would be a maximum of 16 feet in height above the roofline.

supported on V columns, would extend approximately 40 feet over the Mazzola Gardens at height of approximately 27 feet above the open space.

iii. **Building B**

The Project would construct a 10-story, 85-foot-tall, 147,200-square-foot mixed-use building located between Building A and the UA Local 38 building, which would contain 170 residential units and 2,700 square feet of ground-floor retail/restaurant space fronting Market Street. A portion of the front façade of Building B would be slightly set back from Market Street. A portion of the east façade of the building would also step back to accommodate a 2,200-square-foot residential common open space. A residential lobby would be located behind the retail/restaurant area on the ground floor, with pedestrian access available from the mid-block alley and the common open space on the east side of the building. A 24-foot-wide curb cut and garage opening at the southwest corner of the building would provide access to the two-level, below-grade parking garage under Building B.

iv. **Building C (Civic Center Hotel)**

The Project would rehabilitate the existing five-story, 55-foot-tall, 39,900 square-foot Civic Center Hotel, located on the corner of Market and 12th Streets, to contain 60 residential units and 36,700 square feet of residential uses, and 3,700 square feet of ground-floor retail/restaurant space along Market and 12th Streets. No building expansion is proposed, although a stairwell/elevator would be added. A residential lobby with pedestrian access from 12th Street would be located between the two retail/restaurant areas at the north and south ends of the building on the ground floor. The rehabilitation of the Civic Center Hotel would retain the building's five-story height and massing and three brick-clad street-facing elevations, the cast stone and sheet metal ornament on the Market Street and 12th Street façades, the street-level storefronts (although the storefronts themselves would be altered), the regular pattern of double-hung windows, and the neon blade sign, although the sign may be relocated and/or the lettering and lighting type and efficiency may be altered. Each of these features has been identified as important to defining the historic character of the building.

v. **Building D**

The Project would construct a nine-story, 85-foot-tall, 71,700-square-foot residential building with 64 residential units, east of the proposed Mazzola Gardens and south of Stevenson Street. A ground-floor lobby would be located on the north end of the building, with pedestrian access available from the Mazzola Gardens. A residential move-in/move-out loading space would be located on the east side of the building fronting Stevenson Street. As currently designed, a curb cut would not be needed because the paving would be flush across Stevenson Street. Building D would include a single basement level to provide building service space, bicycle storage, and amenity space for tenants. A 1,500-square-foot residential common open space would be located on the roof, and a 700-square foot residential common open space would be located at the southeast corner of the building.

vi. **Colton Street Affordable Housing Building**

The Project would construct a six-story, 68-foot-tall building, south of Colton Street, containing up to 100 affordable residential units. A single basement level would provide tenant laundry facilities, work rooms, a kitchen, dining area, bike storage, building service space, and a courtyard open to the ground floor

above. A residential lobby with pedestrian access from Colton Street would be located on the ground floor. An approximately 600-square-foot residential common open space would be located at the southwest corner of the building. On-site social services that would be provided include one-on-one case management, job training, and health services to assist residents with their transition out of homelessness.

**b. Streetscape Changes**

The Project would include two driveways across the existing sidewalks: one 19-foot-wide driveway along Brady Street that would use an existing curb cut, and a 24-foot-wide curb cut on Stevenson Street, approximately 140 feet west of the intersection of Stevenson and 12th Streets, which would provide access to the two-level vehicle parking garage located under Buildings A and B. In addition, a bulbout proposed across Stevenson Street at 12th Street would require a new 20-foot-wide curb cut into the bulbout to access Stevenson Street.

The Project includes two potential options for streetscape designs along 12th Street adjacent to the Project site for consideration, and the Project approvals allow flexibility for either design. Both the "Base Case" and "Enhanced Plan" for the 12th Street streetscape plan would modify pedestrian conditions along the roadway segment. The Project would include its share of improvements along the west wide of 12th Street under either scenario. The Base Case would include a raised intersection across 12th Street at the Stevenson Street entrance to the Project site, and the Enhanced Plan would convert all of 12th Street into a raised, shared roadway, slowing vehicle traffic and making pedestrian travel safer and more comfortable along the roadway. The Project would maintain existing sidewalk widths on Brady, Colton, and Market Streets immediately surrounding the Project site and would provide its share of streetscape improvements along the west side of 12th Street to widen sidewalks, add street trees, and add bulbouts at the corner of Market and 12th Streets, as well as at the corner of 12th and Stevenson Streets. The Base Case streetscape plan for 12th Street would include 21-foot-wide pedestrian zones on both sides of the street, including a four-foot-wide frontage zone, eight-foot-wide sidewalk, and nine-foot-wide furnishing zone. The Enhanced Plan for 12th Street would include a 40-foot-wide pedestrian zone on the east side of the street and an 18-foot-wide pedestrian zone on the west side of the street. The 40-foot-wide pedestrian zone would include a six-foot-wide sidewalk along the drive lane, a 25-foot-wide promenade area for vendors and seating, and a nine-foot-wide sidewalk adjacent to 10 South Van Ness Avenue. The 18-foot-wide pedestrian zone would include four-foot-wide buffer zones adjacent to the Project and drive lane, and a 10-foot-wide sidewalk between the buffer zones. Both designs would include a small plaza on the northwest corner of the intersection of 12th, Mission, and Otis Streets and South Van Ness Avenue.

**c. Transportation Demand Management Plan.**

The Project includes a Transportation Demand Management ("TDM") Plan, in compliance with Section 169 of the Planning Code. The Project would implement TDM Measures from the following categories of measures in the TDM Program Standards: active transportation; car-share; delivery; family-oriented; information and communications; land use; and parking management. The TDM Ordinance requires, prior to issuance of a certificate of occupancy, that a property owner facilitate a site inspection by the Planning Department and document implementation of applicable aspects of the TDM Plan, and maintain a TDM Coordinator, allow for Department inspections, and submit periodic compliance reports throughout the life of the Project.

d. Open Space.

The Project would provide approximately 33,500 square feet of open space, including privately-owned publicly-accessible and residential common open space in the form of roof decks and courtyards. The Project would provide approximately 10,100 square feet of common usable open space for the residential uses proposed by the Project. These common usable open spaces would include roof decks on Buildings A and D, and ground-floor courtyard open space adjacent to Buildings A, B, C, D, and the Colton Street Affordable Housing Building. The Project would also provide approximately 23,400 square feet of privately-owned publicly-accessible open space, including the creation of the planned Mazzola Gardens (13,700 square feet) at the northeast corner of Brady and Colton Streets, a mid-block alley between Buildings A and B (8,600 square feet), and space adjacent to Building A and Brady Street (1,100 square feet). The mid-block alley would provide access through the Project site to the Mazzola Gardens from Market Street. The Mazzola Gardens would provide publicly-accessible amenities including seating, landscaping, play equipment, and flexible recreation areas. The BART ventilation structure would remain in place and functioning within the Mazzola Gardens, but would be screened from view with a sculptural installation or landscape wall. The proposed design is being coordinated and permitted through BART. The design must comply with BART standards to ensure functionality, security, access, and maintenance.

e. Construction Activities.

The Project is anticipated to be constructed on a mat foundation. Therefore, the Project would entail excavation to a maximum depth of approximately 30 feet to accommodate both the below-grade parking levels and foundation. The Project would require excavation of approximately 63,400 cubic yards; Phase 1 excavation would total up to approximately 39,700 cubic yards, and Phase 2 would total up to approximately 23,700 cubic yards. Because the soils beneath the Project site consist of artificial fill, Dune sand, and marsh deposits to approximately the proposed depth of excavation, and because these soils may be unsuitable for supporting the proposed structures, soil improvement would likely be required to avoid the potential for soil liquefaction and to properly support the foundation slab. Soil improvement would likely be undertaken by a technique known as deep soil mixing ("DSM"), in which cement grout is pumped into and mixed with the native soil, essentially creating strengthened columns in the ground that can adequately support a foundation slab. Because of the presence of the BART tunnels beneath the site, DSM columns cannot be created atop the tunnels, and therefore the foundation slab would have to be constructed in a manner such that it could span the area above the BART tunnels between DSM columns on either side of the tunnels. Additionally, within the area designated as BART's Zone of Influence above the tunnels, the Project may not place additional weight atop the BART structures. Therefore, the building weight must be offset by excavation of the Project's basement levels. BART would review the Project's final geotechnical and geological hazards evaluation reports to ensure compliance with its guidelines for construction over its subway structures. The reports will include an engineering geology map, a site plan showing the location of subway structures, BART easements, a soil reworking plan, and the geological conclusion and recommendations.

Construction staging for Phases 1 and 2 of construction would occur in the proposed Mazzola Gardens portion of the Project site and may also occur on a portion of Stevenson Street. The Mazzola Gardens would be developed when the construction staging for Phase 2 is complete. During construction, trucks would access the site from Brady, 12th, Colton, and Stevenson Streets.

A number of support poles for Muni overhead wires are located on Market Street, South Van Ness Avenue, Otis Street, and Mission Street. It is anticipated that these support poles would be maintained, but some may require temporary relocation during construction, which would be coordinated through the SFMTA's review of the Special Traffic Permit and of the Project's construction management plan.

f. **Construction Schedule.**

The Project would be constructed in two sequential phases. Phase 1 would include construction of the Colton Street Affordable Housing building, the new UA Local 38 building, and Building D, all of which would be located on existing surface parking lots. In addition, Building A, including the two-level, below-grade parking garage, would also be constructed during Phase 1. The two-level, below-grade parking garage under Building B would be completed in Phase 2. Construction of Building A would entail demolition of the majority of the Lesser Brothers Building and construction of a 10-story addition behind the portion of the façade along Market Street proposed to be retained. Residents of the Civic Center Hotel would remain onsite during Phase 1 construction, as would employees of the UA Local 38 building. Following the completion of Phase 1 construction, the new buildings would be available for occupancy. Current long-term residents of the Civic Center Hotel would have the opportunity to move and relocate into the new Colton Street Affordable Housing building, and UA Local 38 would operate in its new location. Phase 2 construction would entail demolition of the existing UA Local 38 building and the construction of Building B and its below-grade parking garage, and the rehabilitation of the Civic Center Hotel (Building C) into a mixed-use building with residential use over ground-floor retail/restaurant. Upon completion of the Project, the two garage areas under Buildings A and B would be connected and result in one garage, with access from Brady and Stevenson Streets.

The construction duration for the entire Project is estimated to require a total of 44 months. Phase 1 would require 22 months and is anticipated to begin in March 2018, with initial occupancy anticipated to occur by January 2020. Phase 1 would involve demolition and site preparation (including grading and excavation) that would take approximately five months, followed by foundation and below-grade construction requiring two months, then building construction, paving, and architectural coatings would require an additional eleven months, with completion of interiors taking an additional four months.

Phase 2 of the Project is anticipated to begin in January 2020 and require 22 months for completion, anticipated by November 2021. Phase 2 would involve demolition and site preparation (including grading and excavation) and would take approximately five months, followed by foundation and below-grade construction requiring two months, then building construction, paving, and architectural coatings would require an additional 11 months, with completion of interiors taking an additional four months.

B. **Project Objectives**

The Project Sponsor, Strada Brady, LLC, would develop the Project. Their Project objectives are to:

- Take advantage of the opportunity to plan and develop a mixed-use development at a significant, underutilized site in a transit-oriented, urban infill location with a building density, mix of uses, and public amenity program that is generally consistent with the overall objectives and policies of the Market & Octavia Area Plan.

- Create a mixed-use, mixed-income community that includes on-site market-rate, inclusionary below-market-rate, and supportive housing, along with neighborhood-serving retail and new labor union facilities.
- Develop the site at an intensity and density that takes advantage of the transit resources in the area and allows the proposed project to remain financially feasible while delivering on-site affordable housing, open space, and other public benefits and community amenities.
- Produce high-quality architectural and landscape design that encourages variety, is compatible with its surrounding context, and will contribute to Market Street's unique vibrancy through strong urban design and prominent corners at 12th and Brady Streets.
- Build a transit-oriented development that is committed to sustainable design and programming through its transportation demand management, efficient building systems, and environmentally-conscious construction materials and methods.
- Preserve the character-defining features of the Civic Center Hotel and retain and renovate portions of the Lesser Brothers Building storefront at 1629–1645 Market Street, and incorporate these resources as integral parts of the overall project design, massing, and street wall context for Market and 12th Streets.
- Provide affordable housing on the Colton Street portion of the project site at a sufficient density to support on-site social and health services targeted to serve formerly homeless and at-risk residents.
- Develop a new facility for the property owner and current occupant of the site, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry Local 38 and its Pension Trust Fund, including offices and union meeting space.
- Fulfill key City Market & Octavia Area Plan objectives regarding the network of neighborhood-serving open space and pedestrian passageways by designing, developing, and maintaining an approximately 18,000-square-foot Mazzola Gardens.
- Encourage pedestrian access to the Mazzola Gardens with both north/south and east/west access to the site by creating new mid-block alleyways and other streetscape improvements.

C. **Environmental Review**

The environmental review for the Project is described in Planning Commission Motion No. 20033, to which this Attachment A is attached.

D. **Approval Actions.**

The Project requires the following approvals:

1. Planning Commission Approvals.

- Recommendation to the Board of Supervisors of an amendment to the Height and Bulk Map to change the height and bulk designation of the Colton Street Affordable Housing parcel from 40-X to 68-X.
- Recommendation to the Board of Supervisors of an amendment to the Zoning Use District Map (rezoning) to reflect the reconfigured open space parcel for the Mazzola Gardens.
- Recommendation to the Board of Supervisors of amendments to the Market & Octavia Area Plan including to Map 1 Land Use Districts, Map 3 Height Districts, and Policy 7.2.5 to reflect the updated proposed plan for the Mazzola Gardens.
- Recommendation to the Board of Supervisors of a Special Use District to reflect other Code compliance and phasing issues on a site-wide basis, such as open space and height limits along narrow streets and alleys.
- Recommendation to the Board of Supervisors of a Development Agreement with respect to the project sponsor's commitment to develop supportive affordable housing as part of the proposed project and to develop and maintain the Mazzola Gardens.
- Approval of Conditional Use Authorization/Planned Unit Development from the Planning Commission per Planning Code Sections 303 and 304 to permit development of a large lot (10,000 square feet and above) and large non-residential use (4,000 square feet and above), to address dwelling unit mix, and to provide exceptions to the Planning Code requirements for: rear yard, open space, permitted obstructions, dwelling unit exposure, street frontage, loading, and measurement of height, including adoption of the Mitigation Monitoring Reporting Program as part of the conditions of approval.
- Approval of the Project's Transportation Demand Management Plan, as required by Planning Code Section 169.

2. Board of Supervisors Actions.

- Adoption of findings under CEQA.
- Adoption of findings of consistency with the General Plan and priority policies of Planning Code Section 101.1.
- Approval of an amendment to the Height and Bulk Map to change the height and bulk designation of the Colton Street Affordable Housing parcel from 40-X to 68-X.
- Approval of an amendment to the Zoning Use District Map (rezoning) to reflect the reconfigured open space parcel for the Mazzola Gardens.

- Approval of amendments to the Market & Octavia Area Plan including to Map 1 Land Use Districts, Map 3 Height Districts, and Policy 7.2.5 to reflect the updated proposed plan for the Mazzola Gardens.
- Approval of Special Use District to reflect other Planning Code compliance issues on a site-wide basis, such as open space and height limits along narrow streets and alleys.
- Approval of a Development Agreement with respect to the project sponsor's commitment to develop supportive affordable housing as part of the proposed project and to develop and maintain the Mazzola Gardens.

3. **Department of Building Inspection Actions.**

- Review and approval of demolition, grading, and building permits.
- If any night construction work is proposed that would result in noise greater than five dBA above ambient noise levels, approval of a permit for nighttime construction is required.

4. **San Francisco Public Works Actions.**

- If sidewalk(s) are used for construction staging and pedestrian walkways are constructed in the curb lane(s), approval of a street space permit from the Bureau of Street Use and Mapping.
- Approval of a permit to remove and replace street trees adjacent to the project site.
- Approval of construction within the public right-of-way (e.g., curb cuts, bulbouts and sidewalk extensions) to ensure consistency with the Better Streets Plan.
- Approval of parcel mergers and new subdivision maps.

5. **San Francisco Municipal Transportation Agency Actions.**

- Approval of the placement of bicycle racks on the sidewalk, and of other sidewalk improvements, by the Sustainable Streets Division.
- If any portion of the public right-of-way is used for construction staging and pedestrian walkways are constructed in the curb lane(s), approval of a Special Traffic Permit from the Sustainable Streets Division.
- Approval of construction within the public right-of-way (e.g., bulbouts and sidewalk extensions) to ensure consistency with the Better Streets Plan.
- Approval of designated color curbs for on-street freight or commercial loading along 12th, Brady, and Stevenson Streets.



6. **San Francisco Public Utilities Commission Actions.**

- Approval of any changes to sewer laterals (connections to the City sewer system).
- Approval of an Erosion and Sediment Control Plan, in accordance with Article 4.1 of the San Francisco Public Works Code.
- Approval of post-construction stormwater design guidelines, including a stormwater control plan that complies with the City's 2016 Stormwater Management Requirements and Design Guidelines.
- Approval of any changes to existing publicly-owned fire hydrants, water service laterals, water meters, and/or water mains.
- Approval of the size and location of the project's new fire, standard, irrigation, and/or recycled water service laterals.
- Approval of the landscape plan per the Water Efficient Irrigation Ordinance.
- Approval of the use of dewatering wells per Article 12B of the Health Code (joint approval by the San Francisco Department of Public Health).
- Approval of required documentation per the Non-potable Water Ordinance (joint approval by the San Francisco Department of Public Health).

7. **San Francisco Department of Public Health Actions.**

- Approval of an Enhanced Ventilation Proposal as required pursuant to Article 38 of the Health Code.
- Approval of a Dust Control Plan as required pursuant to Article 22B of the Health Code.
- Approval of a Work Plan for Soil and Groundwater Characterization and, if determined necessary by the Department of Public Health, a Site Mitigation Plan, pursuant to Article 22A of the Health Code.
- Approval of the use of dewatering wells per Article 12B of the Health Code (joint approval by the San Francisco Public Utilities Commission).
- Approval of required documentation per the Non-potable Water Ordinance (joint approval by the San Francisco Public Utilities Commission).

8. **Bay Area Rapid Transit ("BART") Actions.**

- Approval of a Construction Permit for construction on, or adjacent to, the BART right of way. Pertinent design and construction documents would be required to be

submitted to BART for review and approval to ensure compliance with their guidelines for construction over its subway structures.

**E. Findings About Significant Environmental Impacts and Mitigation Measures.**

The following Sections II, III and IV set forth the findings about the determinations of the Final EIR regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide written analysis and conclusions regarding the environmental impacts of the Project and the mitigation measures included as part of the Final EIR and adopted as part of the Project.

In making these findings, the opinions of the Planning Department and other City staff and experts, other agencies and members of the public have been considered. These findings recognize that the determination of significance thresholds is a judgment within the discretion of the City and County of San Francisco; the significance thresholds used in the Final EIR are supported by substantial evidence in the record, including the expert opinion of the Final EIR preparers and City staff; and the significance thresholds used in the Final EIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the Project.

These findings do not attempt to describe the full analysis of each environmental impact contained in the Final EIR. Instead, a full explanation of these environmental findings and conclusions can be found in the Final EIR and these findings hereby incorporate by reference the discussion and analysis in the Final EIR supporting the determination regarding the Project impacts and mitigation measures designed to address those impacts. In making these findings, the determinations and conclusions of the Final EIR relating to environmental impacts and mitigation measures, are hereby ratified, adopted and incorporated in these findings, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings.

As set forth below, the mitigation measures set forth in the Final EIR and the attached MMRP are hereby adopted and incorporated, to substantially lessen or avoid the potentially significant impacts of the Project. Accordingly, in the event a mitigation measure recommended in the Final EIR has inadvertently been omitted in these findings or the MMRP, such mitigation measure is nevertheless hereby adopted and incorporated in the findings below by reference. In addition, in the event the language describing a mitigation measure set forth in these findings or the MMRP fails to accurately reflect the mitigation measure in the Final EIR due to a clerical error, the language of the mitigation measure as set forth in the Final EIR shall control. The impact numbers and mitigation measure numbers used in these findings reflect the numbers contained in the Final EIR.

In Sections II, III and IV below, the same findings are made for a category of environmental impacts and mitigation measures. Rather than repeat the identical finding to address each and every significant effect and mitigation measure, the initial finding obviates the need for such repetition because in no instance are the conclusions of the Final EIR, or the mitigation measures recommended in the Final EIR for the Project, being rejected.

**F. Location and Custodian of Records.**

The public hearing transcripts and audio files, a copy of all letters regarding the Final EIR received during the public review period, the administrative record, and background documentation for the Final

EIR are located at the Planning Department, 1650 Mission Street, San Francisco. The Planning Commission Secretary, Jonas P. Ionin, is the custodian of records for the Planning Department and the Planning Commission.

## II. IMPACTS FOUND NOT TO BE SIGNIFICANT AND THUS DO NOT REQUIRE MITIGATION

Under CEQA, no mitigation measures are required for impacts that are less than significant (Pub. Res. Code § 21002; CEQA Guidelines §§ 15126.4, subd. (a)(3), 15091). As more fully described in the Final EIR and the Initial Study, and based on the evidence in the whole record of this proceeding, it is hereby found that implementation of the Project would not result in any significant impacts in the following areas and that these impact areas therefore do not require mitigation:

### Land Use

- **Impact LU-1:** The Project would not physically divide an existing community.
- **Impacts LU-2:** The Project would not conflict with any applicable land use plans, policies or regulations of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect.
- **Impact C-LU-1:** The Project, in combination with past, present and reasonably foreseeable projects, would not result in a cumulative land use impact.

### Population and Housing

- **Impact PH-1:** The Project would not induce substantial population growth either directly or indirectly.
- **Impact PH-2:** The Project would not displace a substantial number of existing housing units, people, or create demand for additional housing elsewhere.
- **Impact C-PH-1:** The Project would not make a considerable contribution to any cumulative significant effects related to population or housing, in combination with past, present, and reasonably foreseeable future projects, would not induce substantial population growth either directly or indirectly, displace substantial numbers of exiting units, or create demand for additional housing, necessitating the construction of replacement housing.

### Cultural Resources

- **Impact CR-3:** The Project would not cause a substantial adverse change in the significance of the Path of Gold Light Standards, a historical resource is defined in CEQA Guidelines Section 15064.5(b).
- **Impact CR-5:** The Project would not result in a substantial adverse change in the significance of an adjacent historical resource as defined in CEQA Guidelines Section 15064.5(b).

- **Impact C-CR-1:** The Project, in combination with past, present, and reasonably foreseeable projects in the area, would not result in a significant cumulative impact on historic architectural resources.

### Transportation and Circulation

- **Impact TR-1:** The Project would not cause substantial additional VMT nor substantially induce automobile travel.
- **Impact TR-2:** The Project would not cause major traffic hazards.
- **Impact TR-3:** The Project would not result in a substantial increase in transit demand that could not be accommodated by adjacent local and regional transit capacity, or cause a substantial increase in delays or operating costs such that significant adverse impacts to local or regional transit service could occur.
- **Impact TR-4:** The Project would not result in substantial overcrowding on public sidewalks, and would not create potential hazardous conditions for pedestrians, or otherwise interfere with pedestrian accessibility to the site and adjoining areas.
- **Impact TR-5:** The Project would not result in potentially hazardous conditions for bicyclists, or otherwise substantially interfere with bicycle accessibility to the site and adjoining areas.
- **Impact TR-6:** The Project would not result in a loading demand that could not be accommodated within the proposed on-site loading facilities or within convenient on-street loading zones, and would not create potentially hazardous conditions for traffic, transit, bicyclists, or pedestrians, or significant delays to transit.
- **Impact TR-7:** The Project would not result in significant impacts on emergency vehicle access.
- **Impact TR-8:** The Project construction activities would not result in substantial interference with transit, pedestrian, bicycle, or vehicle circulation and accessibility to adjoining areas, and would not result in potentially hazardous conditions.
- **Impact C-TR-1:** The Project, in combination with other past, present, and reasonably foreseeable future projects, would not contribute to regional VMT in excess of expected levels.
- **Impact C-TR-2:** The Project, in combination with other past, present, and reasonably foreseeable future projects, would not cause major traffic hazards.
- **Impact C-TR-3:** The Project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant transit impacts.
- **Impact C-TR-4:** The Project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant pedestrian impacts.
- **Impact C-TR-5:** The Project, in combination with other past, present, and reasonably foreseeable future projects, would not result in cumulative bicycle impacts.

- **Impact C-TR-6:** The Project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant impacts on loading.
- **Impact C-TR-7:** The Project, in combination with other past, present, and reasonably foreseeable future projects, would not result in a significant impact on emergency vehicle access.

#### Air Quality

- **Impact AQ-1:** The Project's construction activities would generate fugitive dust and criteria air pollutants, but would not violate an air quality standard, contribute substantially to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants.
- **Impact AQ-2:** During Project operations, the Project would result in emissions of criteria air pollutants, but not at levels that would violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants.
- **Impact AQ-4:** The Project would not conflict with, or obstruction implementation of the *2010 Clean Air Plan*.
- **Impact AQ-5:** The Project would not create objectionable odors that would affect a substantial number of people.

#### Greenhouse Gas Emissions

- **Impact C-GG-1:** The Project would generate greenhouse gas emissions, but not at levels that would result in a significant impact on the environment or conflict with any policy, plan, or regulation adopted for the purpose of reducing greenhouse gas emissions.

#### Wind and Shadow

- **Impact WS-1:** The Project would not alter wind in a manner that substantially affects public areas.
- **Impact WS-2:** The Project would not create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas.
- **Impact C-WS-1:** The Project, in combination with other past, present, and reasonably foreseeable projects, would not result in cumulative impacts related to wind.
- **Impact C-WS-2:** The Project, in combination with other past, present, and reasonably foreseeable projects, would not result in cumulative impacts related to shadow.

#### Recreation

- **Impact RE-1:** The Project would not result in a substantial increase in the use of existing parks and recreational facilities, the deterioration of such facilities, include recreation facilities, or

require the expansion of recreational facilities, or physically degrade existing recreational resources.

- **Impact C-RE-1:** The Project, in combination with other past, present, or reasonably foreseeable projects would result in less-than-significant cumulative impacts to recreational resources.

### Utilities and Service Systems

- **Impact UT-1:** The Project would not exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board, would not exceed the capacity of the wastewater treatment provider serving the Project site, or require construction of new stormwater drainage facilities, wastewater treatment facilities, or expansion of existing facilities.
- **Impact UT-2:** SFPUC has sufficient water supply available to serve the Project from existing entitlements and resources, and the Project would not require expansion or construction of new water supply resources or facilities.
- **Impact UT-3:** The Project would be served by a landfill with sufficient permitted capacity to accommodate the Project's solid waste disposal needs.
- **Impact UT-4:** The construction and operation of the Project would comply with all applicable statutes and regulations related to solid waste.
- **Impact C-UT-1:** The Project, in combination with other past, present, or reasonably foreseeable projects would result in less-than significant impact to utilities and service systems.

### Public Services

- **Impact PS-1:** The Project would not result in an increase in demand for police protection, fire protection, schools, or other services to an extent that would result in substantial adverse physical impacts associated with the construction or alteration of governmental facilities.
- **Impact C-PS-1:** The Project, combined with past, present, and reasonably foreseeable future projects in the vicinity, would not have a substantial cumulative impact to public services.

### Biological Resources

- **Impact BI-1:** The Project would not have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species, riparian habitat or sensitive natural communities, and would not interfere substantially with any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.
- **Impact BI-2:** The Project would not conflict with the City's local tree ordinance.
- **Impact C-BI-1:** The Project, in combination with other past, present or reasonably foreseeable projects, would not result in cumulative impacts to biological resources.

### Geology and Soils

- **Impact GE-1:** The Project would not result in exposure of people and structures to potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, seismic ground-shaking, liquefaction, lateral spreading, or landslides.
- **Impact GE-2:** The Project would not result in substantial loss of topsoil or erosion.
- **Impact GE-4:** The Project would not be located on expansive soil, as defined in the California Building Code, creating substantial risks to life or property.
- **Impact GE-5:** The Project would not substantially change the topography or any unique geologic or physical features of the site.
- **Impact C-GE-1:** The Project, in combination with other past, present or reasonably foreseeable projects, would not result in cumulative impacts related to geology, seismicity, or soils.

### Hydrology and Water Quality

- **Impact HY-1:** The Project would not violate any water quality standards or waste discharge requirements, or otherwise substantially degrade water quality.
- **Impact HY-2:** The Project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or lowering of the local groundwater table.
- **Impact HY-3:** The Project would not substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or substantially increase the rate or amount of surface runoff in a manner that would result in substantial erosion, siltation, or flooding on- or off-site.
- **Impact HY-4:** The Project would not create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff.
- **Impact HY-5:** The Project would not expose people or structures to a significant risk of loss, injury, or death involving flooding.
- **Impact C-HY-1:** The Project, in combination with other past, present, or reasonably foreseeable projects, would result in less-than-significant cumulative impacts to hydrology and water quality.

### Hazards and Hazardous Materials

- **Impact HZ-1:** The Project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials.

- **Impact HZ-2:** The Project would not result in a significant hazard to the public or the environment through reasonably foreseeable conditions involving the release of hazardous materials into the environment.
- **Impact HZ-3:** The Project would not emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within 0.25 mile of an existing or proposed school.
- **Impact HZ-4:** The Project is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.
- **Impact HZ-5:** The Project would not expose people or structures to a significant risk of loss, injury or death involving fires, nor interfere with the implementation of an emergency response plan.
- **Impact C-HZ-1:** The Project, in combination with other past, present, or reasonably foreseeable projects would not result in cumulative impacts related to hazards and hazardous materials.

#### **Mineral and Energy Resources**

- **Impact ME-1:** The Project would not encourage activities that would result in the use of large amounts of fuel, water, or energy, or use these resources in a wasteful manner.
- **Impact C-ME-1:** The Project, in combination with other past, present or reasonably foreseeable projects, would not result in a cumulative impact on mineral and energy resources.

#### **Agriculture and Forest Resources**

- The Project site and vicinity are located within an urbanized area of San Francisco. No land in San Francisco has been designated as agricultural land or forest land, and therefore there would be no impacts to agricultural or forest resources.

### **III. FINDINGS OF POTENTIALLY SIGNIFICANT IMPACTS THAT CAN BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT LEVEL THROUGH THE IMPOSITION OF MITIGATION MEASURES**

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible (unless mitigation to such levels is achieved through adoption of a project alternative). The findings in this Section III and in Section IV concern mitigation measures set forth in the Final EIR. These findings discuss mitigation measures as identified in the Final EIR for the Project. The full text of the mitigation measures is contained in the Final EIR and in **Exhibit 1**, the Mitigation Monitoring and Reporting Program. The impacts identified in this Section III would be reduced to a less-than-significant level through implementation of the mitigation measures contained in the Final EIR, included in the Project, or imposed as conditions of approval and set forth in **Exhibit 1**.

The Commission recognizes that some of the mitigation measures are partially within the jurisdiction of other agencies. The Commission urges these agencies to assist in implementing these mitigation



measures, and finds that these agencies can and should participate in implementing these mitigation measures.

### Cultural Resources

**Impact CR-2: The Project could cause could cause a substantial adverse change in the significance of the Civic Center Hotel, a historical resource as defined in CEQA Guidelines Section 15064.5(b).**

With respect to potential design-related impacts at the Civic Center Hotel, the Final EIR determined that because the Project would comply with the Secretary of the Interior's Standards for the Treatment of Historic Properties, including the Standards for Rehabilitation ("Secretary's Standards"), and because the project would not result in a substantial adverse change to the Civic Center Hotel through demolition, relocation, or major alteration of the building, the Civic Center Hotel would retain its historic integrity with respect to design, materials, and workmanship, any design-related impact with respect to rehabilitation of the Civic Center Hotel would be less than significant, requiring no mitigation. The Commission concurs in this determination.

With respect to adjacent construction of buildings next to the Civic Center Hotel, the Final EIR determined that the integrity of the Civic Center Hotel would be retained with implementation of the Project's rehabilitation of the building and adjacent new construction, and that the Project would not materially impair the historical significance of the resource and therefore would not result in a substantial adverse change to the Civic Center Hotel, resulting in a less than significant impact, requiring no mitigation. The Commission concurs in this determination.

Construction activity can generate vibration that can potentially cause structural damage to adjacent and nearby buildings. Construction equipment would generate vibration levels up to 0.089 in/sec peak particle value ("PPV") at a distance of 25 feet, which is below the threshold for potential damage; however, because demolition and construction activity associated with rehabilitation would occur within and immediately adjacent to the Civic Center Hotel, such activity could damage the character-defining features of the Civic Center Hotel.

*Mitigation Measure M-CR-1c: Protect On-Site Historical Resources from Construction Activities*

*Mitigation Measure M-CR-1d: Construction Monitoring Program for On-Site Historical Resources*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measures M-CR-1c and M-CR-1d would reduce impact CR-2 to a less-than-significant level.

**Impact CR-4: Construction-related activities associated with the Project could cause a substantial adverse change in the significance of adjacent historical resources as defined in CEQA Guidelines Section 15064.5(b).**

As noted above, construction activity can generate vibration that can potentially cause structural damage to adjacent and nearby buildings. Construction equipment would generate vibration levels of up to 0.089 in/sec PPV at a distance of 25 feet, which is below the threshold for potential damage. However, because construction activity would occur immediately adjacent to historical resources at 42 12th Street and 56-70

12th Street, construction vibration could adversely affect these resources. This would be a significant impact.

*Mitigation Measure M-CR-4a: Protect Adjacent Historical Resources from Construction Activities*

*Mitigation Measure M-CR-4b: Construction Monitoring Program for Adjacent Historical Resources*

With respect to other nearby historical resources, the Final EIR determined that because no pile-driving is proposed, rapid attenuation of groundborne vibration would result in a less than significant impact on other nearby historical resources, requiring no mitigation. The Commission concurs in this determination. The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measures M-CR-4a and M-CR-4b would reduce impact CR-4 to a less-than-significant level.

**Impact CR-6: The Project could cause a substantial adverse change in the significance of an archeological resource.**

The Project has the potential to affect Late Holocene and Middle Holocene prehistoric archeological deposits. There is also the potential to affect historical archeological deposits that could be legally significant depending on the potential of the deposit to address important historical archeological research questions and the integrity of the deposit/feature.

*Mitigation Measure M-CR-6: Archeological Testing*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measure M-CR-6 would reduce impact CR-6 to a less-than-significant level.

**Impact CR-7: The Project could disturb human remains, including those interred outside of dedicated cemeteries.**

There are no known human remains, including those interred outside of dedicated cemeteries, located in the immediate vicinity of the Project area. In the event that construction activities disturb unknown human remains within the Project area, any inadvertent damage to human remains would be considered a significant impact.

*Mitigation Measure M-CR-7: Inadvertent Discovery of Human Remains*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measure M-CR-7 would reduce impact CR-7 to a less-than-significant level.

**Impact CR-8: The Project could cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code Section 21074.**

CEQA Section 21074.2 requires the lead agency to consider the effects of a project on tribal cultural resources. As defined in Section 21074, tribal cultural resources are sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are listed, or determined to be eligible for listing, on the national, state, or local register of historical resources. Pursuant to State law under Assembly Bill 52 (*Public Resources Code* Section 21080.3.1), on September 26, 2016, the Planning Department requested consultation with Native American tribes

regarding possible significant effects that the Project may have on tribal cultural resources. The Planning Department received no response concerning the Project.

Based on the background research there are no known tribal cultural resources in the Project area; however, based on the archeological sensitivity assessment there is the potential for prehistoric archeological resources to be in the Project area. Prehistoric archeological resources may also be considered tribal cultural resources. In the event that construction activities disturb unknown archeological sites that are considered tribal cultural resources, any inadvertent damage would be considered a significant impact.

*Mitigation Measure M-CR-8: Tribal Cultural Resources Interpretive Program*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measure M-CR-8 would reduce impact CR-8 to a less-than-significant level.

**Impact C-CR-2: Construction-related activities associated with the Project could cause a substantial adverse change in the significance of adjacent historical resources as defined in CEQA Guidelines Section 15064.5(b).**

Archeological resources, tribal cultural resources, and human remains are non-renewable resources of a finite class. All adverse effects to archeological resources erode a dwindling cultural/scientific resource base. Federal and state laws protect archeological resources in most cases, either through project redesign or by requiring that the scientific data present within an archeological resource be archeologically recovered. As discussed above, the Project could have a significant impact related to archeological resources, tribal cultural resources, and disturbance of human remains. The Project's impact, in combination with other projects in the area that would also involve ground disturbance and that could also encounter previously recorded or unrecorded archeological resources, tribal cultural resources, or human remains, could result in a significant cumulative impact.

*Mitigation Measure M-CR-6: Archeological Testing*

*Mitigation Measure M-CR-7: Inadvertent Discovery of Human Remains*

*Mitigation Measure M-CR-8: Tribal Cultural Resources Interpretive Program*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measures M-CR-6, M-CR-7, and M-CR-8 would reduce impact C-CR-2 to a less-than-significant level.

**Noise**

**Impact M-NO-1: The Project could result in the exposure of persons to or generation of noise levels in excess of established standards, and could result in a substantial permanent increase in ambient noise levels or otherwise be substantially affected by existing noise.**

With respect to roadside noise increases from Project operations, the Final EIR determined that roadside noise increases would be less than three dBA along Market Street and less than five dBA along all other

roadways under both the existing plus project and cumulative plus project conditions, resulting in a less than significant impact requiring no mitigation. The Commission concurs in this determination.

The mechanical, electrical, and plumbing equipment design for the Project is not yet complete. It is expected that the Project would have standard interior HVAC equipment with some rooftop, penthouse, or basement equipment and mechanical louvers, visual screen walls, and parapet barriers to help reduce noise transmission to the adjacent land uses. While it is anticipated that these standard noise reduction elements would be adequate to meet the Section 2909(d) fixed source noise requirements of 45 dBA at night and 55 dBA during the day and evening hours for the adjacent residential properties, a mitigation measure is identified to ensure that building materials are sufficiently rated to attain interior noise requirements once the location and specifications of the ventilation or air-conditioning system are available.

*Mitigation Measure M-NO-1: Acoustical Assessment of Mechanical, Electrical, and Plumbing (MEP) Equipment*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measure M-NO-1 would reduce impact NO-1 to a less-than-significant level.

**Impact M-NO-2: During construction, the Project could result in a substantial temporary or periodic increase in ambient noise levels and vibration in the Project vicinity above levels existing without the Project.**

The nearest residential receptors are located less than 50 feet to the west (1651 Market Street) and south (77 Colton Street and 65 Brady Street) of the Project site, where existing daytime noise levels have been monitored to be 69 dBA, and 63 dBA, Leq, respectively. These uses would experience temporary and intermittent noise associated with demolition and construction activities as well as from construction trucks traveling to and from the Project site.

Estimated construction noise levels generated by non-impact equipment of the Project would range from 78 to 89 dB Leq at the nearest residential uses. While enforcement of the Noise Ordinance would limit noise generated by standard pieces of construction equipment to 80 dBA at 100 feet, localized increase in noise would be more than 10 dBA above existing ambient, which is an increase perceived as a doubling of loudness. Consequently, while the temporary construction noise effects would not exceed the standards in the Noise Ordinance for single pieces of equipment, a combination of equipment noise during the more intensive construction activities such as excavation could result in a substantial temporary increase in noise levels, which would be a significant impact.

Construction could also generate vibration that could potentially rise to the level of annoyance. Caltrans, in its Transportation and Construction Vibration Guidance Manual, does not provide standards for vibration annoyance potential. However, this manual provides guidelines for assessing construction vibration annoyance in PPV for transient sources, e.g., a single isolated vibration event, with a PPV of 0.035 inches per second (in/sec) being barely perceptible, a PPV of 0.24 in/sec being distinctly perceptible, a PPV of 0.9 in/sec being strongly perceptible. As discussed in connection with vibration impacts in Section IV.A, Historic Architectural Resources, of the EIR, heavy equipment used in construction could generate a vibration level of up to 0.089 in/sec PPV at a distance of 25 feet, for the largest typical

construction equipment such as a large bulldozer, which is well below the threshold for being distinctly perceptible (PPV of 0.24 in/sec).

Construction vibration levels could potentially result in a significant effect on residents of the Civic Center Hotel, but mitigation measures are being implemented to protect the historic Civic Center Hotel from vibration damage during construction.

*Mitigation Measure M-CR-1c: Protect On-Site Historical Resources from Construction Activities*

*Mitigation Measure M-CR-1d: Construction Monitoring Program for On-Site Historical Resources*

*Mitigation Measure M-NO-2: Construction Noise Reduction*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measures M-CR-1c, M-CR-1d, and M-NO-2 would reduce impact NO-2 to a less-than-significant level.

**Impact C-NO-1: The Project would make a considerable contribution to cumulative significant noise impacts.**

With respect to cumulative roadside noise increases, the Final EIR determined that such increases would be less than three dBA along Market Street and less than five dBA along all other roadways under the cumulative plus project conditions, resulting in a less than significant impact requiring no mitigation. The Commission concurs in this determination.

Construction activities associated with other projects in the vicinity of the Project site would occur on a temporary and intermittent basis, similar to the Project, and construction noise effects associated with the Project could potentially combine with those associated with cumulative projects located near the Project site. Both the Project and the 10 South Van Ness Avenue project have residential uses directly across Market Street (at and near the location of the proposed One Oak Street and 1546–1564 Market Street projects) that would have a direct line-of-sight to these two projects' construction activities, should they occur simultaneously. Therefore, cumulative construction-related noise impacts could be significant.

In addition, Project mechanical equipment could, in combination with ambient noise level increases from other projects, contribute to a cumulative increase in ambient noise levels.

*Mitigation Measure M-NO-1: Acoustical Assessment of Mechanical, Electrical, and Plumbing Equipment*

*Mitigation Measure M-NO-2: Construction Noise Reduction*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measures M-NO-1 and M-NO-2 would reduce impact C-NO-1 to a less-than-significant level.

### Air Quality

**Impact AQ-3: The Project would generate toxic air contaminants, including diesel particulate matter, exposing sensitive receptors to substantial air pollutant concentrations.**

Site preparation activities, such as demolition, excavation, grading, foundation construction, and other ground-disturbing construction activity, would affect localized air quality during the construction phases of the Project. Short-term emissions from construction equipment during these site preparation activities would include directly emitted PM (PM<sub>2.5</sub> and PM<sub>10</sub>) and TACs such as DPM. Additionally, the long-term emissions from the Project's mobile sources would include PM (PM<sub>2.5</sub>) and TACs, such as DPM and some compounds or variations of ROG. The generation of these short- and long-term emissions could expose sensitive receptors to substantial pollutant concentrations of TACs, resulting in an increase in localized health risk.

Lifetime cancer risk would exceed the seven per million persons Air Pollutant Exposure Zone ("APEZ") threshold, primarily as a result of construction-related diesel emissions. Similarly, the Project's localized PM<sub>2.5</sub> concentration contributions would exceed the above 0.2 µg/m<sup>3</sup> APEZ threshold, also primarily because of construction-related diesel emissions. Consequently, localized health exposure impacts would be significant and mitigation measures are required.

#### *Mitigation Measure M-AQ-3: Construction Air Quality*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measure M-AQ-3 would reduce impact AQ-3 to a less-than-significant level.

**Impact C-AQ-1: The Project, in combination with past, present, and reasonably foreseeable future development in the Project area would contribute to cumulative air quality impacts.**

As discussed above, the Project site is located in an area that already experiences poor air quality. The Project would add construction-related DPM emissions within an area identified as an the APEZ, resulting in a considerable contribution to cumulative health risk impacts on nearby sensitive receptors. This would constitute a significant cumulative impact.

#### *Mitigation Measure M-AQ-3: Construction Air Quality*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measure M-AQ-3, which would reduce construction period emissions by as much as 94 percent, would reduce impact C-AQ-1 to a less-than-significant level.

### Geology and Soils

**Impact GE-3: The Project would be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse.**

The Project site is within a state designated seismic hazard zone for liquefaction. For projects in a hazard zone such as the Project, DBI requires that appropriate mitigation measures, if any, are incorporated into

the development plans and made conditions of the building permit. In addition, improvements proposed as part of the Project would require the design of the proposed buildings to consider the foundations with regard to the BART tunnel below the site. Absent proper precautions and application of appropriate engineering techniques, Project construction could adversely affect subsurface soil conditions and could cause damage to BART facilities, which could result in a significant and unavoidable impact. During construction, temporary shoring would be necessary during ground improvements to prepare for the foundation. The geotechnical investigation performed for the Project included some general recommendations to be implemented during construction in order to prevent the dune sands from caving and to protect neighboring structures. Excavation activities will require the use of shoring and underpinning in accordance with the recommendations of the geotechnical report, the San Francisco Building Code requirements, the California Seismic Hazards Mapping Act ("SHMA"), as well as the BART engineering recommendations as stated in Mitigation Measure M-GE-3a.

Groundwater is anticipated at depths ranging from 16 to 17.5 feet bgs. Because excavation would extend below this depth, dewatering would likely be required during construction. Should dewatering be necessary, the final soils geotechnical report would address the potential settlement and subsidence impacts of this dewatering. Based on this discussion, the soils final geotechnical report would determine whether or not a lateral movement and settlement survey should be done to monitor any movement or settlement of surrounding buildings and adjacent streets, which could result in a significant and unavoidable impact.

*Mitigation Measure M-GE-3a: Design Approval and Construction Monitoring for BART Subway Structure*

*Mitigation Measure M-GE-3b: Monitoring of Adjacent Structures in the Event of Dewatering.*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measures M-GE-3a and M-GE-3b would reduce impact GE-3 to a less-than-significant level.

**Impact GE-6: The Project could directly or indirectly destroy a unique paleontological resource or site or unique geologic feature.**

The Project would entail excavation to a depth of approximately 30 feet to accommodate the below-grade basement levels and foundation. Excavation would extend into the Colma Formation. For paleontologically sensitive areas, the objective of implementing mitigation measures is to reduce adverse impacts on paleontological resources by recovering fossils and associated contextual data prior to and during ground-disturbing activities. Ground-disturbing activities as a result of the Project could expose and cause impacts on unknown paleontological resources, which would be a potentially significant impact.

*Mitigation Measure M-GE-6: Inadvertent Discovery of Paleontological Resources*

The Commission finds that, for the reasons set forth in the Final EIR, implementing Mitigation Measure M-GE-6 would reduce impact GE-6 to a less-than-significant level.

#### IV. SIGNIFICANT IMPACTS THAT CANNOT BE AVOIDED OR MITIGATED TO A LESS-THAN-SIGNIFICANT LEVEL

Based on substantial evidence in the whole record of these proceedings, the Planning Commission finds that, where feasible, changes or alterations have been required, or incorporated into, the Project to reduce the significant environmental impacts as identified in the Final EIR. The Commission finds that the mitigation measures in the Final EIR and described below are appropriate, and that changes have been required in, or incorporated into, the Project, pursuant to Public Resources Code Section 21002 and CEQA Guidelines Section 15091, that may lessen, but do not avoid (i.e., reduce to less-than-significant levels), the potentially significant environmental effects associated with implementation of the Project that are described below. Although all of the mitigation measures set forth in the MMRP, attached as **Exhibit 1**, are hereby adopted, for some of the impacts listed below, despite the implementation of feasible mitigation measures, the effects remain significant and unavoidable.

The Commission further finds based on the analysis contained within the Final EIR, other considerations in the record, and the significance criteria identified in the Final EIR, that feasible mitigation measures are not available to reduce some of the significant Project impacts to less-than-significant levels, and thus those impacts remain significant and unavoidable. The Commission also finds that, although mitigation measures are identified in the Final EIR that would reduce some significant impacts, certain measures, as described in this Section IV below, are uncertain or infeasible for reasons set forth below, and therefore those impacts remain significant and unavoidable or potentially significant and unavoidable.

Thus, the following significant impacts on the environment, as reflected in the Final EIR, are unavoidable. But, as more fully explained in Section VII, below, under Public Resources Code Section 21081(a)(3) and (b), and CEQA Guidelines 15091(a)(3), 15092(b)(2)(B), and 15093, it is found and determined that legal, environmental, economic, social, technological and other benefits of the Project override any remaining significant adverse impacts of the Project for each of the significant and unavoidable impacts described below. This finding is supported by substantial evidence in the record of this proceeding.

##### Cultural Resources

**Impact CR-1: The Project would cause a substantial adverse change in the significance of the Lesser Brothers Building, a historical resource as defined in CEQA Guidelines Section 15064.5(b).**

The Historic Resources Evaluation prepared for the Project evaluated its proposed treatment of the Lesser Brothers Building for consistency with the Secretary's Standards, and concluded that the Project would not comply with Standards 1, 2, 9, or 10, because the Project would effectively demolish the Lesser Brothers Building, including approximately 45 percent of the exterior walls, and would add new construction to the remaining façades that would be incompatible with the scale, size, proportion, and massing of the historical resource. Moreover, the new construction could not realistically be removed in the future while retaining the essential form and integrity of the historic building.

Material impairment of the historical significance of a historic resource is a significant impact under CEQA. Material impairment occurs when there is demolition or alteration of the resource's physical characteristics that convey its historical significance. As proposed, the Project would alter the Lesser Brothers Building's physical characteristics that convey its significance. It would both remove more than 25 percent of the Lesser Brothers Building's exterior walls from their function as either external or internal



walls and more than 75 percent of the building's existing internal structural framework while retaining the principal Market Street façade and portions of the east and west (Brady Street façades). Although the building's exterior character-defining features—the stucco cladding and cast cement piers, arcuate motif frieze, molded cornice, and red clay tile pent-roofed parapet on the primary façade—would be retained, one important character-defining feature would be eliminated: the building's single-story height and massing. The building's height and massing are paramount to conveying its historical significance, given that the building is recognized in the Historic Resource Evaluation prepared for the Project as a "rare, surviving example of a low-scale 'taxpayer' block on Market Street." While the Market Street façade and portions of the west (Brady Street) façade would remain visible as a single-story element, and a portion of the newly exposed east façade would likewise be visible, the seven-story vertical addition would rise more than 60 feet above the retained portion of the 23-foot-tall Lesser Brothers Building and would be set back only 10 feet from the Market Street façade and lesser distances on either side. Effectively, therefore, the building's single-story height and massing would no longer be extant.

The changes to the Lesser Brothers Building would alter the building's historic massing, spatial relationships, and proportions, causing it to lose integrity of design, setting, or feeling, which are three of the seven characteristics of integrity that are analyzed to determine a resource's eligibility for the California Register. A fourth aspect of integrity, materials, would be partially lost, because while the Market Street façade would retain its stucco cladding and cast cement piers, arcuated motif frieze, molded cornice, and red clay tile pent-roofed parapet, much of the remainder of the building would be demolished. A fifth aspect of integrity—association—relates to the property's link between important historic events or persons. As the Lesser Brothers Building is not recognized for its association with such events or persons, this aspect of integrity is less relevant than the others. Accordingly, implementation of the Project would result in the Lesser Brothers Building retaining only its integrity of location and workmanship—the latter for the character-defining features that would remain. As a result, although the façade would retain much of its architectural detail, the building would no longer represent a "rare, surviving example of a low-scale 'taxpayer' block on Market Street."

The Project would materially impair the historical significance of the Lesser Brothers Building. Accordingly, the Project would result in a substantial adverse change to the Lesser Brothers Building, a significant impact under CEQA.

*Mitigation Measure M CR 1a: HABS Documentation*

*Mitigation Measure M CR 1b: Interpretive Display*

Although implementation of these mitigation measures could reduce the severity of the impact to the Lesser Brothers Building that would result from implementation of the Project design, the impact would be significant and unavoidable with respect to this structure.

In addition, demolition and construction activity would occur on and immediately adjacent to the Lesser Brothers Building. Such activity could damage the character-defining features of the portion of the building proposed to be retained, including the Market Street façade.

*Mitigation Measure M CR 1c: Protect On-Site Historical Resources from Construction Activities*

*Mitigation Measure M CR 1d: Construction Monitoring Program for On-Site Historical Resources*

Although implementation of these mitigation measures would reduce potential construction-related impacts to the Lesser Brothers Building's character-defining features, because the Project would effectively demolish the building, the construction-related impact on the Lesser Brothers Building would be significant and unavoidable.

### Transportation and Circulation

**Impact C-TR-8: The Project, in combination with other past, present, and reasonably foreseeable future projects, would contribute considerably to significant cumulative construction-related transportation impacts.**

Projected cumulative development in the vicinity of the intersection of Van Ness Avenue and Market Street, in combination with transportation/streetscape projects anticipated to occur within a few blocks of the Project site, could result in multiple travel lane closures, high volumes of trucks in the Project vicinity, and travel lane and sidewalk closures. These construction activity elements could disrupt or delay transit, pedestrians or bicyclists, or result in potentially hazardous conditions (e.g., high volumes of trucks turning at intersections). The uncertainty concerning construction schedules of cumulative development could further exacerbate these disruptions, delays, and introduced safety hazards. Despite the best efforts of the project sponsors and project construction contractors, it is possible that simultaneous construction of the cumulative projects could result in significant disruptions to transit, pedestrian, and bicycle circulation, even if each individual project alone would not have significant impacts. In some instances, depending on construction activities, construction overlap of two or more projects may not result in significant impacts. However, for conservative purposes, given the concurrent construction of multiple buildings and transportation projects, some in close proximity to each other, the expected intensity (i.e., the projected number of truck trips) and duration of construction activities that could occur simultaneously within a small geographic area, and likely impacts to transit, bicyclists, and pedestrians, cumulative construction-related transportation impacts would be considered significant. Construction of the Project would contribute considerably to these significant cumulative construction-related transportation impacts.

*Mitigation Measure M C TR 8a: Non-Peak Construction Traffic Hours*

*Mitigation Measure M C TR 8b: Construction Management Plan*

*Mitigation Measure M C TR 8c: Cumulative Construction Coordination*

These mitigation measures would reduce significant cumulative construction-related transportation impacts, and would not result in secondary transportation impacts. Implementation of these mitigation measures would minimize, but would not eliminate, the significant cumulative impacts related to conflicts between construction activities and pedestrians, transit, bicyclists, and autos. Other potential mitigation measures, such as imposing sequential (i.e., non-overlapping) construction schedules for all projects in the vicinity, were considered but deemed impractical due to potentially lengthy delays in project implementation. Therefore, construction of the Project, in combination with past, present and reasonably foreseeable development in San Francisco, could contribute considerably to cumulative construction-related transportation impacts, which would remain significant and unavoidable.

**V. MITIGATION MEASURES REJECTED AS INFEASIBLE**

No mitigation measures identified in the Final EIR are rejected as infeasible.

**VI. EVALUATION OF PROJECT ALTERNATIVES**

This Section describes the reasons for approving the Project and the reasons for rejecting the alternatives as infeasible. CEQA requires that an EIR evaluate a reasonable range of alternatives to the proposed project or the project location that substantially reduce or avoid significant impacts of the proposed project. CEQA requires that every EIR also evaluate a “No Project” alternative. Alternatives provide the decision maker with a basis of comparison to the proposed Project in terms of their significant impacts and their ability to meet project objectives. This comparative analysis is used to consider reasonable, potentially feasible options for minimizing environmental consequences of the proposed Project.

**Alternatives Considered, Rejected and Reasons for Rejection**

The Planning Commission rejects the Alternatives set forth in the Final EIR and listed below based upon substantial evidence in the record, including evidence of economic, legal, social, technological, and other considerations described in this Section, in addition to those described in Section VII below, which are hereby incorporated by reference, that make these alternatives infeasible. In making these determinations, the Commission is aware that CEQA defines “feasibility” to mean “capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors.” (CEQA Guidelines § 15364.) Under CEQA case law, the concept of “feasibility” encompasses (i) the question of whether a particular alternative promotes the underlying goals and objectives of a project; and (ii) the question of whether an alternative is “desirable” from a policy standpoint to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, legal, and technological factors.

**A. No Project Alternative.**

Under the No Project Alternative, the Project site would generally remain in its existing condition and would not be redeveloped with a mix of residential and retail/restaurant uses. office, retail, residential, cultural, educational, and open space uses. This alternative would reduce or avoid impacts associated with building demolition, construction activities, and effects associated with the operation of more intense uses on the site. All structures on the site would be retained, with the existing UA Local 38 Building remaining in use as an office and assembly space totaling 24,100 square feet, the Lesser Brothers Building remaining in retail use totaling 13,000 square feet, and operation of the Civic Center Hotel as a Navigation Center and residential use (140 single-room occupancy dwelling units and 12 additional vacant units) for the foreseeable future. The existing on-site parking lots containing 242 parking spaces would also remain unaltered.

The existing development controls on the Project site would continue to govern site development and would not be changed by General Plan, Planning Code, and Zoning Map amendments. The site would remain under existing density and height and bulk standards defined for the NCT-3 and Public (P) districts, and the 85-X and 40-X height and bulk districts, and no new development would occur.

The No Project Alternative would reduce the impacts of the Project because no new development would occur. The significant and unavoidable historic architectural resources impact of the Project would not occur. The significant and unavoidable cumulative construction-related transportation impact would still be anticipated to occur under the No Project Alternative, but the proposed Project would make no contribution to this impact, avoiding the Project's considerable contribution to that significant and unavoidable impact.

The No Project Alternative is hereby rejected as infeasible because, although it would eliminate the significant and unavoidable historic architectural resources impact of the Project, and would avoid the Project's considerable contribution to the significant and unavoidable cumulative construction-related transportation impact, it would fail to meet the basic objectives of the Project. Because the physical environment of the Project site would be unchanged, the No Project Alternative would fail to achieve all but one of the Project Sponsor's objectives for the Project (the No Project Alternative would partially achieve the objective of preserving the character-defining features of the Civic Center Hotel and retaining and renovating portions of the Lesser Brothers Building storefront, but would not incorporate those resources as integral parts of the overall Project design, massing, and street wall context for Market and 12th Streets). In particular, objectives would not be achieved regarding the development of a dense, mixed-use, mixed-income community with on-site market-rate, inclusionary below-market-rate, and supportive housing, along with neighborhood-serving retail and new labor union facilities in an urban infill location in close proximity to transit; high-quality architectural and landscape design with strong urban design and prominent corners at 12th and Brady Streets; affordable housing on the Colton Street portion of the Project site at sufficient density to support on-site social and health services targeted to serve formerly homeless and at-risk residents; fulfillment of key City Market & Octavia Area Plan objectives regarding a network of neighborhood-serving open space and pedestrian passageways, including the proposed Mazzola Gardens, and encouragement of pedestrian access to the Mazzola Gardens through new mid-block alleyways and other streetscape improvements.

For these reasons, it is hereby found that the No Project Alternative is rejected because it would not meet the basic objectives of the Project and, therefore, is not a feasible alternative.

**B. Full Preservation Alternative**

Under the Full Preservation Alternative the site would be developed in the same manner as the Project, with the exception of Building A, including the Lesser Brothers Building, a historical resource under CEQA. The Full Preservation Alternative would retain the entirety of the Lesser Brothers Building, and would add a partial, approximately nine-foot-tall single-story addition atop that building, and construct a smaller new residential building (Building A) behind (south of) the Lesser Brothers Building, approximately 60 feet south of Market Street. The existing Lesser Brothers Building would contain retail/restaurant uses, and the single-story addition would be devoted to residential use and physically connected to the new construction to the south. The single-story addition to the Lesser Brothers Building would be set back 15 feet from the building's principal Market Street façade, 15 feet from the west (Brady Street) façade, and approximately eight feet from the east façade, minimizing effects on the existing historical resource. This alternative would create an addition that is consistent with the Secretary of the Interior's Standards for Rehabilitation, as the single-story addition would be compatible with the scale, massing, and design of the Lesser Brothers Building, but sufficiently differentiated so as to avoid creating a false sense of historicism. Like the Project, the Full Preservation Alternative would retain all of the character-defining features of the Lesser Brothers Building's Market Street façade, and would replace the

existing altered storefronts with compatible new storefronts. This alternative would generally retain the Lesser Brothers Building's single-story height and massing, setting back the partial second story addition such that the vertical addition would not be visible from sidewalks adjacent to the Project.

The Full Preservation Alternative would provide 518 dwelling units, 11 percent (66 units) fewer than would the Project, due to the reduced size of Building A. The modifications to the Lesser Brothers Building would result in an increase in the total Project retail/restaurant square footage to 20,300 square feet, or 56 percent (7,300 square feet) more than the Project. There would be no underground excavation or parking structure developed within the footprint of the Lesser Brothers Building, reducing vehicle parking by approximately 15-20 spaces compared to the Project, for total vehicle parking of 296-301 spaces. In addition, bicycle parking would be reduced by an estimated 16 Class 1 and two Class 2 spaces, for a total of 215 Class 1 and 39 Class 2 spaces. In all other respects, the Full Preservation Alternative would be developed in the same manner as the Project, and the same approvals and entitlements would be required.

The Full Preservation Alternative would avoid the Project's significant and unavoidable historic architectural resources impact on the Lesser Brothers Building, as the entirety of the historical resource would be retained, with no demolition of the building or subterranean excavation beneath the building. The Full Preservation Alternative would not significantly alter the Lesser Brothers Building, which would retain integrity of location, design, setting (in part), materials, workmanship, and feeling (in part), and the building would retain sufficient integrity such that the physical characteristics conveying its significance and justifying its eligibility for inclusion in the California Register, would, in large part, be retained. Like the Project, the Full Preservation Alternative could result in construction-related vibration impacts on both on-site and adjacent historical resources, but as with the Project, these impacts would be reduced to a less-than-significant level through implementation of mitigation measures. Two mitigation measures designed to mitigate the significant and unavoidable design-related impact on the Lesser Brothers Building under the Project (Mitigation Measures M-CR-1a, HABS Documentation, and M-CR-1b, Interpretive Display) would not be required for the Full Preservation Alternative. Similar to the Project, impacts on other historical resources, including the Civic Center Hotel and Path of Gold Light Standards, would be less than significant. The Full Preservation Alternative would therefore result in a less-than-significant historic architectural resources impact on the Lesser Brothers Building.

Similar to the Project, the Full Preservation Alternative would result in a significant cumulative construction-related impact on transit, pedestrian, and bicycle circulation, as the Full Preservation Alternative would contribute considerably to that impact. Implementation of mitigation measures would reduce the severity of that cumulative construction-related impact, but the impact would remain significant and unavoidable with mitigation. Although the Full Preservation Alternative's greater amount of retail/restaurant space as compared to the Project would result in approximately six percent greater daily vehicle trips, increased pedestrian and bicycle trips, and similar transit ridership, there would be slight operations changes as compared to those described in the Transportation and Circulation section of the EIR, and this change would not result in any new or substantially more severe transportation and circulation impacts.

The Full Preservation Alternative is rejected as infeasible because, although it would eliminate the significant and unavoidable historic architectural resources impact identified for the Project, it would not meet several of the Project objectives, and various City objectives and policies related to affordable housing and urban design, to the same extent as the Project. With respect to affordable housing, the

reduction in size of the residential component of Building A by 66 units would provide 11 percent fewer residential units than would the Project, with a corresponding reduction in affordable housing units. This reduction in residential units would cause the Full Preservation Alternative to not fully meet the Project objective of developing the site at an intensity and density that takes advantage of area transit resources at the transit-rich intersection of Van Ness and Market Streets. In addition, the City has numerous Plans and policies, including in the General Plan (Housing, Transportation and Market & Octavia Plan Elements) related to the production of housing, including affordable housing, particularly near transit, as more particularly detailed in the Executive Summary to the Commission for the October 19, 2017 hearing regarding FEIR certification and Project approvals, which is incorporated by reference as though fully set forth herein. Relevant policies include, but are not limited to, the following. From the Housing Element: Objective 1 (identify and make available for development adequate sites to meet the City's housing needs, especially permanently affordable housing); Policy 1.8 (promote mixed use development including 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); Policy 12.1 (encourage new housing that relies on transit use and environmentally sustainable patterns of movement). From the Transportation Element: Objective 2 (use the transportation system as a means for guiding development and improving the environment); Policy 2.1 (use rapid transit and other transportation improvements as catalyst for desirable development and coordinate new facilities with public and private development); Policy 2.5 (provide incentives for use of transit, carpools, vanpools, walking and bicycling, and reduce need for new or expanded automobile and parking facilities). From the Market & Octavia Area Plan: Objective 1.1 (create a land use plan embracing the neighborhood's potential as a mixed-use urban neighborhood); Policy 1.1.2 (concentrate more intense uses and activities in those areas best served by transit and most accessible on foot); Policy 1.2.2 (maximize housing opportunities and encourage high-quality ground floor commercial spaces); Objective 2.2 (encourage construction of residential infill); Objective 2.4 (provide increased housing opportunities affordable to households at varying income levels); Policy 3.2.13 (to maintain City's supply of affordable housing, historic rehabilitation projects may need to accommodate other considerations in determining the level of restoration). The Full Preservation Alternative does not promote these Plans and policies to the same extent as the Project.

Regarding urban design, the Full Preservation Alternative's modified design would only partially meet the Project objective of producing high-quality architectural and landscape design that contributes to Market Street's vibrancy through strong urban design. It would not meet the objective of providing a prominent corners at 12th and Brady Streets because Building A would be set back 60 feet from the corner of Market and Brady Streets. The Market & Octavia Plan includes design objectives and policies that encourage new structures to be built to property lines, and designed with a strong presence on the street, particularly along major thoroughfares like Market Street, as more particularly detailed in the Executive Summary to the Commission for the October 19, 2017 hearing regarding the FEIR certification and Project approvals, which is incorporated by reference as though fully set forth herein. Relevant policies include, but are not limited to, the following. From the Market & Octavia Area Plan: Policy 1.1.5 (reinforce the importance of Market Street as the City's cultural and ceremonial spine); Policy 1.2.7 (encourage new mixed-use infill on Market Street with an appropriate scale and stature); Objective 3.1 (encourage new buildings that contribute to beauty of built environment and quality of streets as public space); Policy 3.1.1 (ensure that new development adheres to principles of good urban design); Objective 4.3 (reinforce significance of the Market Street streetscape and celebrate its prominence). The Full Preservation Alternative is less consistent with these objectives and principles.

For these reasons, it is hereby found that the Full Preservation Alternative is rejected because, although it would eliminate the significant and unavoidable historic architectural resources impact identified for the Project, it would not meet several of the Project objectives nor City Plans and policies related to production of housing, including affordable housing, particularly near transit, and urban design, to the same extent as the Project. It is, therefore, not a feasible alternative.

**C. Partial Preservation Alternative**

Under the Partial Preservation Alternative, like the Full Preservation Alternative, the site would be developed in the same manner as the Project, with the exception of Building A, including the Lesser Brothers Building, a historical resource under CEQA. The Partial Preservation Alternative would construct a smaller new residential building (Building A) behind (south of) the Lesser Brothers Building, set back approximately 30 feet from the principal Market Street façade, as compared to the Project, which would set back Building A 10 feet from the principal Market Street façade. Approximately 55 percent of the volume of the Lesser Brothers Building would be retained under the Partial Preservation Alternative, and would contain retail/restaurant uses. Like the Project and the Full Preservation Alternative, the Partial Preservation Alternative would retain all of the character-defining features of the Lesser Brothers Building's Market Street façade, and would replace the existing altered storefronts with compatible new storefronts. Like the Project, but unlike the Full Preservation Alternative, the Lesser Brothers Building's single-story height and massing would not be retained. Under the Partial Preservation Alternative, a seven-story vertical addition would be built, to a height 60 feet above the retained portion of the 23-foot-tall Lesser Brothers Building, with an additional setback of 20 feet from Market Street as compared to the Project.

The Partial Preservation Alternative would provide 546 dwelling units, seven percent (38 units) fewer than would the Project, due to the reduced size of Building A. The modifications to the Lesser Brothers Building would result in a total Project retail/restaurant square footage of 14,400 square feet, or 11 percent (1,400 square feet) more than the Project. There would be no underground excavation or parking structure developed within the footprint of the Lesser Brothers Building, reducing vehicle parking by approximately 15-20 spaces compared to the Project, for total vehicle parking of 296-301 spaces. In addition, bicycle parking would be reduced by an estimated nine Class 1 and one Class 2 spaces, for a total of 222 Class 1 and 41 Class 2 spaces. In all other respects, the Partial Preservation Alternative would be developed in the same manner as the Project, and the same approvals and entitlements would be required.

The Partial Preservation Alternative would lessen, but would not eliminate, the Project's significant and unavoidable historic architectural resources impact on the Lesser Brothers Building. Although more of the Lesser Brothers Building would be retained than under the Project, the vertical addition to the Lesser Brothers Building and demolition of a substantial portion of the building would significantly alter the historic resource, materially impairing its historic significance. Two mitigation measures designed to mitigate the significant and unavoidable design-related impact on the Lesser Brothers Building under the Project (Mitigation Measures M-CR-1a, HABS Documentation, and M-CR-1b, Interpretive Display) would apply to the Partial Preservation Alternative, but similar to the Project these mitigation measures would not reduce the impact to a less-than-significant level. Like the Project, the Partial Preservation Alternative could result in construction-related vibration impacts on both on-site and adjacent historical resources, but as with the Project, these impacts would be reduced to a less-than-significant level through

implementation of mitigation measures. Similar to the Project, impacts on other historical resources, including the Civic Center Hotel and Path of Gold Light Standards, would be less than significant.

Similar to the Project, the Partial Preservation Alternative would result in a significant cumulative construction-related impact on transit, pedestrian, and bicycle circulation, as the Partial Preservation Alternative would contribute considerably to that impact. Implementation of mitigation measures would reduce the severity of that cumulative construction-related impact, but the impact would remain significant and unavoidable with mitigation. The Partial Preservation Alternative's incrementally reduced development program would result in approximately two to five percent fewer daily vehicle, transit, and pedestrian and bicycle trips as compared to the Project, resulting in slightly smaller operations changes as compared to those described in the Transportation and Circulation section of the EIR.

The Partial Preservation Alternative is rejected as infeasible because, although it would eliminate the significant and unavoidable historic architectural resources impact identified for the Project, it would not meet several of the Project objectives, and various City objectives and policies related to affordable housing and urban design, to the same extent as the Project. With respect to affordable housing, the reduction in size of the residential component of Building A by 38 units would provide seven percent fewer residential units than would the Project, with a corresponding reduction in affordable housing units. This reduction in residential units would cause the Full Preservation Alternative to not fully meet the Project objective of developing the site at an intensity and density that takes advantage of area transit resources at the transit-rich intersection of Van Ness and Market Streets. In addition, the City has numerous Plans and policies, including in the General Plan (Housing, Transportation and Market & Octavia Plan Elements) related to the production of housing, including affordable housing, particularly near transit, as more particularly detailed in the Executive Summary to the Commission for the October 19, 2017 hearing regarding FEIR certification and Project approvals, which is incorporated by reference as though fully set forth herein. Relevant policies include, but are not limited to, the following. From the Housing Element: Objective 1 (identify and make available for development adequate sites to meet the City's housing needs, especially permanently affordable housing); Policy 1.8 (promote mixed use development including 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); Policy 12.1 (encourage new housing that relies on transit use and environmentally sustainable patterns of movement). From the Transportation Element: Objective 2 (use the transportation system as a means for guiding development and improving the environment); Policy 2.1 (use rapid transit and other transportation improvements as catalyst for desirable development and coordinate new facilities with public and private development); Policy 2.5 (provide incentives for use of transit, carpools, vanpools, walking and bicycling, and reduce need for new or expanded automobile and parking facilities). From the Market & Octavia Area Plan: Objective 1.1 (create a land use plan embracing the neighborhood's potential as a mixed-use urban neighborhood); Policy 1.1.2 (concentrate more intense uses and activities in those areas best served by transit and most accessible on foot); Policy 1.2.2 (maximize housing opportunities and encourage high-quality ground floor commercial spaces); Objective 2.2 (encourage construction of residential infill); Objective 2.4 (provide increased housing opportunities affordable to households at varying income levels); Policy 3.2.13 (to maintain City's supply of affordable housing, historic rehabilitation projects may need to accommodate other considerations in determining the level of restoration). The Partial Preservation Alternative does not promote these Plans and policies to the same extent as the Project.



Regarding urban design, the Partial Preservation Alternative's modified design would only partially meet the Project objective of producing high-quality architectural and landscape design that contributes to Market Street's vibrancy through strong urban design. It would not meet the objective of providing a prominent corners at 12th and Brady Streets because Building A would be set back 60 feet from the corner of Market and Brady Streets. The Market & Octavia Plan includes design objectives and policies that encourage new structures to be built to property lines, and designed with a strong presence on the street, particularly along major thoroughfares like Market Street, as more particularly detailed in the Executive Summary to the Commission for the October 19, 2017 hearing regarding the FEIR certification and Project approvals, which is incorporated by reference as though fully set forth herein. Relevant policies include, but are not limited to, the following. From the Market & Octavia Area Plan: Policy 1.1.5 (reinforce the importance of Market Street as the City's cultural and ceremonial spine); Policy 1.2.7 (encourage new mixed-use infill on Market Street with an appropriate scale and stature); Objective 3.1 (encourage new buildings that contribute to beauty of built environment and quality of streets as public space); Policy 3.1.1 (ensure that new development adheres to principles of good urban design); Objective 4.3 (reinforce significance of the Market Street streetscape and celebrate its prominence). The Partial Preservation Alternative is less consistent with these objectives and principles, and in addition does not eliminate the significant impact to the Lesser Building.

For these reasons, it is hereby found that the Partial Preservation Alternative is rejected because, although it would reduce the significant and unavoidable historic architectural resources impact identified for the Project, it would not eliminate that impact, and would not meet several of the Project objectives nor City Plans and policies related to production of housing, including affordable housing, particularly near transit, and urban design, to the same extent as the Project. It is, therefore, not a feasible alternative.

## VII. STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to Public Resources Section 21081 and CEQA Guidelines Section 15093, the Commission hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the Project as set forth below independently and collectively outweighs the significant and unavoidable impacts and is an overriding consideration warranting approval of the Project. Any one of the reasons for approval cited below is sufficient to justify approval of the Project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, this determination is that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the Final EIR and the preceding findings, which are incorporated by reference into this Section, and in the documents found in the administrative record, as described in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, the Commission specifically finds that there are significant benefits of the Project in spite of the unavoidable significant impacts. The Commission further finds that, as part of the process of obtaining Project approval, all significant effects on the environment from implementation of the Project have been eliminated or substantially lessened where feasible. Any remaining significant effects on the environment found to be unavoidable are found to be acceptable due to the following specific overriding economic, technical, legal, social and other considerations:

- Consistent with the vision, objectives and goals of the Market & Octavia Area Plan, the Project would create a mixed-use development at a significant, underutilized site in a transit-oriented, urban infill location with an appropriate building density, mix of uses, and public amenity program.
- The Project would create a mixed-use, mixed-income community that includes on-site market-rate, inclusionary below-market-rate, and supportive housing, along with neighborhood-serving retail and new labor union facilities.
- The Project would develop the site at an intensity and density that takes advantage of the transit resources in the area and allows the Project to remain financially feasible while delivering on-site affordable housing, open space, and other public benefits and community amenities.
- The Project would produce high-quality architectural and landscape design that encourages variety, is compatible with its surrounding context, and will contribute to Market Street's unique vibrancy through strong urban design and prominent corners at 12th and Brady Streets.
- The Project would build a transit-oriented development that is committed to sustainable design and programming through its transportation demand management, efficient building systems, and environmentally-conscious construction materials and methods.
- The Project would Preserve the character-defining features of the Civic Center Hotel and retain and renovate portions of the Lesser Brothers Building storefront at 1629–1645 Market Street, and incorporate these resources as integral parts of the overall Project design, massing, and street wall context for Market and 12th Streets.
- The Project would provide affordable housing on the Colton Street portion of the Project site at a sufficient density to support on-site social and health services targeted to serve formerly homeless and at-risk residents.
- The Project would develop a new facility for the property owner and current occupant of the site, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry Local 38 and its Pension Trust Fund, including offices and union meeting space.
- The Project would fulfill key City Market & Octavia Area Plan objectives regarding the network of neighborhood-serving open space and pedestrian passageways by designing, developing, and maintaining the Mazzola Gardens.
- The Project would encourage pedestrian access to the Mazzola Gardens with both north/south and east/west access to the site by creating new mid-block alleyways and other streetscape improvements.
- Under the terms of the Development Agreement, the Project Sponsor would provide a host of additional assurances and benefits that would accrue to the public and the City, including, but not limited to: increased affordable housing exceeding amounts otherwise required, with approximately 100 Affordable Supportive Housing Units at the Colton Street building with a depth of affordability exceeding current City requirements; on-site replacement, to modern standards, of units replacing existing Residential Hotel Units at a replacement ratio exceeding the requirements of the San Francisco Residential Hotel Unit Conversion and Demolition Ordinance; land donation, construction,

and maintenance of the Mazzola Gardens and other publicly accessible open space; and improvement of Stevenson Street for pedestrian and auto use.

- The Project will be constructed at no cost to the City, and will provide substantial direct and indirect economic benefits to the City.

Having considered the above, the Planning Commission finds that the benefits of the Project outweigh the unavoidable adverse environmental effects identified in the Final EIR, and that those adverse environmental effects are therefore acceptable.

