

File No. 191125 Committee Item No. 12
 Board Item No. 2

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date December 9, 2019

Board of Supervisors Meeting
 Cmte Board

Date January 14, 2020

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Completed by: Erica Major Date December 6, 2019
 Completed by: Erica Major Date December 12, 2019

1 [Planning, Administrative Codes - Development Agreement, Conditional Use Procedures for
2 Large Noncontiguous Post-Secondary Educational Institutions, Planning and Administrative
3 Code Waivers]

4 **Ordinance approving a Development Agreement between the City and County of San**
5 **Francisco and the Stephens Institute, dba Academy of Art University, and its affiliated**
6 **entities, as to the Academy's properties, which agreement provides for various public**
7 **benefits, including among others an "affordable housing payment" of \$37,600,000 and**
8 **a payment of approximately \$8,200,000 to the City's Small Sites Fund; amending the**
9 **Planning Code to provide review procedures for Large Noncontiguous Post-Secondary**
10 **Educational Institutions; waiving conflicting provisions in the Planning and**
11 **Administrative Codes, including Planning Code, Section 169; confirming compliance**
12 **with or waiving certain provisions of Administrative Code, Chapters 41 and 56; ratifying**
13 **certain actions taken in connection with the Development Agreement and authorizing**
14 **certain actions to be taken consistent with the Development Agreement, as defined**
15 **herein; affirming the Planning Department's determination under the California**
16 **Environmental Quality Act, and findings of conformity with the General Plan, and with**
17 **the eight priority policies of Planning Code, Section 101.1(b); and adopting findings of**
18 **public convenience, necessity, and welfare under Planning Code, Section 302.**

19 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
20 **Additions to Codes** are in *single-underline italics Times New Roman font*.
21 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
22 **Board amendment additions** are in double-underlined Arial font.
23 **Board amendment deletions** are in ~~strikethrough Arial font~~.
24 **Asterisks (* * * *)** indicate the omission of unchanged Code
25 subsections or parts of tables.

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

25 Section 1. General Background and Findings.

1 (a) California Government Code Sections 65864 et seq. authorizes any city, county,
2 or city and county to enter into an agreement for the development of real property within the
3 jurisdiction of the city, county, or city and county.

4 (b) Chapter 56 of the San Francisco Administrative Code ("Chapter 56") sets forth
5 certain procedures for the processing and approval of development agreements in the City
6 and County of San Francisco (the "City").

7 (c) The Stephens Institute, dba Academy of Art University ("Stephens Institute") is a
8 private for-profit postsecondary academic institution that currently occupies 40 buildings in the
9 City (predominantly in the northeast quadrant) for its educational programs, recreational
10 activities, and student housing. The buildings are owned or leased by the Stephens Institute
11 from affiliated entities (collectively, the "LLC Parties"). This ordinance sometimes refers to the
12 Stephens Institute and the LLC Parties, collectively and individually, as the "Academy."

13 (d) In 2007, the Stephens Institute occupied 34 buildings. In 28 of those buildings,
14 the Academy had implemented various tenant improvements and changes of use without
15 benefit of required conditional uses, building permits, or other entitlements. To evaluate the
16 potential impacts associated with bringing these 28 buildings into compliance with the
17 Planning Code and to analyze the Academy's then-proposed plans for growth, an
18 Environmental Impact Report ("EIR") and an Existing Sites Technical Memorandum ("ESTM")
19 were prepared between 2010 and 2016. During this period, one or more LLC Parties acquired
20 an additional six buildings beyond the 34 already occupied, bringing the total number of
21 properties owned or occupied by the Academy to 40. Collectively, the 40 properties described
22 in this paragraph are referred to as the "Academy Properties"; the Academy Properties are
23 more particularly described in the July 5, 2019 Academy of Art University Institutional Master
24 Plan, a copy of which is on file with the Planning Department in File No. 2019-012970IMP.
25 The Planning Commission approved the ESTM and certified the Final Environmental Impact

1 Report ("FEIR"), which analyzed the 40 properties, on July 28, 2016.

2 (e) On May 6, 2016, the City Attorney of the City and County of San Francisco (the
3 "City Attorney"), on behalf of the City and the People of the State of California, commenced
4 litigation against the Academy and certain LLC Parties in *People v. Stephens Institute, et. al*,
5 San Francisco Superior Court Number CGC-16-551832 (the "Lawsuit"). In the Lawsuit, the
6 City Attorney alleged violations of the City's Administrative Code, Planning Code, Building
7 Code and the State Unfair Competition Law, California Business and Professions Code
8 Sections 17200 et seq. (the "UCL").

9 (f) During court-supervised settlement discussions to resolve the Lawsuit, the
10 Academy expressed its commitment to bring its existing uses into compliance with the
11 Planning Code; relocate existing Academy uses or change Academy uses in buildings in
12 accordance with applicable laws in those instances where the Planning Department has
13 determined that legalization is not appropriate or the Academy has agreed to withdraw its use;
14 compensate the City for past violations, including providing affordable housing public benefits
15 to the City; and work cooperatively with the City in planning for future Stephens Institute
16 growth in a manner that accounts for the urban nature of the Stephens Institute campus,
17 without adversely impacting the City's affordable or rent-controlled housing stock, or
18 burdening its transportation system, including, as a part of that plan; building new housing for
19 its students on property zoned for such use.

20 (g) As a result of those settlement discussions, and under the auspices of the
21 Superior Court, the Academy and the City (collectively "Parties") entered into a non-binding
22 Term Sheet for Global Resolution, dated November 15, 2016 (the "Initial Term Sheet"), as
23 later supplemented by the Parties under the Superior Court's supervision in the Supplement
24 to Term Sheet for Global Resolution, dated July 10, 2019 (the "Supplement"). This ordinance
25 refers to the Initial Term Sheet and the Supplement collectively as the "Term Sheet". The

1 Term Sheet was intended to provide a basis to resolve all of the outstanding issues relating to
2 the Lawsuit with respect to land use matters, and to establish appropriate principles and
3 processes for land use compliance by the Academy. The Parties made the Term Sheet
4 public, each time with the Court's consent, and the Planning Commission held public hearings
5 relating to the matters addressed in the Term Sheet.

6 (h) As contemplated by the Term Sheet, the Parties will enter into a comprehensive
7 consent judgment that they will file with the Superior Court seeking the Court's approval and
8 entry of judgment (the "Consent Judgment"). The Consent Judgment contains four main parts:
9 (1) a Settlement Agreement (the "Settlement Agreement"), which is subject to approval by the
10 Board of Supervisors in the ordinance in File No. 191137 and includes obligations of the LLC
11 Parties to make payments to the City (including the Affordable Housing Public Benefit, defined
12 below); (2) a Stipulated Injunction (the "Injunction"), which is an exhibit to the Settlement
13 Agreement and provides a mechanism for judicial enforcement of the Academy's obligations
14 under the Settlement Agreement and the Development Agreement; and (3) the Development
15 Agreement, which is also an exhibit to the Settlement Agreement. Also critical to the global
16 resolution that the Consent Judgment would achieve is the instrument securing the LLC
17 Parties' financial obligations under the Settlement Agreement and the Development
18 Agreement. The obligations of the LLC Parties to make the full settlement payments under the
19 Settlement Agreement will be secured by a Guaranty (the "Guaranty") from the Stephens
20 Family Revocable Trust, the Elisa Stephens Revocable Trust, the Scott Alan Stephens
21 Revocable Trust, Elisa Stephens, Scott Alan Stephens, and Susanne Stephens.

22 (i) As contemplated by the Term Sheet, the Academy proposes to withdraw from,
23 and cease any Stephens Institute operations at nine of the 40 Academy Properties referenced
24 in subsection (d), to occupy three additional properties, and to bring all of the remaining 34
25 properties owned by the LLC Parties and used by the Stephens Institute or intended for future

1 Stephens Institute use into compliance with the Planning Code ("Project"). The Project
2 requires the City's approval of a variety of permits and authorizations, including: (1) approval
3 of a conditional use authorization by the Planning Commission to reflect the approval of the
4 use of 34 properties (primarily in the northeast quadrant of the City) and to grant certain
5 exceptions to the Planning Code, (2) the approval of permits to alter and certificates of
6 appropriateness by the Historic Preservation Commission, (3) amendment of the Planning
7 Code to permit uses that are currently not permitted at certain properties, and (4) building
8 permits and associated approvals from other City departments for a variety of other building
9 alterations and street improvements including without limitation the removal and installation of
10 signage, the removal and repair of nonconforming awnings and exterior alterations, the
11 installation of Class 1 and Class 2 bike racks, the removal of curb cuts, and the replacement
12 of certain windows.

13 (j) The Stephens Institute filed an application with the Planning Department for
14 approval of a development agreement relating to the Project (the "Development Agreement")
15 under Chapter 56. A copy of the Development Agreement is on file with the Clerk of the Board
16 of Supervisors in File No. 191125.

17 (k) As set forth in the Development Agreement, the Academy requests legalization
18 of certain previously unpermitted alterations and changes in use at the Academy Properties.
19 The Academy also seeks approval of the work necessary to correct or reverse other
20 previously unpermitted alterations and changes, and to bring these properties into compliance
21 with the Planning Code including, where applicable, Planning Code Articles 10 and 11.

22 (l) The Development Agreement requires the Academy to obtain all necessary
23 permits to perform corrective work at the 34 properties referenced in subsection (i) and
24 complete all work necessary to bring these buildings into compliance with the Planning Code
25 pursuant to the Schedule of Performance Schedule set forth as Exhibit E to the Development

1 Agreement.

2 (m) While the Development Agreement is between the City, acting primarily through
3 the Planning Department, and the Academy, other City agencies retain a role in reviewing and
4 issuing certain later approvals for the Project, including approval of building permits. All
5 affected City agencies have consented to or will consent to the Development Agreement.

6 (n) Concurrently with this ordinance, the Board is taking a number of actions in
7 furtherance of the Project, including approval of a Settlement Agreement, Consent Judgment,
8 Stipulated Injunction and Guaranty, and other approvals as generally described in the
9 Development Agreement, including Exhibit D to the Development Agreement (the
10 "Approvals").

11 (o) Public benefits to the City from the Project include: (1) an "Affordable Housing
12 Benefit" defined as the cash payment by the LLC Parties of \$37,600,000 to the City to be
13 used by the City solely for affordable housing purposes, with a first priority for uses related to
14 the creation or preservation of single room occupancy (SRO) units in those supervisorial
15 districts in which the City alleges the Academy unlawfully converted SRO buildings to student
16 housing, in such manner as the City, acting by and through the Mayor's Office of Housing and
17 Community Development, may determine in its sole discretion; (2) a cash payment by the LLC
18 Parties to the City's Small Sites Fund approximately \$8,200,000; (3); an agreement by the
19 Stephens Institute to meet all future housing needs for its students through new construction
20 on property that is zoned for such use, or conversion of existing non-residential, non-PDR (not
21 zoned or operated as production, distribution and repair businesses) structures to student
22 housing use, to not promise new students more housing units than the number of lawful units
23 that are at its disposal, to not temporarily house its students in non-Academy facilities with
24 limited exceptions, and to provide housing to increase the percentage of housing it provides to
25 On Campus Students (defined as on-site, full-time undergraduate and graduate students

1 taking no more than one course online per semester) pursuant to a "Housing Metering"
2 formula agreed to by the Parties; (4) payment by the LLC Parties to the Planning Department
3 of Planning Code penalties totaling \$1,000,000; and (5) payment by the LLC Parties to the
4 City Attorney's Office of Unfair Competition Law penalties totaling \$6,000,000. In addition, the
5 Academy will pay impact, fair share, and in lieu fees totaling in excess of \$3,500,000. The
6 total of all payments detailed in this subsection (o) will exceed \$58,000,000. Further, the
7 Academy will pay permit fees and the City's administrative costs in connection with the
8 processing of the Development Agreement.

9 Section 2: Environmental Findings.

10 (a) On July 28, 2016, by Motion No. 19704, the Planning Commission certified as
11 adequate, accurate, and complete the FEIR for the Project pursuant to the California
12 Environmental Quality Act (California Public Resources Code Sections 21000 et seq.)
13 ("CEQA"). A copy of Planning Commission Motion No. 19704 is on file with the Clerk of the
14 Board of Supervisors in File No. 191125.

15 (b) On October 9, 2019, the Planning Department issued an Addendum to the FEIR
16 ("Addendum"), in which it determined that the actions contemplated in this ordinance comply
17 with CEQA. The Addendum is on file with the Clerk of the Board of Supervisors in File No.
18 191125 and is incorporated herein by reference. The Board affirms this determination.

19 (c) On November 20, 2019, by Resolution No. 1106, the Historic Preservation
20 Commission adopted CEQA findings; on November 21, 2019, by Motion No. 20572, the
21 Planning Commission adopted findings (the "CEQA Findings"). These motions are on file with
22 the Clerk of the Board of Supervisors in File No. 191125. In accordance with the actions
23 contemplated in this ordinance, the Board has reviewed the FEIR, the Addendum, and related
24 documents, and adopts as its own and incorporates by reference as though fully set forth
25

1 herein the CEQA Findings, including the statement of overriding considerations, and the
2 MMRP.

3 Section 3. Planning Code Findings.

4 (a) On November 21, 2019, the Planning Commission, in Resolution No.
5 20573, adopted findings that the actions contemplated in this ordinance are consistent,
6 on balance, with the City's General Plan and eight priority policies of Planning Code Section
7 101.1. The Board adopts these findings as its own. A copy of said Resolution is on file with
8 the Clerk of the Board of Supervisors in File No. 191125, and is incorporated herein by
9 reference.

10 (b) Pursuant to Planning Code Section 302, the Board finds that these Planning
11 Code amendments will serve the public necessity, convenience, and welfare for the reasons
12 set forth in Planning Commission Resolution No. 20573, and the Board incorporates such
13 reasons herein by reference. A copy of said Resolution is on file with the Board of
14 Supervisors in File No. 191125.

15 Section 4. Article 3 of the Planning Code is hereby amended by adding Sections 304.6
16 and 304.7, to read as follows:

17 **SEC. 304.6. REVIEW PROCEDURES FOR LARGE NONCONTIGUOUS POST-**
18 **SECONDARY EDUCATIONAL INSTITUTIONS.**

19 *(a) Intent. This Section 304.6 establishes a comprehensive and consolidated public review*
20 *process through which the Planning Commission shall review proposals involving Post-Secondary*
21 *Educational Institutions that meet prescribed criteria and would otherwise be subject to multiple*
22 *approval processes and hearings.*

23 *(b) Applicability. This Section 304.6 applies to all properties owned, occupied, or operated, in*
24 *any capacity, by a Large Noncontiguous Post-Secondary Educational Institution. For purposes of this*
25 *Section, a Large Noncontiguous Post-Secondary Educational Institution is an organization or entity*

1 that, regardless of certification by the Western Association of Schools and Colleges or primary course
2 of study, meets all other requirements for a Post-Secondary Educational Institution, and satisfies all of
3 the following conditions:

4 (1) is subject to the Institutional Master Plan requirements of Section 304.5 of this
5 Code;

6 (2) is a for-profit institution; and

7 (3) owns, occupies, or operates, in any capacity, 10 or more properties that are located
8 in three or more non-overlapping Clusters anywhere in the City. For purposes of this subsection (b)(3),
9 a Cluster is a circular area with a ¼-mile diameter that encompasses one or more properties. Clusters
10 shall be drawn so that the fewest number of Clusters are required to encompass all such properties,
11 without any one Cluster overlapping with any other.

12 (c) Master Conditional Use Authorization. Any number of individual Conditional Use
13 Authorizations or building permits sought by a Large Noncontiguous Post-Secondary Educational
14 Institution under this Section 304.6 may be sought under a single application for Conditional Use
15 Authorization, also referred to as a "Master Conditional Use Authorization," and may be acted on in a
16 single action of the Planning Commission, regardless of the number of distinct properties involved.
17 Determination on such Master Conditional Use Authorization shall be made pursuant to the criteria in
18 Section 303(c) of this Code. In considering such Master Conditional Use Authorization, the
19 Commission may consider such exceptions to the Planning Code as may be necessary to implement the
20 Master Conditional Use Authorization.

21 (d) Master Certificate of Appropriateness. Any number of individual Certificates of
22 Appropriateness may be sought by a Large Noncontiguous Post-Secondary Educational Institution
23 under a single application for a Certificate of Appropriateness, also referred to as a "Master
24 Certificate of Appropriateness," and acted on by single action of the Historic Preservation
25 Commission, regardless of the number of distinct properties involved. Determination on such Master

1 Certificate of Appropriateness shall be made as set forth in Section 1006.6 of this Code and in other
2 provisions of the Municipal Code, as applicable. Additionally, no application made under this Section
3 304.6 shall be considered a Minor Alteration under Section 1006.2 of this Code.

4 (e) Master Permit to Alter. Any number of individual Permits to Alter may be sought by a
5 Large Noncontiguous Post-Secondary Educational Institution under a single application for a Permit
6 to Alter, also referred to as a "Master Permit to Alter," and acted on by single action of the Historic
7 Preservation Commission, regardless of the number of distinct properties involved. Determination on
8 such Master Permit to Alter shall be made as set forth in Section 1111 of this Code and in other
9 provisions of the Municipal Code, as applicable. Additionally, no application made under this Section
10 304.6 shall be considered a Minor Alteration under Section 1111.1 of this Code.

11 (f) No Discretionary Review. No requests for Discretionary Review shall be accepted by the
12 Planning Department or heard by the Planning Commission for any permits or other applications
13 subject to this Section 304.6(c).

14 (g) Sunset. This Section 304.6 shall remain in effect until the later of: (1) the date on which all
15 work has been completed as required pursuant to the Schedule of Performance (Exhibit E) of the
16 Development Agreement by and among the City and County of San Francisco and the Stephens
17 Institute, dba Academy of Art University and the LLC Parties, and (2) January 1, 2025.

18 **SEC. 304.7. ADDITIONAL PROVISIONS APPLICABLE TO LARGE**
19 **NONCONTIGUOUS POST-SECONDARY EDUCATIONAL INSTITUTIONS.**

20 In cases where the City enters into a Development Agreement with a Large Noncontiguous
21 University, all of the following additional provisions apply:

22 (a) where such Development Agreement provides the City compensation for the loss of specific
23 Residential Units that are not Student Housing units, the restrictions of Section 317(e) of this Code may
24 be waived through a Master Conditional Use Authorization under Section 304.6;

25 (b) where such Development Agreement authorizes the conversion of no more than one property

1 from an industrial use subject to Section 202.8 of this Code to an Institutional Use, the Conditional Use
2 Authorization requirements and other restrictions of Section 202.8 shall be met by application for a
3 Master Conditional Use Authorization under Section 304.6; and

4 (c) where such Development Agreement would expand the number of guest rooms subject to the
5 provisions of Chapter 41 of the Administrative Code, the density limitations of Article 2 of this Code
6 shall not apply to the property with the expanded number of guestrooms.

7 Section 5. Development Agreement.

8 (a) The Board of Supervisors approves all of the terms and conditions of the
9 Development Agreement, in substantially the form on file with the Clerk of the Board of
10 Supervisors in File No. 191125.

11 (b) The Board of Supervisors approves and authorizes the execution, delivery and
12 performance by the City of the Development Agreement as follows: (1) the Director of
13 Planning is authorized to execute and deliver the Development Agreement, and (2) the
14 Director of Planning and other applicable City officials are authorized to take all actions
15 reasonably necessary or prudent to perform the City's obligations under the Development
16 Agreement in accordance with the terms of the Development Agreement.

17 (c) The Director of Planning, at the Director's discretion and in consultation with the
18 City Attorney, is authorized to enter into any additions, amendments, or other modifications to
19 the Development Agreement that the Director of Planning determines are in the best interests
20 of the City and that do not materially increase the obligations or liabilities of the City or
21 materially decrease the benefits to the City as provided in the Development Agreement.

22 (d) The approval of the Development Agreement under this ordinance is contingent
23 on the Board of Supervisors' approval of the companion ordinance approving the Settlement
24 Agreement, in Board of Supervisors File No. 191137.

25 ///

1 Section 6. Board Authorization and Appropriation; Waiver/Override of Municipal Code
2 Provisions.

3 (a) By approving the Development Agreement, the Board of Supervisors authorizes
4 the Controller and City Departments to accept the funds paid by the Academy as set forth
5 therein, and to appropriate and use the funds for the purposes described therein. The Board
6 expressly approves the use of the Impact Fees as described and set forth in the Development
7 Agreement.

8 (b) The Board of Supervisors waives or overrides any provision in Article 4 of the
9 Planning Code and Chapter 10 of the Administrative Code that would conflict with the uses of
10 these funds as described in the Development Agreement.

11 Section 7. Administrative Code Conformity and Waivers.

12 In connection with the Development Agreement, the Board of Supervisors finds that the
13 City has substantially complied with the requirements of Administrative Code Chapters 41 and
14 56, and waives any requirement to the extent not strictly followed. The Development
15 Agreement shall prevail in the event of any conflict between the Development Agreement and
16 Administrative Code Chapters 41 and 56, and without limiting the generality of the foregoing,
17 the following provisions of Administrative Code Chapter 56 are waived or deemed satisfied as
18 follows:

19 (a) The Project comprises 43 discrete properties located throughout the City and is
20 the type of large multi-phase and/or mixed-use development contemplated by the
21 Administrative Code and therefore satisfies the provisions of Chapter 56, Section 56.3(g).

22 (b) Any provisions of the Development Agreement that conflict with the provisions of
23 Administrative Code Chapter 56 shall apply.

24 (c) The provisions of the Development Agreement regarding any amendment or
25 termination, including those relating to "Material Change," shall apply in lieu of the provisions

1 of Chapter 56, Sections 56.15 and Section 56.18.

2 (d) The provisions of Chapter 56, Section 56.20 have been satisfied by agreement
3 set forth in the Settlement Agreement and Development Agreement for the reimbursement of
4 City costs.

5 (e) The Board of Supervisors waives the applicability of Section 56.4 ("Application,
6 Forms, Initial Notice, Hearing") and Section 56.10 ("Negotiation Report and Documents").

7 (f) The Board of Supervisors waives the applicability of Section 56.3(b)
8 ("Applicant/Developer").

9 Section 8. Planning Code Waivers.

10 (a) The Board of Supervisors finds that the Impact Fees due under the
11 Development Agreement will provide greater benefits to the City than the impact fees and
12 exactions under Planning Code Article 4 and waives the application of, and to the extent
13 applicable exempts the Project from, impact fees and exactions under Planning Code Article 4
14 on the condition that Developer pays the Impact Fees due under the Development
15 Agreement.

16 (b) The Board of Supervisors finds that the Transportation Management Plan
17 ("TMP") attached as Exhibit H to the Term Sheet includes provisions requiring that the
18 Academy develop, implement, and provide a shuttle management plan, and provide bicycle
19 parking, and other provisions that meet the goals of the City's Transportation Demand
20 Management Program in Planning Code Section 169, and waives the application of
21 Section 169 to the Project on the condition that the Academy implements and complies with
22 the TMP.

23 Section 9. Ratification.

24 All actions taken by City officials in preparing and submitting the Development
25 Agreement to the Board of Supervisors for review and consideration are hereby ratified and


1 confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be taken
2 by City officials consistent with this ordinance.

3 Section 10. Effective Date. This ordinance shall become effective 30 days after
4 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
5 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
6 of Supervisors overrides the Mayor's veto of the ordinance.

7 Section 11. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
8 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
9 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
10 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
11 additions, and Board amendment deletions in accordance with the "Note" that appears under
12 the official title of the ordinance.

13
14
15 APPROVED AS TO FORM:
16 DENNIS J. HERRERA, City Attorney

17 By:


18 KRISTEN A. JENSEN
19 Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning, Administrative Codes - Development Agreement, Conditional Use Procedures for Large Noncontiguous Post-Secondary Educational Institutions, Planning and Administrative Code Waivers]

Ordinance approving a Development Agreement between the City and County of San Francisco and the Stephens Institute, dba Academy of Art University, and its affiliated entities, as to the Academy's properties, which agreement provides for various public benefits, including among others an "affordable housing payment" of \$37,600,000 and a payment of approximately \$8,200,000 to the City's Small Sites Fund; amending the Planning Code to provide review procedures for Large Noncontiguous Post-Secondary Educational Institutions; waiving conflicting provisions in the Planning and Administrative Codes, including Planning Code, Section 169; confirming compliance with or waiving certain provisions of Administrative Code, Chapters 41 and 56; ratifying certain actions taken in connection with the Development Agreement and authorizing certain actions to be taken consistent with the Development Agreement, as defined herein; affirming the Planning Department's determination under the California Environmental Quality Act, and findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); and adopting findings of public convenience, necessity, and welfare under Planning Code, Section 302.

Existing Law

California Government Code section 65864 *et seq.* (the "Development Agreement Statute") and San Francisco Administrative Code Chapter 56 ("Chapter 56") authorize the City to enter into a development agreement regarding the development of real property.

San Francisco Administrative Code Chapter 41 ("Chapter 41") regulates Single Room Occupancy Hotels ("SROs"), and provides procedures for converting SRO rooms to non-SRO uses.

Amendments to Current Law

This ordinance approves a development agreement between the City and County of San Francisco ("City") and the Stephens Institute (dba Academy of Art University) and its affiliated entities (collectively, "Academy") in accordance with the Development Agreement Statute and Chapter 56. The development agreement resolves a lawsuit brought by the City Attorney, on behalf of the City and the State of California, for violations of the San Francisco Planning and Building Codes and the State Unfair Competition Law ("UCL"), provides the Academy the right to legalize certain uses at 31 properties currently operated by the Academy, to legally occupy three new properties, to perform corrective work as necessary at its properties to bring those properties into compliance with City codes, to pay an affordable housing benefit to the City, to make a payment to the City's Small Sites Fund to compensate for SRO units the Academy

converted to student housing, and to pay Planning enforcement and Unfair Competition Law penalties, all as described in the development agreement. The development agreement also lifts the Administrative Code Chapter 41 designation from 31 SRO rooms at two properties owned by Academy affiliates, and relocate those designations to 860 Sutter Street. In addition, 8 net new SRO rooms at 860 Sutter will become Chapter 41-designated Residential Guest Rooms, so that the entire building will be subject to Chapter 41.

The ordinance ratifies all steps taken in furtherance of adopting the development agreement, including waiving any inconsistencies between the development agreement and chapters 41 and 56 of the Administrative Code.

The ordinance also includes amendments to the Planning Code creating consolidated, master permitting procedures applicable to Large Noncontiguous Post-Secondary Educational Institutions, including the Academy. There are no proposed amendments to Chapter 56.

Background Information

The development agreement is the product of the settlement of a lawsuit brought by the City against the Academy for failing to obtain necessary change of use and other required permits and approvals prior to occupying and operating at 40 properties around the City. The development agreement has a term of 25 years and provides for numerous public benefits including payment to the City of a substantial Affordable Housing Benefit to be allocated by the Mayor's Office of Housing and Community Development; payment of Planning Code and UCL penalties for past violations; agreements regarding the Academy's provisions of housing to its students; the withdrawal and cessation of all further use at nine of the Academy's properties; legalization of Academy uses at the remaining 31 properties currently occupied by the Academy; and approval of new uses at three additional properties. The development agreement also requires the Academy to obtain permits for and make internal and external building modifications to remove, legalize, or modify unpermitted work, to provide a comprehensive signage program including the removal of certain existing signs and placement of new code compliant signage, and to implement the legalization of certain uses.

By separate legislation, the Board will consider the settlement agreement, a consent decree and stipulated injunction, through which the City will be able to enforce the terms of the settlement and development agreements, and a guaranty to ensure that the Academy and related entities fulfill their financial responsibilities under the settlement and development agreements.



San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102
 Phone: 415.252.3100 . Fax: 415.252.3112
ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #:
 191125
 Bid/RFP #:

Notification of Contract Approval

SFEC Form 126(f)4

(S) Campaign and Governmental Conduct Code § 1.126(f)4

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION	
TYPE OF FILING original	DATE OF ORIGINAL FILING (for amendment only)
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD	
OFFICE OR BOARD Board of Supervisors	NAME OF CITY ELECTIVE OFFICER Members

3. FILER'S CONTACT	
NAME OF FILER'S CONTACT Angela calvillo	TELEPHONE NUMBER 415-554-5184
FULL DEPARTMENT NAME office of the Clerk of the Board	EMAIL Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT	
NAME OF DEPARTMENTAL CONTACT Daniel Sider	DEPARTMENT CONTACT TELEPHONE NUMBER 415-558-6697
FULL DEPARTMENT NAME CPC Planning Dept.	DEPARTMENT CONTACT EMAIL dan.sider@sfgov.org

5. CONTRACTOR	
NAME OF CONTRACTOR Stephens Institute and associated LLCs	TELEPHONE NUMBER 415-549-8650
STREET ADDRESS (including City, State and Zip Code) 77 New Montgomery Street; SF CA 94105	EMAIL

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER	FILE NUMBER (If applicable) 191125
DESCRIPTION OF AMOUNT OF CONTRACT APX \$58,000,000		
NATURE OF THE CONTRACT (Please describe) Settlement Agreement (including a Development Agreement) between the City and County of San Francisco and the Stephens Institute (dba Academy of Art University). If approved, the Development Agreement legitimizes Academy uses at 34 properties and the City receives various public benefits, including but not limited to payments of: (1) \$37.6 million for affordable housing, (2) approximately \$8.2 million to City's Small Sites Program, (3) \$1 million in Planning Code penalties and \$6 million in Unfair Competition Law penalties, and (4) approximately \$3.8 million in impact fees associated with the legalization of uses. In total the settlement payments total approximately \$58 million. Additionally, the Stephens Institute will cover the cost of Planning Department staff review time and attorney fees.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Houston	Nancy	Board of Directors
2	Daniels	Caroline	Board of Directors
3	Jones	Greg	Board of Directors
4	Stauffer	Thomas	Board of Directors
5	Vega	Frank	Board of Directors
6	Wente	Carolyn	Board of Directors
7	Wilbur	Anne	Board of Directors
8	Williams	Jamie	Board of Directors
9	Winn	Richard	Board of Directors
10	Yates	Charlotte	Board of Directors
11	Stephens	Elisa	CEO
12	Rowley	Sue	Other Principal Officer
13	Tsatsoulis	Vasilios	COO
14	Weeck	Martha	CFO
15	Vollaro	Joseph	Other Principal Officer
16	Fisher	Robert	Other Principal Officer
17	Sober	James	Other Principal Officer
18	Grifeath	Kate	Other Principal Officer
19	Blazer	Joshua	Other Principal Officer

9. AFFILIATES AND SUBCONTRACTORS

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
20	Verdugo	Hector	other Principal officer
21	Gomez	Roger	other Principal officer
22	Sydeman	Melissa	Other Principal officer
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50			

Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK	DATE SIGNED
BOS Clerk of the Board	

Jesse Capin Smith, Esq.
Chief Assistant City Attorney
Office of City Attorney Dennis J. Herrera
City Hall, Rm. 234 / 1 Dr. Carlton B. Goodlett Pl.
San Francisco, CA 94102-4682
(Sent via email Jessie.smith@sfgov.org)

January 6, 2020

Re: Signage at 1900 Jackson Street

Dear Mr. Smith,

The undersigned is a managing member of Jackson Street LLC, A Delaware Limited Liability Company (herein after "LLC"); the lawful owner of 1900 Jackson Street in the City and County of San Francisco, California (hereinafter "1900 Jackson"). This letter shall memorialize an agreement between LLC and the unidentified neighbors of 1900 Jackson who expressed concern over the signage plans submitted with the Settlement Agreement between the City and the Academy Entities (San Francisco Superior Court Case No. CGC-16-551832) and approved by the San Francisco Planning Commission. Subject to the approval of all required regulatory government entities representing the City and County of San Francisco, LLC agrees to modify its existing signage plans at 1900 Jackson and reduce the location, size and illuminated hours of such signage as follows:

- A. LLC agrees to withdraw its application for signage on the Gough Street side of 1900 Jackson, including any related illumination of the same.
- B. LLC agrees to modify the shape of the signage on the Jackson Street side of 1900 Jackson from 2 feet by 6 feet, to no greater than 3 feet by 4 feet.
- C. LLC agrees to modify the location of the sign on the Jackson Street side of 1900 Jackson Street to the wall facing the street to the left of the front door of 1900 Jackson.
- D. LLC agrees to alter the copy of the sign to read as follows:

John Singer Sargent Apartments (Top)
[Red AAU logo] Academy of Art University (Bottom)

The top/bottom dimensions of the lettering shall be 2/3 (Top) and 1/3 (Bottom).

- E. LLC agrees that the indirect illumination will only be from sunset each day until 10pm.

The proposed reduced sign is approximated in the form found on the drawings attached hereto as Exhibit A. In the event the regulatory government entities representing the City and County of San Francisco do not approve of the modification as evidence by a future final permit approval, LLC reserves the right to revert to its original application approved by the San Francisco Planning Commission.

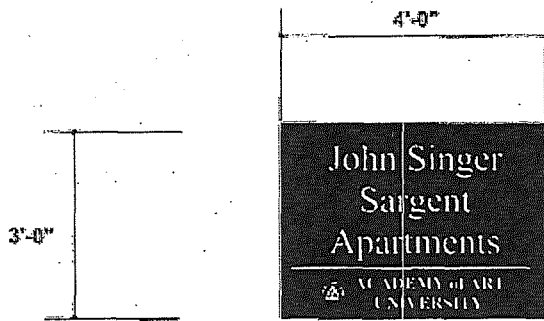
1900 JACKSON STREET, LLC



Elisa Stephens,
Managing Member

Exhibit A
Signage Illustration

[Attached]

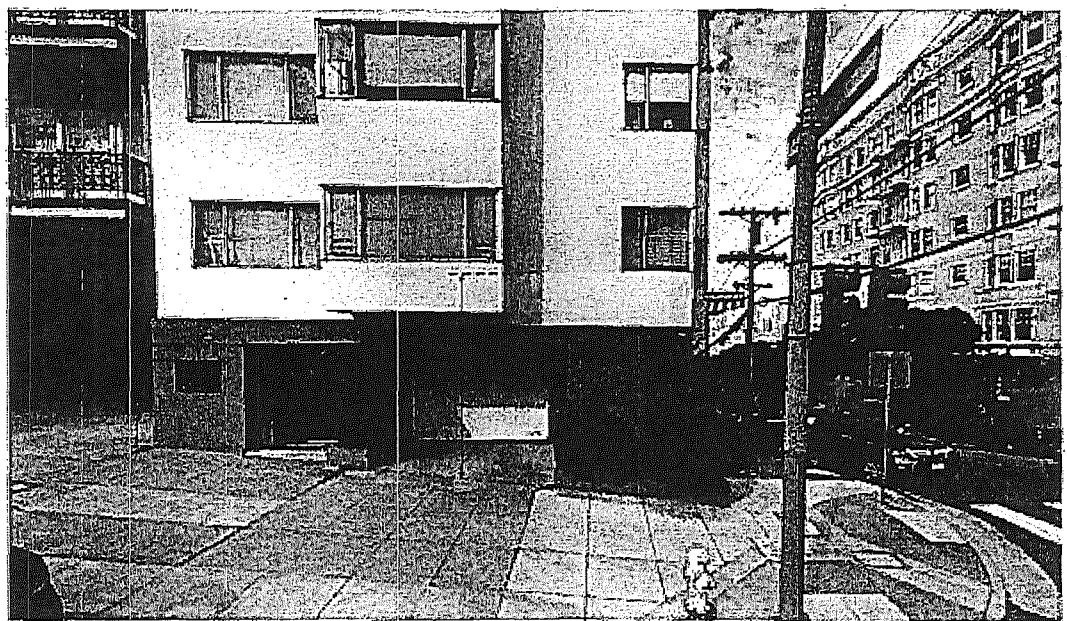


A

S/F Externally Illuminated Wall Sign

Scale: 1/2" = 1' - 0"

2"x2" Angle Frame w/ Black Aluminum Face w/ Vinyl Graphics
LED Lighting Strip @ Top



Jackson St Elevation

1900 Jackson Street

1/6/20



SAN FRANCISCO PLANNING DEPARTMENT

December 4, 2019

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

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

**Re: Transmittal of Planning Department Case Number 2019-012970PCADVA:
Academy of Art University Development Agreement and Planning Code Text
Amendments
Board File No. 191125
Planning Commission Recommendation: Approval**

Dear Ms. Calvillo, Supervisor Peskin, and Supervisor Yee,

On November 20, 2019 and November 21, 2019, the Historic Preservation Commission and Planning Commission, respectively, conducted duly noticed public hearings at regularly scheduled meetings to consider the proposed Ordinance, introduced by Supervisors Peskin and Yee that would approve a Development Agreement between the City and County of San Francisco and the Stephens Institute, dba Academy of Art University, and its affiliated entities, as to the Academy's properties, and would amend the Planning Code by adding Sections 304.6 and 304.7 to provide review procedures for Large Noncontiguous Post-Secondary Educational Institutions. At the respective hearings the Historic Preservation Commission and Planning Commission recommended approval.

The proposed Ordinance, which includes a Development Agreement and Planning Code text amendments, have been reviewed and considered by the Historic Preservation Commission and Planning Commission as part of the Academy of Art University Project, for which a Final Environmental Impact Report (FEIR) was certified on July 28, 2016 under Motion No. 19704 and an Addendum prepared on October 9, 2019. Both Commissions adopted CEQA Findings under Motion No. 0401 (Historic Preservation Commission) and Motion No. 20572 (Planning Commission), including the MMRP, which is included as Attachment B to both Motions.

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

Sincerely,



Aaron D. Starr
Manager of Legislative Affairs

cc:

Kristen Jensen, Deputy City Attorney
Sunny Angulo, Aide to Supervisor Peskin
Lee Hepner, Aide to Supervisor Peskin
Jen Low, Aide to Supervisor Yee
Erica Major, Office of the Clerk of the Board

Attachments:

Planning Commission Motion No. 19704 – Certification of Final EIR
Addendum to Academy of Art University Project EIR
Historic Preservation Commission Motion No. 0401 – Adoption of CEQA Findings
Planning Commission Motion No. 20572 – Adoption of CEQA Findings
Historic Preservation Commission Resolution No. 1106 – Academy of Art University Ordinance
Planning Commission Resolution No. 20573 – Academy of Art University Ordinance
Historic Preservation Commission Motion No. 0402 – Master Permit to Alter
Historic Preservation Commission Motion No. 0403 – Master Certificate of Appropriateness
Planning Commission Motion No. 20574 – Master Conditional Use Authorization
Planning Department Executive Summary for November 21, 2019 Hearing
Settlement Agreement
Chapter 41 Permit to Convert Application
Shuttle Management Plan

**Note: Additional background documents pertaining to the Academy of Art University Project may be found on the Department's website here: sfplanning.org/academy*



**SAN FRANCISCO
PLANNING DEPARTMENT**

Planning Commission Motion No. 19704

HEARING DATE: July 28, 2016

Case No.: 2008.0586E
Project Address: Academy of Art University (AAU) Project
Zoning: various
 Various
Block/Lot: various
Project Sponsor: Gordon North, Academy of Art University
 (415) 618-3671
deir@academyart.edu
Staff Contact: Chelsea Fordham- (415)575-9071
Chelsea.Fordham@sfgov.org

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

Reception:
 415.558.6378

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Planning
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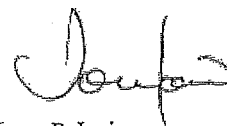
ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR A PROPOSED PROJECT CONSISTING OF FOUR GENERAL COMPONENTS: STUDY AREA GROWTH, PROJECT SITE GROWTH, LEGALIZATION OF PRIOR UNAUTHORIZED CHANGES, AND SHUTTLE SERVICE EXPANSION. STUDY AREA GROWTH CONSISTS OF APPROXIMATELY 110,000 NET SQUARE FEET (SF) OF ADDITIONAL RESIDENTIAL USES (TO HOUSE APPROXIMATELY 400 STUDENTS, EQUIVALENT TO ABOUT 220 ROOMS) AND 669,670 SF OF ADDITIONAL INSTITUTIONAL SPACE IN 12 GEOGRAPHIC AREAS (STUDY AREAS) WHERE AAU COULD OCCUPY BUILDINGS TO ACCOMMODATE FUTURE GROWTH. THE STUDY AREAS GENERALLY INCLUDE THE FOLLOWING AREAS: STUDY AREA 1 (SA-1), LOMBARD STREET/DIVISADERO STREET; SA-2, LOMBARD STREET/VAN NESS AVENUE; SA-3, MID VAN NESS AVENUE; SA-4, SUTTER STREET/MASON STREET; SA-5, MID MARKET STREET; SA-6, FOURTH STREET/HOWARD STREET; SA-7, RINCON HILL EAST; SA-8, THIRD STREET/BRYANT STREET; SA-9, SECOND STREET/BRANNAN STREET; SA-10, FIFTH STREET/BRANNAN STREET; SA-11, SIXTH STREET/FOLSOM STREET; AND SA-12, NINTH STREET/FOLSOM STREET. PROJECT SITE GROWTH CONSISTS OF SIX ADDITIONAL SITES THAT HAVE BEEN OCCUPIED, IDENTIFIED, OR OTHERWISE CHANGED BY AAU SINCE PUBLICATION OF THE SEPTEMBER 2010 NOTICE OF PREPARATION (NOP) FOR THIS EIR. THE SIX PROJECT SITES WOULD INCLUDE A TOTAL OF 411,070 SF OF INSTITUTIONAL, BUS STORAGE, AND COMMUNITY FACILITY USES. THE PROJECT SITES INCLUDE THE FOLLOWING ADDRESSES: 2801 LEAVENWORTH STREET (THE CANNERY) (ASSESSOR'S BLOCK/LOT:0010/001); 700 MONTGOMERY STREET (ASSESSOR'S BLOCK/LOT:0196/028); 625 POLK STREET (ASSESSOR'S BLOCK/LOT:0742/002); 150 HAYES STREET (ASSESSOR'S BLOCK/LOT:0811/022); 121 WISCONSIN STREET (ASSESSOR'S BLOCK/LOT:3953/004); AND 2225 JERROLD AVENUE (ASSESSOR'S BLOCK/LOT:5286A/020). THE PROPOSED PROJECT ALSO INCLUDES EXTENSION OF AAU'S SHUTTLE SERVICE TO SERVE GROWTH IN THE STUDY AREAS AND AT THE PROJECT SITES. THE PROPOSED PROJECT INCLUDES LEGALIZATION OF CHANGES IN USE AND/OR APPEARANCE UNDERTAKEN WITHOUT BENEFIT OF PERMITS PRIOR TO ISSUANCE OF THE NOP AT 28 OF AAU'S 34 EXISTING SITES.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the Final Environmental Impact Report identified as Case No. 2008.0586E, Academy of Art University Project (hereinafter "Project"), based upon the following findings:

1. The City and County of San Francisco, acting through the Planning Department (hereinafter "Department") fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 *et seq.*, hereinafter "CEQA"), the State CEQA Guidelines (Cal. Admin. Code Title 14, Section 15000 *et seq.*, (hereinafter "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31").
 - A. The Department determined that an Environmental Impact Report (hereinafter "EIR") was required and provided public notice of that determination by publication in a newspaper of general circulation on September 29, 2010.
 - B. On February 25, 2015, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.
 - C. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site by Department staff on February 25, 2015.
 - D. On February 25, 2015, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.
 - E. Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on February 25, 2015.
 - F. Revised Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site by Department staff on April 8, 2015 to address a specific site in Study Area 2 (Lombard/Van Ness Avenue) at 2550 Van Ness Avenue (Assessor's Block/Lot: 0526/021).
2. The Commission held a duly advertised public hearing on said DEIR on April 16, 2015 at which opportunity for public comment was given, and public comment was received on the DEIR. The period for acceptance of written comments ended on April 27, 2015.
3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 62-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Responses to Comments document, published on June 30, 2016, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.

4. A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Comments and Responses document all as required by law.
5. Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.
6. On July 28, 2016, the Commission reviewed and considered the FEIR and hereby does find that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code.
7. The Planning Commission hereby does find that the FEIR concerning File No. 2008.0586E reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the DEIR, and hereby does CERTIFY THE COMPLETION of said FEIR in compliance with CEQA and the CEQA Guidelines.
8. The Commission, in certifying the completion of said FEIR, hereby does find that the project described in the EIR:
 - A. Will have a significant project-specific effect on the environment from housing demand as a result of population growth; and
 - B. Will have a significant cumulative effect on the environment from housing demand as a result of population growth and a substantial increase in local transit demand that could not be accommodated by adjacent MUNI transit capacity on the Kearny/Stockton and Geary corridors under 2035 cumulative plus project conditions.
9. The Planning Commission reviewed and considered the information contained in the FEIR prior to approving the Project.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of July 28, 2016.



Jonas P. Ionin
Commission Secretary

Motion No. 19704
July 28, 2016

CASE NO. 2008.0586E
Academy of Art University Project

AYES: Antonini, Johnson, Fong, Moore, Richards and Wu

NOES: None

ABSENT: Hillis

ADOPTED: July 28, 2016



**SAN FRANCISCO
PLANNING DEPARTMENT**

Planning Commission Motion No. 19704

HEARING DATE: July 28, 2016

Case No.: 2008.0586E
Project Address: Academy of Art University (AAU) Project
Zoning: various
 Various
Block/Lot: various
Project Sponsor: Gordon North, Academy of Art University
 (415) 618-3671
deir@academyart.edu
Staff Contact: Chelsea Fordham- (415)575-9071
Chelsea.Fordham@sfgov.org

1650 Mission St.
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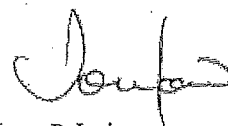
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7. The Planning Commission hereby does find that the FEIR concerning File No. 2008.0586E reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the DEIR, and hereby does CERTIFY THE COMPLETION of said FEIR in compliance with CEQA and the CEQA Guidelines.
8. The Commission, in certifying the completion of said FEIR, hereby does find that the project described in the EIR:
 - A. Will have a significant project-specific effect on the environment from housing demand as a result of population growth; and
 - B. Will have a significant cumulative effect on the environment from housing demand as a result of population growth and a substantial increase in local transit demand that could not be accommodated by adjacent MUNI transit capacity on the Kearny/Stockton and Geary corridors under 2035 cumulative plus project conditions.
9. The Planning Commission reviewed and considered the information contained in the FEIR prior to approving the Project.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of July 28, 2016.



Jonas P. Ionin
Commission Secretary

Motion No. 19704
July 28, 2016

CASE NO. 2008.0586E
Academy of Art University Project

AYES: Antonini, Johnson, Fong, Moore, Richards and Wu
NOES: None
ABSENT: Hillis
ADOPTED: July 28, 2016

Addendum #1 to Environmental Impact Report

Addendum Date: October 9, 2019
Case No.: 2008.0586E
Project Title: Academy of Art University Project EIR Addendum
Zoning/Plan Area: 1069 Pine Street – RM-4/Not in Plan Area
1055 Pine Street – RM-4/Not in Plan Area
700 Montgomery Street – C-2/Not in Plan Area
2295 Taylor Street – NCD/Not in Plan Area
2340 Stockton Street – C-2/Northeast Waterfront Plan Area
1946 Van Ness Avenue – RC-4/Van Ness Avenue Corridor Plan Area
1142 Van Ness Avenue – RC-4/Van Ness Avenue Corridor Plan Area
2550 Van Ness Avenue – RM-3/RC-3/Not in Plan Area
2801 Leavenworth Street – C-2/Northeast Waterfront Plan Area
2225 Jerrold Avenue – PDR-2/Bay View Hunters Point Plan Area
460 Townsend Street – CMUO/Western SoMa & Central SoMa Plan Areas
150 Hayes Street – G-3-G/Civic Center & Downtown Plan Area
121 Wisconsin Street – UMU/Showplace Square/Potrero Hill Plan Area
168 Bluxome Street – MUG/Western SoMa & Central SoMa Plan Areas
Block/Lot: Multiple
Lot Size: Multiple
Project Sponsor: Academy of Art University
Staff Contact: Ryan Shum; ryan.shum@sfgov.org; 415-575-9021

1.0 PURPOSE OF THE ADDENDUM

Section 31.19(c)(1) of the San Francisco Administrative Code states that a modification to a previously approved project be reevaluated as follows: "If, on the basis of such reevaluation, the Environmental Review Officer determines, based on the requirements of CEQA, that no additional environmental review is necessary, this determination and the reasons (addendum) therefor shall be noted in writing in the case record, and no further evaluation shall be required by this Chapter." Under CEQA Guidelines section 15164, an addendum to an adopted EIR shall be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred. In addition, CEQA section 21166 and CEQA Guidelines sections 15162-15164 provide that when an EIR has been adopted for a project, no subsequent or supplemental EIR shall be required unless one or more of the following events occurs: (1) substantial changes are proposed in the project which will require major revisions of the EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or (3) new information of substantial importance, which was not known and could not have been known at the time the EIR was

certified complete, becomes available. Under CEQA Guidelines section 15164, the lead agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary, but none of these events has occurred.

Consistent with Section 15164 of the CEQA Guidelines, the purpose of this addendum is to document the Planning Department's determination that no supplemental CEQA review is required for the proposed revised project. This addendum, which is intended to be used in the planning and decision-making process, concludes that the proposed changes to the original project would not result in any new significant environmental impacts or substantial increases in the significance of already identified effects in the Final Environmental Impact Report (Final EIR) certified on July 28, 2016. Thus, no supplemental environmental review for the revised project is required.

2.0 BACKGROUND

The Academy of Art University (AAU), located within the City and County of San Francisco (the city), is a private postsecondary academic institution established in 1929 that currently occupies 40 buildings¹ in the city (predominantly in the northeast quadrant) for its existing educational programs, recreational activities, and student housing. In 2007, AAU occupied 34 buildings; in 28 of those buildings, AAU had implemented various tenant improvements and changes of use without benefit of required building permits or other entitlements. In order to evaluate the potential impacts associated with bringing these 28 buildings into compliance with the San Francisco Planning Code and to analyze AAU's then-proposed plans for growth, an environmental impact report was prepared between 2010 and 2016. During this period, affiliates of AAU acquired an additional six buildings beyond the 34 already occupied, bringing the total number of properties owned or occupied by AAU and its affiliates to 40. The San Francisco Planning Commission certified the Final EIR for the 40 properties included in the AAU project (original project) on July 28, 2016.² Table 1 below summarizes the properties analyzed in the Final EIR.

#	Property	#	Property
1.	2340 Stockton Street	21.	1900 Jackson Street
2.	2295 Taylor Street	22.	1916 Octavia Street
3.	2151 Van Ness Avenue	23.	1153 Bush Street
4.	1849 Van Ness Avenue	24.	1080 Bush Street
5.	950 Van Ness Avenue	25.	860 Sutter Street
6.	1069 Pine Street	26.	817-825 Sutter Street
7.	740 Taylor Street	27.	736 Jones Street
8.	625-629 Sutter Street	28.	1055 Pine Street

¹ This figure is approximate in that AAU is in the process of or has already effectively ceased operations in some properties that are to be vacated as described below.

² San Francisco Planning Department, *Academy of Art University Project Final Environmental Impact Report*, SCH No. 2010092080, Planning Department Case No. 2008-0586E, certified July 28, 2016. Available online at <http://sf-planning.org/environmental-impact-reports-negative-declarations>. Accessed March 8, 2018.

Table 1: Properties Analyzed in the Final EIR			
#	Property	#	Property
9.	491 Post Street	29.	680-688 Sutter Street
10.	540 Powell Street	30.	620 Sutter Street
11.	410 Bush Street	31.	655 Sutter Street
12.	77-79 New Montgomery Street	32.	560 Powell Street
13.	180 New Montgomery	33.	575 Harrison Street
14.	58-60 Federal Street	34.	168 Bluxome Street
15.	601 Brannan Street	35.	2801 Leavenworth Street
16.	460 Townsend Street	36.	700 Montgomery Street
17.	466 Townsend Street	37.	625 Polk Street
18.	1727 Lombard Street	38.	150 Hayes Street
19.	2211 Van Ness Avenue	39.	121 Wisconsin Street
20.	2209 Van Ness Avenue	40.	2225 Jerrold Avenue

The original project analyzed in the Final EIR included four components of future AAU growth based on AAU's proposed expansion and its projected increase in on-site student³ enrollment to approximately 17,282 students by 2020, which would have included a total increase of approximately 6,100 students (or approximately a five percent increase in students per year), as compared to a reported 2010 on-site student enrollment of 11,181 students. In addition, AAU also anticipated an increase of 1,220 faculty and staff, beyond the reported 2,291 faculty and staff that were employed by AAU in 2010, which would have resulted in a projected total of 3,511 faculty and staff by 2020.

The growth in student and faculty population projected for the original project and analyzed in the Final EIR has not occurred. Instead, as of fall 2018, the total reported on-site student enrollment was 6,710 students, a decline of 4,471 students from the 2010 reported enrollment, and less than one half of the 16,062 on-site students that were projected in the original project for 2017.⁴ Despite these declining enrollment numbers, and in order to provide for a conservative analysis of potential environmental impacts, this addendum analyzes a projected three percent (3%) annual growth rate that would result in a total on-site enrollment of 7,119 students in 2020; again, less than one half of the 17,282 students projected for the original project.

As explained below, the original project's four components included program-level growth, project-level growth, legalization of certain prior unauthorized changes, and shuttle expansion:

1. Program-level growth of approximately 110,000 net square feet of additional residential uses (to house approximately 400 students, equivalent to about 220 rooms) and approximately 669,670

³ For purposes of the Final EIR and this addendum, "on-site student" refers to any student that takes at least one classroom class (as opposed to online) on the AAU campus in a given semester.

⁴ Academy of Art University, 2019 Institutional Master Plan, July 5, 2019. Available online at https://sfplanning.org/sites/default/files/za/AAU_2019-012970IMP.pdf. Accessed August 13, 2019.

square feet of additional institutional space within 12 study areas that AAU and the Planning Department identified where AAU could occupy buildings;

2. Project-level growth at six specific project sites including 393,537 square feet of institutional uses and 17,533 square feet of recreational uses;⁵
3. Legalization of certain prior unauthorized changes of use and minor physical alterations at 28 of AAU's then existing 34 locations; and
4. Future shuttle system expansion to the 12 study areas in which program-level growth is anticipated.

In the Final EIR, the Planning Department determined that the project would not have significant adverse environmental effects regarding land use; aesthetics; greenhouse gases; wind and shadow; recreation; utilities and service systems; public services; biological resources; geology and soils; hydrology and water quality; mineral and energy resources; and agricultural resources. Certain potentially significant adverse environmental effects regarding cultural and paleontological resources; transportation and circulation; noise; air quality; and hazardous materials were determined to be less than significant with implementation of required mitigation measures. Two project-level impacts were determined to be significant and unavoidable:

- Impact PH-2.1 determined that the project, including growth in the 12 study areas, would displace substantial numbers of people, or existing housing units, or create demand for additional housing, necessitating the construction of replacement housing elsewhere, or displace a substantial number of businesses or employees.
- Impact PH-2.3 determined that the project, including growth in the 12 study areas and at the six project sites, would displace substantial numbers of people, or existing housing units or create demand for additional housing, necessitating the construction of replacement housing elsewhere, or displace a substantial number of businesses or employees.

In addition, the following cumulative impacts were determined to be significant and unavoidable:

- Impact C-TR-2.1a/2.2a/2.3a identified a significant and unavoidable cumulative impact from a substantial increase in local transit demand that could not be accommodated by adjacent Muni transit capacity at the Kearny/Stockton and Geary corridors under 2035 cumulative plus project conditions.
- Impact C-PH-1 identified a significant and unavoidable impact on population and housing resulting from implementation of the original project, in combination with past, present, and reasonably foreseeable future projects in the vicinity.

The changes to the original project, referred to in this addendum as the revised project, are being proposed under a Term Sheet for Global Resolution (Term Sheet) entered into by the city and AAU on November 15,

⁵ The six project sites include the following addresses: Project Site 1 (PS-1), 2801 Leavenworth Street (The Cannery); PS-2, 700 Montgomery Street; PS-3, 625 Polk Street; PS-4, 150 Hayes Street; PS-5, 121 Wisconsin Street; and PS-6, 2225 Jerrold Avenue.

2016, as updated by a Supplement to Term Sheet dated July 10, 2019 (collectively, "Term Sheet").⁶ As required by the Term Sheet, AAU filed an application for a Development Agreement on December 19, 2016 (Case No: 2008.0586DVA). The Development Agreement identifies certain changes to the original project, as described below. The Term Sheet modifications analyzed in this addendum are considered in the context of a current and projected AAU project size that is substantially reduced from that evaluated in the Final EIR.⁷

3.0 PROPOSED REVISIONS TO THE PROJECT

Under the revised project, AAU would immediately vacate nine of its existing 40 campus properties, thereby reducing existing AAU properties analyzed in the Final EIR to 31. In addition to these 31 existing properties, three properties not currently occupied by AAU would be converted to AAU use for educational programs and student housing. As revised, the AAU campus would therefore be comprised of 34 properties. In addition to the changes described above, the revised project also includes revisions to the proposed uses at two properties previously analyzed in the Final EIR (2801 Leavenworth and 2225 Jerrold). These revisions are summarized in Table 2 and described in more detail below. For 29 of the 31 existing AAU properties analyzed in the Final EIR and included in the proposed AAU campus, there are no material physical changes or changes of use that were not considered in the Final EIR or otherwise required by City code regulations; as a result, these 29 properties will not be evaluated further in this addendum. See section 3.3.2 of this addendum for additional details. The comprehensive list of the 34 AAU properties and their proposed changes and/or modifications as part of the revised project are identified in Appendix A.

⁶ The Term Sheet sets forth generally the terms on which the City and AAU intend to work together to resolve all of the known outstanding issues now pending between them relating to land use matters for properties in San Francisco that AAU uses or controls and establish appropriate principles and processes for AAU land use compliance for the future. The Term Sheet will be implemented through a Development Agreement, Settlement Agreement, Stipulated Injunction and related documents which are subject to final approval by the Planning Commission and Board of Supervisors.

⁷ The Development Agreement and Term Sheet referenced in this addendum are included in the Planning Department's Executive Summary of AAU's July 5, 2019 Institutional Master Plan, available at this web link: <http://commissions.sfplanning.org/cpcpackets/2019-012970IMP.pdf>.

Table 2: Proposed Revisions to the Academy of Arts University Campus			
	Property	Academy Use Type	Size (square feet)
New ¹	1946 Van Ness Avenue	Institutional	25,040
	1142 Van Ness Avenue	Institutional	50,221
	2550 Van Ness Avenue	Residential	76,402 // 306 beds
Withdrawn ²	700 Montgomery Street	Institutional	8,159
	1069 Pine Street	Institutional	1,875
	2295 Taylor Street	Institutional	20,000
	2340 Stockton Street	Institutional	44,530
	460 Townsend Street	Institutional	25,920
	150 Hayes Street	Institutional	80,330
	121 Wisconsin Street	Institutional	1,140
	1055 Pine Street	Residential	36,213 // 155 beds
	168 Bluxome Street	Residential	73,822 // 219 beds
Other ³	2801 Leavenworth Street	AAU's application for 2801 Leavenworth Street (the Cannery) would be modified under the revised project to retain active, publicly accessible ground floor uses. Under the revised project, non-public ground floor space currently used for AAU would be approved for publicly accessible retail uses (including possible use as publicly accessible gallery space related to AAU's programs) pursuant to the Term Sheet. Existing AAU uses in the remainder of the building would continue.	
	2225 Jerrôld Avenue	AAU's application for 2225 Jerrôld Avenue would be modified to convert a portion of the existing commercial storage uses to a community facility, instead of an AAU recreational space.	
¹ Properties proposed for AAU use that were not analyzed in the FEIR ² Properties analyzed in FEIR from which AAU would withdraw uses ³ Properties analyzed in the FEIR for which AAU has revised their proposed uses			

Features of the revised project outlined above are summarized below, followed by a more detailed description of the proposed changes in Section 2.1 of this document.

AAU would vacate a combined total of approximately 172,394 square feet of institutional uses located at 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 460 Townsend Street, 150 Hayes Street and 121 Wisconsin Street. AAU also would vacate approximately 374 total beds of existing student housing at 1055 Pine Street (155 beds in 81 group housing bedrooms) and 168 Bluxome (219 beds in 61 live-work units), while converting the existing tourist hotel at 2550 Van Ness Avenue (currently known as the Da Vinci Hotel) to student housing, where 136 rooms would accommodate an estimated 306 beds of student housing. This would result in a net decrease of 6 bedrooms/units and approximately 68 beds, for student housing. AAU has prepared, and the Planning Department has reviewed, detailed plans for each property AAU will continue to occupy in order to determine the maximum numbers of beds that could be supported at AAU's existing student housing properties, without any major interior or exterior

modifications or expansions. Based on this review, the department has determined that a number of AAU student housing properties can support more beds than originally analyzed in the Final EIR (see Appendix A). As a result, it is anticipated that AAU would have a total of approximately 1,839 beds available for students at completion of the revised project. In addition, AAU would activate approximately 75,261 square feet of new institutional uses at 1946 Van Ness Avenue and 1142 Van Ness Avenue.

Under the revised project, AAU would also modify its application for 2801 Leavenworth Street (the Cannery) to require retail or other active uses on the ground floor that are physically accessible to members of the public during the normal retail hours of operation customary in the neighborhood, which uses may include Academy galleries, and limiting AAU institutional uses to the mezzanine, second and third floors of the building.

Under the revised project, AAU would vacate the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street. The revised project prohibits any future owner of 1055 or 1069 Pine from using the properties for student housing or other accessory uses for AAU's benefit. Future uses at 1055 and 1069 Pine Street are currently unknown; however, any modification to the last-legal uses of 1055 Pine Street or 1069 Pine Street would require authorization from the City through the City's ordinary land use approval process, subject to all applicable San Francisco codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed. As discussed below under section 2.0, the 155 beds currently provided at 1055 Pine Street would be relocated to the Da Vinci Hotel at 2550 Van Ness Avenue (see discussion below). The small gymnasium at 1069 Pine Street would be replaced by an existing, similarly sized gymnasium at 1142 Van Ness Avenue (site of the former Concordia Club).

Under the revised project, AAU would modify its change of use application for 2225 Jerrold to convert a portion of the existing commercial storage uses to a community facility, instead of an AAU recreational space. The Final EIR analyzed the site as containing AAU office space (in the southeast corner of the building), storage areas for AAU bus operations, mechanical/janitorial functions, and other miscellaneous storage for AAU purposes, as well as space used by the San Francisco Fire Department (SFFD) for storage and office space for the Department's Toy Program and an AAU basketball court and weight room to be used for recreational purposes. As part of the revised project, AAU will revise its change of use application to replace the initially proposed AAU recreational facilities with an approximately 15,084 square foot community facility, including a multi-purpose recreation room and indoor and outdoor community facility lounge spaces. AAU would be permitted to use the facility on an accessory basis, subject to regulation under the Development Agreement. The revised project includes modifications to the Jerrold frontage of the property to enhance safe pedestrian and bicycle access to and amenities for the community facility.

Figure 1 below shows the location of the proposed changes relative to the study areas and project sites analyzed in the Final EIR. Figure 2 shows the location of AAU's existing sites, as analyzed in the Existing Sites Technical Memorandum (ESTM), which was considered by the Planning Commission on July 28, 2016 in connection with its certification of the Final EIR.⁸ The purpose of the ESTM was to assess potential pre-Notice of Preparation (NOP)⁹ effects that resulted from previously unauthorized changes of use and/or

⁸ San Francisco Planning Department, *Academy of Art University Project Existing Sites Technical Memorandum*, May 4, 2016. Available online at: <http://sf-planning.org/environmental-impact-reportsnegative-declarations>. Accessed March 8, 2018.

⁹ The Notice of Preparation for the EIR was published on September 29, 2010. This document (and all other documents cited in this addendum, unless otherwise noted) is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400 as part of Case File No. 2010.0586E.

alterations at AAU's 34 then-existing sites and to discuss the required modifications and approvals to legalize those uses and alterations. As previously discussed, the 34 sites and their proposed changes and/or modifications are identified in Appendix A.

Figure 1. Project Location

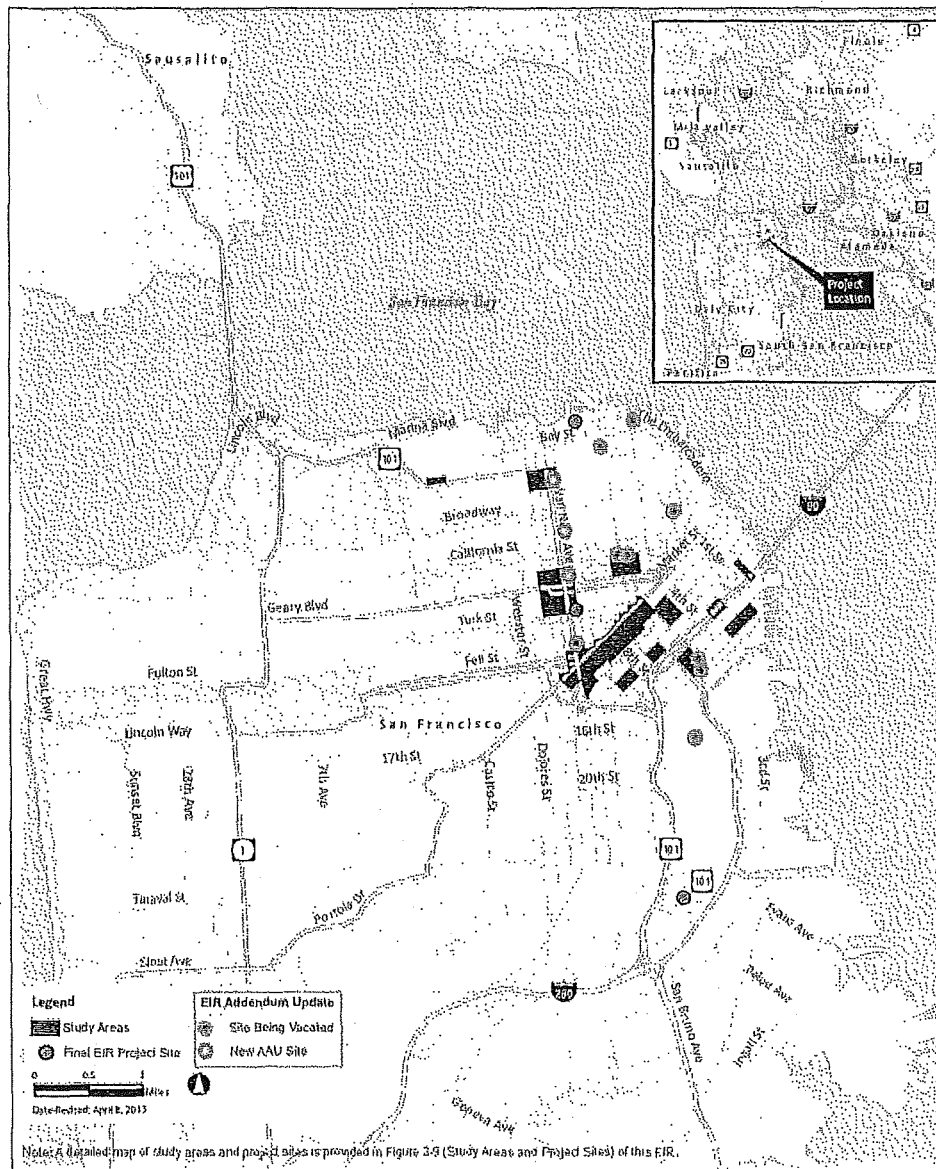
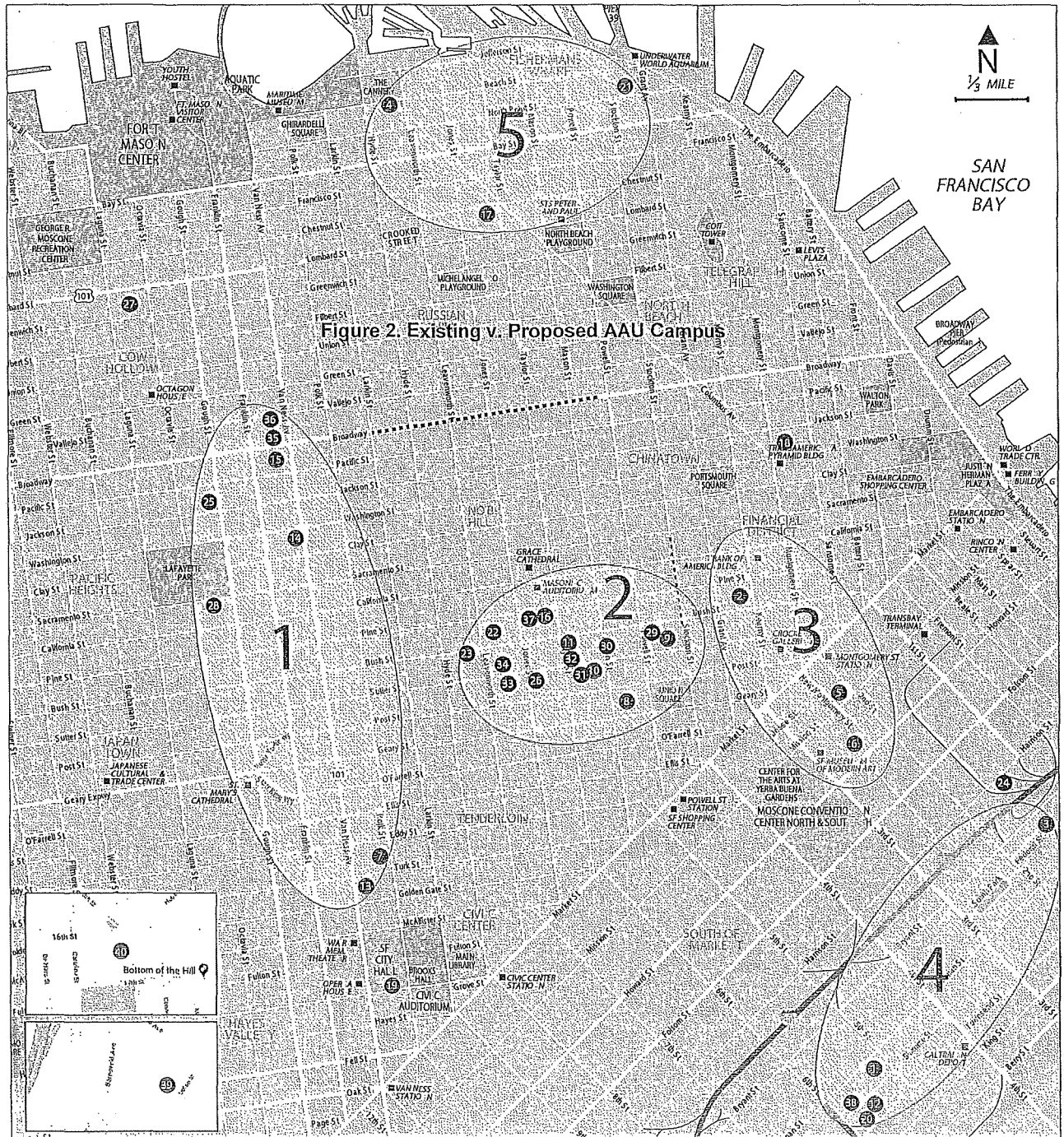


Figure 2. Existing v. Proposed AAU Campus

Existing Campus



Source: AAU 4/5/19

Legend: Existing Campus

● Institutional Sites

1. 601 Brannan St.
2. 410 Bush St.
3. 58-60 Federal St.
4. 2801 Leavenworth St.
5. 77-79 New Montgomery St.
6. 180 New Montgomery St.
7. 625 Polk St.
8. 491 Post St.
9. 540 Powell St.
10. 625-629 Sutter St.
11. 740 Taylor St.
12. 466 Townsend St.
13. 950 Van Ness Ave./963 O'Farrell St.
14. 1849 Van Ness Ave.
15. 2151 Van Ness Ave.
16. 1069 Pine St.
17. 2295 Taylor St.
18. 700 Montgomery St.
19. 150 Hayes St.
20. 460 Townsend St.
21. 2340 Stockton St.

● Residential Sites

22. 1080 Bush St.
23. 1153 Bush St.
24. 575 Harrison St.
25. 1900 Jackson St.
26. 736 Jones St.
27. 1727 Lombard St.
28. 1916 Octavia St.
29. 560 Powell St.
30. 620 Sutter St.
31. 655 Sutter St.
32. 680-688 Sutter St.
33. 817-831 Sutter St.
34. 860 Sutter St.
35. 2209 Van Ness Ave.
36. 2211 Van Ness Ave.
37. 1055 Pine St.
38. 168 Bluxome St.

● Other

39. 2225 Jerrold Ave. Commercial Storage & Private
Parking Garage (and lot) with Accessory Office
40. 121 Wisconsin St. (Vehicle Storage)

○ Clusters

1. Van Ness Transit Corridor
2. Union Square
3. Financial District
4. South of Market
5. Fisherman's Wharf

Source: AAU

Proposed Campus



Source: AAU 4/5/79

Legend: Proposed Campus

● Institutional Sites

1. 601 Brannan St.
2. 410 Bush St.
3. 58-60 Federal St.
4. 2801 Leavenworth St.
5. 77-79 New Montgomery St.
6. 180 New Montgomery St.
7. 625 Polk St.
8. 491 Post St.
9. 540 Powell St.
10. 625-629 Sutter St.
11. 740 Taylor St.
12. 466 Townsend St.
13. 1849 Van Ness Ave.
14. 2151 Van Ness Ave.
15. 1946 Van Ness Ave.
16. 1142 Van Ness Ave.

● Residential Sites

17. 1080 Bush St.
18. 1153 Bush St.
19. 575 Harrison St.
20. 1900 Jackson St.
21. 736 Jones St.
22. 1727 Lombard St.
23. 1916 Octavia St.
24. 560 Powell St.
25. 620 Sutter St.
26. 655 Sutter St.
27. 680-688 Sutter St.
28. 817-831 Sutter St.
29. 860 Sutter St.
30. 2209 Van Ness Ave.
31. 2211 Van Ness Ave.
32. 2550 Van Ness Ave.

● Other

33. 2225 Jerrold Ave.
(Commercial Storage & Private Parking Garage
(and lot) with Accessory Office; Community Facility)
34. 950 Van Ness Ave./963 O'Farrell St.
Private Parking Garage with groundfloor classic
car museum ancillary to museum located at
1849 Van Ness Ave.

○ Clusters

1. Van Ness Transit Corridor
2. Union Square
3. Financial District
4. South of Market

Source: AAU

3.1 Changes to AAU Properties

The discussion below presents detailed descriptions of the changes proposed at each location included as part of the revised project. As contemplated by the Term Sheet, the entitlement for the approved uses would be authorized contemporaneously with and through the city's final approval of a Master Conditional Use Permit issued pursuant to the Development Agreement. The Master Conditional Use Permit Application will include updated plan sets for each property. The plan sets do not contemplate any substantial new development, but do address applicable Planning Code improvement requirements, as well as Planning Code-compliant signage proposals.

1055 and 1069 Pine Street – Withdraw Pending Change-of-Use Applications

AAU currently uses 1055 Pine Street for student housing (155 beds) and 1069 Pine Street for recreation (approximately 1,875 square feet of exercise equipment). Both sites are located between Jones and Taylor Streets on Pine Street, within the RM-4 (Residential-Mixed, High Density) zoning district and a 65-A height and bulk district. Under the revised project, AAU would vacate these two sites.

Under the revised project, AAU would vacate its uses at the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street and make those sites available to a third-party unrelated to AAU. The revised project includes an agreement that prohibits any future owner of 1055 Pine Street or 1069 Pine Street from using the properties for student housing or other accessory uses for AAU's benefit. Future uses at 1055 Pine Street and 1069 Pine Street are currently unknown; however, any future modification to the last-legal use of 1055 Pine Street or 1069 Pine Street would require authorization from the City through the City's ordinary land use approval process, subject to all applicable San Francisco codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed. The 155 beds currently provided at 1055 Pine Street would be relocated to the Da Vinci Hotel at 2550 Van Ness Avenue (see discussion below). The 1069 Pine Street building contains a small gymnasium which would be replaced by a similarly sized gymnasium at 1142 Van Ness Avenue (the former Concordia Club).

700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street; 168 Bluxome Street; 150 Hayes Street; 460 Townsend Street; and 121 Wisconsin Street – Withdraw Existing Uses and/or Pending Change of Use and Conditional Use Applications

Under the revised project, the following properties would be vacated by AAU, and all outstanding change of use, Conditional Use (CU), or Certificate of Appropriateness applications associated with these sites would be withdrawn:

- 700 Montgomery Street: conditional use authorization; Certificate of Appropriateness. Analyzed as Project Site 2 in the Final EIR, this approximately 11,455 square foot building provided administrative, restaurant and classroom uses.
- 2295 Taylor Street: conditional use. Analyzed as Existing Site 2 in the ESTM, this approximately 10,440 square foot building was used for graduate studio and office space.
- 2340 Stockton Street: change of use. Analyzed as Existing Site 1 in the ESTM, this approximately 44,530 square foot building provided 16 classrooms, labs, art studios, offices, and student and faculty lounges.

- 168 Bluxome Street: no pending applications. Analyzed as Existing Site 32 in the ESTM, this approximately 73,820 square foot building provided 61 live/work units with capacity for 219 beds.
- 150 Hayes Street: change of use. Analyzed as Project Site 4 in the Final EIR, this approximately 80,330 square foot building was used for one of the Academy's regional headquarter offices.
- 460 Townsend Street: conditional use. Analyzed as Existing Site 33 in the ESTM, this approximately 25,920 square foot building provided six classrooms, art studios, and student and faculty lounges.
- 121 Wisconsin Street: no pending application. Analyzed as Project Site 5 in the Final EIR, this approximately 20,000 square foot lot was used for storage of Academy shuttle buses.

1946 Van Ness Avenue (the Bakery) – Change of Use

1946 Van Ness Avenue is an approximately 25,040-square-foot building that was acquired in December 2012 by 1946 Van Ness Avenue, LLC, an entity affiliated with AAU. It is located at the corner of Jackson Street and Van Ness Avenue. The property is located in an RC-4 (Residential-Commercial, High Density) zoning district. Previously issued building permits established the building use as ground floor retail and above ground retail and/or light manufacturing; however, the building had been vacant for some years prior to 1946 Van Ness Avenue, LLC's acquisition of the building. While this site was neither analyzed as a project nor located in any of the 12 study areas analyzed in the Final EIR, it is located between and within blocks of study areas two and three (SA-2 and SA-3), and is situated in a similar setting as other properties within these study areas that are located along the Van Ness corridor.

As part of the revised project, AAU proposes to convert the property to a post-secondary educational institutional use. The conversion for post-secondary educational institutional use would require modifications to the base building core and shell to bring the building into compliance with current life safety codes (e.g., fire sprinkler/fire alarm upgrades). The proposed scope of work includes installation of new aluminum storefronts with tempered glass in the existing openings for both the Van Ness Avenue and Jackson Street facades. On the upper floors, broken or missing windows would be repaired or replaced, as appropriate, to match existing glazing. Further repair includes the in-kind replacement of doors on Jackson Street, restoration of prior window replacements with windows to match in material and design, and removal of mechanical features, such as ventilation flues, and general maintenance of the property. Improvements to the 1946 Van Ness Avenue property would be consistent with *Secretary of the Interior's Standards for Rehabilitation* (Secretary's Standards).

Interior alterations would be related to the conversion of the building for post-secondary educational institutional use, and include the construction of partition walls, introduction of new sanitary facilities, construction of interior stairs, and other tenant improvements to support its institutional use. More specifically, the space would be divided to accommodate a number of vocational rooms, or classrooms to serve AAU's Industrial Design and Auto Restoration Programs, including a ground floor auto instructional work space and display. The conversion for post-secondary educational institutional use would be limited to open flexible space for AAU's use.

As proposed, the ground floor, mezzanine level, and second and third floors would comprise a number of vocational rooms, or classrooms, for the Academy's Auto Restoration and Industrial Design Programs. In order to activate the ground floor, and in association with the Auto Restoration Program, the ground floor will likely contain an automobile display and instructional work space, and an instructional auto body

paint shop. The mezzanine level would comprise of one large classroom and one small lab, also in association with the Auto Restoration Program. The second and third levels would house the Industrial Design program. Each floor would include one single open space. These floors would include movable floating partitions, but no permanent walls.

There would be four different start times for classes commencing between 8 a.m. and 10 p.m. daily. Classes would range in duration from three to five hours. Daily student population would range from 75 to 100 students at peak period with approximately six to ten staff on site. Class start times and duration would range, with classes lasting from three to five hours.

Any future interior improvements for specific programs would require separate permits. Sign proposals, floor plans, and property improvements and renovations necessary for or associated with the change of use would be approved under the Master CU application. The property would be served by existing AAU shuttle lines on Van Ness Avenue as well as the shuttle stop at 625 Polk. The proposal includes Class I and Class II bike parking.

1142 Van Ness Avenue (the Concordia Club) – Change of Use

1142 Van Ness Avenue is an approximately 50,221-square-foot building that was acquired in December 2014 by 1142 Van Ness LLC, an affiliate of AAU. It is located at the corner of Post Street, Cedar Street, and Van Ness Avenue. Previously issued building permits have established the building use as a private community facility. The property is located within an RC-4 (Residential-Commercial, High Density) zoning district. Under the revised project, AAU proposes to use 1142 Van Ness Avenue for post-secondary educational institutional use. Sign proposals would be submitted with the Master CU application. The property would be served by existing AAU shuttle lines on Van Ness Avenue as well as the shuttle stop at 625 Polk.

Physical changes to the property would be limited to minor exterior improvements, including: an in-kind replacement of an egress door and security gate on Post Street, and security camera replacement at the corner of Van Ness Avenue and Cedar Street consistent with the Secretary's Standards. The current configuration of the building would remain as-is to support the Academy's Fashion program; larger spaces would be used for fashion studios, labs, and occasional event hosting space, while smaller rooms would be used for classrooms and/or offices. The basement includes recreational space (including a swimming pool) that would be available to AAU students, faculty and staff. Daily student population is estimated to range from 115-300 students, with approximately 10 staff on site. The daily (Monday through Friday) schedule is expected to include four different class periods: one in the morning, two in the afternoon, and one in the evening. There would also be a limited number of classes on Saturday.

Any future interior improvements for specific programs would require separate permits. Sign proposals, floor plans, and property improvements necessary for the change of use would be approved under the Master CU application. It is anticipated that students using AAU's shuttle system will utilize the stop at 625 Polk, three and a half blocks from 1142 Van Ness. The proposal includes Class I and Class II bike parking.

2550 Van Ness Avenue (the Da Vinci Hotel) – Change of Use

2550 Van Ness Avenue, also known as the Da Vinci Hotel, is an approximately 76,402-square-foot building located at the corner of Filbert Street and Van Ness Avenue. The building was acquired in September 2010 by 2550 VN Pool, LLC, an affiliate of AAU, and has been leased to a third-party hotel operator.

Previously issued building permits have established the building use as a tourist hotel/motel, with a ground floor restaurant use. The property straddles two zoning districts: RM-3 (Residential-Mixed, Medium Density), and RC-3 (Residential-Commercial, Medium Density). The Da Vinci Hotel at 2550 Van Ness Avenue currently has a total of 136 rooms. Under the revised project, AAU proposes to use all 136 of these rooms (approximately 306 beds) as student housing, including replacement housing for students vacated from the 155 beds at 1055 Pine Street. The existing ground floor restaurant use, which was recently vacated by the existing tenant, would be converted to a code-compliant restaurant/retail space that may be operated by the Academy, but would remain open and accessible to members of the public pursuant to requirements set forth in the Development Agreement. The proposed change from rooms used by tourists to group housing for students would require approval of a change of use through the Master CU. Students would be housed at 2550 Van Ness Avenue according to a metering formula (discussed below under Additional Term Sheet Requirements) which requires a minimum amount of student housing to be provided according to the number of enrolled full-time students. The conversion to housing is also dependent upon the schedule for the relocation of students from 1055 Pine Street. The only proposed interior changes at the property would be replacing hotel furnishings with student dormitory furnishings. Sign proposals, floor plans, and property improvements necessary for the change of use would be submitted with the Master CU application. AAU would make use of existing shuttle lines on Van Ness Avenue to serve the property; the closest shuttle stop is located at 1604 Broadway, about four blocks to the south. AAU proposes class I and class II bike parking, including converting existing off-street parking spaces into class I bike parking.

2801 Leavenworth Street (the Cannery) – Modify Change of Use Application

2801 Leavenworth Street (identified as Project Site 1 in the Final EIR), is located in San Francisco's Fisherman's Wharf at the corner of Beach Street and Leavenworth Street and includes two wings totaling approximately 124,981 square feet. 2801 Leavenworth Street is owned by 2801 Leavenworth-Cannery, LLC in 2011, an affiliate of AAU. AAU uses a portion of the building (approximately 80,900 square feet) for office, gallery, and multi-use/event space. The original project analyzed AAU's proposed use of 133,675 square feet of this site as post-secondary educational institutional use to accommodate approximately 1,600 students and 18 faculty/staff per day. There are two classroom spaces on the first floor of this building, only one of which is currently in use. As part of the revised project, AAU would modify the application for 2801 Leavenworth Street to retain retail or other active uses on the ground floor that are physically accessible to members of the public during normal retail hours of operation (as are customary in the neighborhood). Retail uses, as described below, may include AAU galleries, while other AAU uses would be limited to the mezzanine, second and third floors of the building. Sign proposals, floor plans, and property improvements necessary for the change of use would be submitted with the Master CU application.

2801 Leavenworth is comprised of two buildings separated by a wide public walkway. The first level includes approximately 39,150 square feet, of which approximately 22,669 square feet is being utilized for restaurants and approximately 6,880 square feet is being used for retail purposes. Under the revised project,

the remaining 9,300 square feet of vacant space would be used for AAU's Fine Arts program, which includes sculpture, print, painting, ceramics, and jewelry, along with visual merchandising.

The multi-functional space would include active, street-level retail space, as well as a smaller interior space for workshops and lectures (institutional use). The total occupancy for the 9,300 square feet would be no more than 172 students and faculty/staff.

Retail uses would be available to the public and could include art galleries, visual merchandise, and sale of fine arts items created by students and alumni of AAU. The dynamic multi-functional space is intended to widen the reach of AAU artists and designers to the general public by providing them a platform to showcase their work. Retail space may have rotating art installations and provide a specialized browsing experience for visitors. As this is primarily a retail use, students/staff would not use the retail space on a regular basis. However, occasional workshops/lectures may be held once to twice per month, with attendance not to exceed 18 students. Bi-monthly events are likely to be held during the weekdays. The proposed retail use would be open to the public Monday-Saturday 9 a.m. to 6 p.m.

2225 Jerrold Avenue

2225 Jerrold Avenue (identified as Project Site 6 in the Final EIR), is a lot totaling 125,581 square feet, containing a 91,367 square foot building, located in the southeasterly portion of a trapezoidal block bounded by Jerrold Avenue to the north, Upton Street to the east, McKinnon Avenue to the south, and Barneveld Avenue to the west in the Bayview Hunters Point neighborhood. The Final EIR analyzed the site as containing AAU office space (in the southeast corner of the building), storage areas for AAU bus operations, mechanical/janitorial functions, and other miscellaneous storage for AAU purposes, along with approximately 22,683 square feet used by the San Francisco Fire Department (SFFD) for storage and accessory office space for the Department's Toy Program. The Final EIR analyzed the inclusion of an approximately 17,533 square foot AAU basketball court and weight room for recreational purposes. As part of the revised project, AAU will revise its change of use application to replace the initially proposed AAU recreational facilities with an approximately 15,084 square foot community facility, including a multi-purpose recreation room and indoor and outdoor community facility lounge spaces. Construction of the revised project would not require any substantial ground and soil disturbance activities. AAU would be permitted to use the facility on an accessory use basis, subject to regulation under the Development Agreement. The revised project includes modifications to the Jerrold frontage of the property to enhance safe pedestrian and bicycle access to amenities and community facility uses in the building. Proposed plans, including floor plans, signage plans and streetscape plans would be submitted with the Master CU application.

3.2 Shuttle Service

The revised project would modify some elements of the existing shuttle service provided by AAU. Existing shuttle service stops would be removed at 150 Hayes, 2340 Stockton, 168 Bluxome, 1069 Pine and 1055 Pine due to AAU vacating these properties. However, AAU would add new shuttle stops to the "M" route at 1604 Broadway and 1916 Octavia. In addition (and as described below in greater detail under section 2.3.3 below), AAU has prepared a Shuttle Management Plan (included as Attachment H to the Term Sheet) in compliance with the EIR Mitigation Measure M-TR-3.1 Shuttle Demand, Service Monitoring, and Capacity Utilization Performance Standard and EIR Improvement Measure I-TR-2 AAU Shuttle Activities

Monitoring (included as a condition of approval to the project). The Shuttle Management Plan is described in more detail below.

3.3 Additional Term Sheet Requirements

3.3.1 Student Housing

As described in the Term Sheet, the Supplement to the Term Sheet and the Development Agreement application, AAU will (either through limiting enrollment or developing new code-compliant student housing, including any required study under CEQA) make the following commitments regarding the provision of student housing in the future, subject to the process described in the Development Agreement for deferring these increases if occupancy rates do not support them:

- By July 1, 2022, AAU will house in San Francisco at least 36 percent of its full-time students taking up to one class online; and
- By July 1, 2023, AAU will house in San Francisco at least 38 percent of its full-time students taking no more than one class online.

After July 1, 2023, the Academy will use good faith efforts to house in San Francisco at least 45 percent of its full-time students taking no more than one class online. Those commitments will be documented in a binding Development Agreement.

3.3.2 Approval of Existing Uses and Minor Physical Changes

The Term Sheet requires approval of existing uses and minor physical changes (for example, required Planning Code improvements for a change of use and new signage proposals) at the 31 sites previously discussed above. As previously discussed, the uses and material physical changes of the 31 properties described in Appendix A were analyzed in the Final EIR (except 2550 Van Ness, 1946 Van Ness and 1142 Van Ness).

As indicated in Appendix A, seven properties require legislative amendments and associated conditional use authorizations and building permits, ten properties require conditional use authorizations and associated building permits, and ten properties require change of use permits. These approvals (and other variances/exceptions from technical requirements provided for under the Planning Code) will be addressed in a single Master CU. The Master CU will also be required as a prerequisite to building permit approval for properties not otherwise requiring Conditional Use authorization so as to better memorialize the legality of AAU's use at the time of the approval of the Development Agreement, and to provide a cohesive and comprehensive review and approval process. As discussed above, these 31 properties have already been described in the ESTM (or in the Final EIR in the case of 2801 Leavenworth Street, 625 Polk Street, and 2225 Jerrold Avenue) and found to have no impact on the environment in the Final EIR. Ten of the 34 sites are designated in Article 11 of the Planning Code and four¹⁰ of the 34 sites are designated in Article 10 of the Planning Code and, as such, were determined by the ESTM (or Final EIR in the case of 625 Polk Street) to require Historic Preservation Commission approval of Permits to Alter or Certificates of

¹⁰ 491 Post is designated in both Articles 10 and 11 of the Planning Code.

Appropriateness for work performed without benefit of a permit.¹¹ (The required alterations and approvals are discussed below under Cultural Resources.) Alterations at these properties included typical tenant improvements such as interior construction (drywall, paint, and lighting), security system installation, fire sprinkler/fire alarm upgrades, elevator modernization, and exterior signage. For some buildings, tenant improvements might include seismic retrofit work, replacement of windows and lighting, and addition of awnings and exterior lighting. As stated in the ESTM: "These improvements would cause minimal impact to the architectural features of the properties and would be unlikely to cause the removal of character defining features of a historical resource, such that the historic significance of the property could no longer be conveyed."¹² Likewise, the Final EIR concluded with regard to 625 Polk that none of the proposed alterations would constitute a substantial change to the significance of the resource. Since the Final EIR, AAU and the Planning Department have engaged in further permit history research to determine the exact required scope of alterations required to bring historic AAU buildings into compliance with pertinent code regulations and historic standards.

The requirement for approval of existing uses at the 34 sites (other than 1946 Van Ness, 1142 Van Ness and 2550 Van Ness described below) was evaluated in the ESTM and/or Final EIR, and the legalization of the prior unauthorized uses was found to have no impact on the environment in the Final EIR. As no other material physical changes or changes of use not considered in the Final EIR or otherwise required by City code regulations to legalize AAU's uses are proposed by AAU for these 34 properties, they will not be evaluated further in this addendum.

In addition, the Term Sheet includes the following requirements related to future AAU expansion and operation:

- Preparation of an Institutional Master Plan prior to approval of the Development Agreement between the city and AAU, and timely maintenance of an Institutional Master Plan as required by Planning Code section 304.5. At a July 25, 2019 hearing, the Planning Commission accepted an Institutional Master Plan submitted by AAU to the Planning Department on July 5, 2019.¹³
- Compliance with all applicable laws concerning future construction, alterations and changes in use to all properties that AAU may own.
- No conversion for any purpose of any structures currently used or occupied as housing or for which the last legal use was residential.

¹¹ A Permit to Alter is the entitlement required to alter a Significant or Contributory building or any building within an article 11 conservation district. Depending upon the scope of the alteration, a major or minor permit to alter may be required. The former requires a hearing before the Historic Preservation Committee; the latter is approved by Planning Department Preservation staff and do not require a hearing before the Historic Preservation Commission. The specific alterations and approvals are discussed in the Cultural Resources section of this addendum.

¹² San Francisco Planning Department, *Academy of Art University Project Existing Sites Technical Memorandum*, p. 4.5-62-63, May 4, 2016. Available online at: <http://sf-planning.org/environmental-impact-reportsnegative-declarations>. Accessed March 8, 2018.

¹³ San Francisco Planning Department, 2019 *Institutional Master Plan*. Available at: https://sfplanning.org/sites/default/files/za/AAU_2019-012970IMP.pdf. Accessed August 13, 2019.

- No submission of an application by the Academy or any of its affiliates for change of use, new construction, or demolition of any building owned, occupied, or operated by the Academy without prior notice to and consultation with the department.
- With limited exception, in no event may more than one half of future Student Housing be provided in converted tourist hotels.

These additional Term Sheet requirements, do not involve potential impacts to the environment and are not further analyzed in this addendum.

3.3.3 Shuttle Management Plan

The Term Sheet includes a requirement for AAU to develop and implement a shuttle management plan as required by EIR Mitigation Measure M-TR-3.1 Shuttle Demand, Service Monitoring, and Capacity Utilization Performance Standard and EIR Improvement Measure I-TR-2 AAU Shuttle Activities Monitoring (included as a condition of approval to the project). The shuttle management plan is primarily intended to address AAU meeting the peak hour transportation needs of AAU students and staff through its shuttle service such that unmet shuttle demand does not impact the city's transit and transportation system. Annual capacity utilization analysis is required to determine if demands for shuttle services are being adequately met such that shifts to other travel modes that could impact the city's transit and transportation system is avoided.

In compliance with EIR Mitigation Measure M-TR-3.1 and the Term Sheet, AAU will submit an annual report to the Planning Department documenting actually travelled shuttle routes, ridership numbers and received complaints. The report will be submitted on an annual basis covering the recurring year-long period to be determined in consultation with the Planning Department and the SFMTA. The report format will be approved by Planning Department and SFMTA staff, and will comply with the requirements set forth in Mitigation Measure M-TR-3.1 and the Term Sheet. As described in Mitigation Measure M-TR-3.1, the data from the reports will help inform potential adjustments to the shuttle program to address shuttle demand, avoid regular exceedances of the capacity utilization standard, and ensure that shuttle activities do not substantially impede or interfere with traffic, adjacent land use, transit, pedestrians, commercial or passenger loading, and bicycles in the public right-of-way.

3.4 Student Enrollment

The original project analyzed a projected total on-site enrollment of approximately 17,282 on-site students (full- and part-time students taking at least one course in San Francisco) by 2020, which represented an average increase of approximately 5 percent per year starting from a 2010 baseline of 11,182. This projected enrollment represented an increase of 6,100 students between 2010 and 2020. Actual enrollment is significantly lower than would have occurred under the Final EIR's assumed rate of growth. Based on the rate of growth assumed under the original project, on-site enrollment would have been 16,062 students in 2018. However, actual enrollment of on-site students declined from 11,181 to 6,710 students between 2011 and 2018. Thus, actual enrollment is currently less than 50 percent of projected enrollment under the Final EIR. Table 3 provides additional information on projected versus actual enrollment.

AAU currently operates approximately 1,810 beds of student housing. The original project studied program-level growth that would result in an additional 400 beds of student housing, for a total future capacity of 2,210 beds. Under the revised project, the relocation of student housing from 1055 Pine (155

beds) to 2550 Van Ness (306 beds) would result in an increase of approximately 151 beds; however, AAU would also withdraw from 168 Bluxome Street, which currently provides 219 beds. Building permits for each residential property would allow the maximum number of beds permissible at the existing AAU residential properties (without any significant wall modifications or floor area expansions) allowable under pertinent code regulations. Factoring in these modifications since the Final EIR, the revised project would result in a net increase of 29 beds for a total capacity of 1,839 beds. This is within the total future capacity studied in the Final EIR.

Table 3 Actual and Projected Enrollment

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
On Site Students											
Actual Enrollment ¹	11,181	11,636	11,493	10,766	10,261	9,449	8,406	7,588	6,710	-	-
Change in Actual Enrollment from Prior Year	-	4.1%	-1.2%	-6.3%	-4.7%	-7.9%	-11%	-9.7%	-11.6%	-	-
Projected Enrollment in original project ²	-	11,792	12,402	13,012	13,622	14,232	14,842	15,452	16,062	16,672	17,282
Difference of Actual/Projected Enrollment	-	(156)	(909)	(2,246)	(3,361)	(4,783)	(6,436)	(7,864)	(9,352)	-	-

¹ Source: Office of Institutional Research, Academy of Art University (data as of Census); confirmed as of 3/22/2018.

² Calculations: 2010 baseline with 2020 Final EIR projected approximate increase of 610 students/year (represents roughly 5.5% annual growth).

AAU has the policy of first offering housing to first-year, full-time graduate students (enrolled in at least 9 units) and full-time undergraduate students (enrolled in at least 12 units) taking all of their courses on-site in San Francisco. To the extent beds remain available, other full-time graduate and undergraduate students taking all of their courses on-site in San Francisco and full-time graduate and undergraduate students taking no more than one class online per semester may apply to fill any remaining beds. Only to the extent beds remain available after the student populations above have had the opportunity to apply for housing will the Academy consider applications for housing from full-time students that take two or more online classes or part-time students. The Academy gives lower priority to full-time students electing to take two or more online courses per semester, as it is the policy of the Academy. AAU currently uses 17 buildings for housing. From fall 2015 to fall 2018, on-campus student enrollment declined from prior years and demand for campus housing correspondingly decreased. Under the revised project, AAU would operate 16 buildings for housing, intended to provide a sufficient amount of housing for the revised growth assumptions (as regulated by the Development Agreement housing amount regulations described in Section 2.3.1).

3.5 Project Approvals

Before discretionary project approvals may be granted for the revised project by the city or a Responsible Agency, the San Francisco Planning Commission, as the approval body of the lead agency, will review and consider the information presented in the EIR Addendum. In addition to the approvals for changes of use and physical alterations reflected in the ESTM and EIR (see Appendix A), at the end of this section is a list

of discretionary, nondiscretionary approvals, and other related actions which would or may be required to implement the revised project, if approved, although other approvals may also be necessary.

As noted above, a single "Master" Conditional Use Authorization will be required in connection with all required discretionary approvals, regardless of whether a Conditional Use Authorization would otherwise be required, and in-lieu of any other waivers, modifications, or Variances required. Through this process, AAU's public review and approval process will be conducted in the most comprehensive and consolidated fashion possible. A similar approach will be required for a single "Master" Certificate of Appropriateness and "Master" Permit to Alter, which will each address all properties subject to the review processes of Articles 10 and 11, respectively.

- **1055 and 1069 Pine Street** – Withdraw pending conditional use and building permit applications;
- **2801 Leavenworth Street** – Modify the change of use application (application number 201211134023) for 2801 Leavenworth Street to retain retail or other active uses on the ground floor that are physically accessible to members of the public during normal retail hours of operation (as are customary in the neighborhood).
- **2550 Van Ness Avenue (the Da Vinci Hotel)** – Change of use from tourist hotel/motel to student housing (136 rooms with 306 beds) for a postsecondary educational institution within a RM- 3 (residential – mixed, medium density), and RC-3 (residential – commercial, medium density) district requiring conditional use authorization (San Francisco Planning Code section 303), and under Section 209.2 and 209.3 and San Francisco Planning Code section 171, which requires a building permit to change the planning code use category of a property. Therefore, a building permit (i.e., a "change of use" permit from tourist hotel/motel to institutional use) would also be required.
- **1946 Van Ness Avenue (the Bakery)** – Change of use from automobile sales/showroom and office for a postsecondary educational institution (classroom, labs and ground-floor auto museum) within a RC-4 (Residential-Commercial High Density) district. The proposed change requires conditional use authorization (San Francisco Planning Code section 303), and under Section 209.3 and San Francisco Planning Code section 171, a building permit to change the planning code use category of a property. Therefore, a building permit (i.e., a "change of use" permit from automobile sales/showroom and office to institutional use) would also be required.
- **1142 Van Ness Avenue (the Concordia Club)** – Change in use from office/club for a postsecondary educational institution (classroom, office, fashion studios and labs, and events space) within a RC-4 (Residential-Commercial High Density) district. The proposed change requires conditional use authorization (San Francisco Planning Code section 303), and under Section 209.3 and San Francisco Planning Code section 171, a building permit to change the planning code use category of a property. Therefore, a building permit (i.e., a "change of use" permit from office/club to institutional use) would also be required.

4.0 ANALYSIS OF POTENTIAL ENVIRONMENTAL EFFECTS

The Final EIR analyzed the environmental effects of implementing a significantly larger original AAU project. As discussed above, the current on-site student enrollment is less than half of what was projected for 2017 in the Final EIR analysis. The currently projected growth in on-site enrollment for 2020 is similarly expected to be about half of what was considered in the Final EIR. In addition, AAU would vacate the nine buildings at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street, and 121 Wisconsin Street. The projected growth within the 12 study areas that was analyzed in the Final EIR (110,000 net square feet of additional residential uses and approximately 669,670 square feet of additional institutional space) has not yet occurred and is not proposed to occur under the revised project.

The revised project has been further refined and modified from the original project to centralize and consolidate its educational programs and student housing to existing buildings on the Van Ness corridor, where a significant portion of AAU's campus is already concentrated; however, as shown in the analysis below, the revised project would not result in new environmental impacts, substantially increase the severity of the previously identified environmental impacts, or require new mitigation measures, and no new information has emerged that would materially change the analyses or conclusions set forth in the original project. Therefore, as discussed in more detail below, the revised project would not change the analysis or conclusions reached in the EIR for the original project, nor would substantially greater impacts occur.

4.1 Land Use and Planning

The Final EIR determined that the original project would not physically divide an established community, resulting in no impact, or have a substantial impact upon the existing character of the vicinity, resulting in a less-than-significant impact within the study areas and at the project sites. Similarly, the Final EIR also determined that the original project, in combination with past, present, and reasonably foreseeable future projects in the vicinity, would not contribute considerably to a cumulative impact on land use. No mitigation measures were required by the Final EIR with respect to land use and planning.

As with the original project, the revised project would not physically divide an established community because AAU would accommodate its growth through the occupation and change of use of existing buildings for educational, student residential, or recreational purposes. Institutional uses would be consistent with the existing pattern of development or range of existing uses in the study areas, all of which exist in a dense urban context. In general, AAU residential and institutional uses would be consistent with the existing character and scale of development and range of existing uses in and around the vicinity of the study areas and project sites. There would be no new significant environmental effects or a substantial increase in the severity of previously identified impacts related to physically dividing an established community or the existing character of the vicinity. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding physically dividing an established community or the existing character of the vicinity, and no new mitigation is required.

Land use impacts are also considered to be significant if the project would conflict with any plan, policy, or regulation adopted for the purpose and avoiding or mitigating an environmental effect. The Final EIR for the original project determined that the project would not conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project adopted for avoiding or mitigating an

environmental effect, resulting in a less-than-significant impact. As with the original project, the revised project would not conflict with any plan, policy, or regulation adopted for the purpose and avoiding or mitigating an environmental effect, as discussed below.

1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street; 150 Hayes Street; 460 Townsend Street; and 121 Wisconsin Street

Under the revised project, 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street; 150 Hayes Street; 460 Townsend Street; and 121 Wisconsin Street would be vacated by AAU, and any outstanding change of use or conditional use authorization applications associated with these sites would be withdrawn. Because each of these properties would be vacated under the revised project, there would be no potential for their uses to conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. Any future changes of use or conditional use authorization applications would be subject to separate CEQA review. This impact would continue to be less than significant. No mitigation measures are necessary. There would be no new significant or substantially more severe impacts related to conflicts with applicable land use plans, policies, or regulations of an agency with jurisdiction over the project at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street, and 121 Wisconsin Street.

1946 Van Ness Avenue (the Bakery)

1946 Van Ness Avenue is located in an RC-4 (Residential-Commercial, High Density) zoning district. Previously issued building permits established the building use as retail and/or light manufacturing. As part of the revised project, AAU proposes to convert the property for a post-secondary educational institutional use, requiring a conditional use authorization (San Francisco Planning Code section 303) to change the planning code use category of the property. However, because the uses are conditional under the planning code, they would not conflict with the planning code. As discussed under Section 4.4 below, the proposed alterations at 1946 Van Ness Avenue are minor in scope and would not conflict with regulations and policies related to historic resources. Therefore, as with the original project, the revised project would not conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect, and this impact would continue to be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the project at 1946 Van Ness Avenue.

1142 Van Ness Avenue (the Concordia Club)

1142 Van Ness Avenue is located within an RC-4 (Residential-Commercial, High Density) zoning district. Previously issued building permits have established the building use as private community facility. Under the revised project, AAU proposes to use 1142 Van Ness for post-secondary educational institutional use, requiring a conditional use authorization (San Francisco Planning Code section 303) to change the planning code use category of the property. However, because the uses are conditional under the planning code, they would not conflict with the planning code. As discussed under Section 4.4 below, the proposed alterations at 1142 Van Ness Avenue are minor in scope and would not conflict with regulations and policies related to historic resources. Therefore, as with the original project, the revised project would not conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect, and this impact would continue to be less than significant. No

mitigation measures are necessary. There would be no new significant impacts related to conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the project at 1142 Van Ness Avenue.

2550 Van Ness Avenue (the Da Vinci Hotel)

2550 Van Ness Avenue straddles two zoning districts: RM- 3 (Residential-Mixed, Medium Density), and RC-3 (Residential-Commercial, Medium Density). Previously issued building permits have established the building use as a tourist hotel/motel. Under the revised project, AAU proposes to use 2550 Van Ness as 136 units (approximately 306 beds) of student housing, including replacement housing for students vacated from the existing building at 1055 Pine Street, requiring a change of use. This change of use would require a CU authorization (San Francisco Planning Code section 303) to change the planning code use category of the property. However, because the uses are conditional under the planning code, they would not conflict with the planning code. As discussed under Section 4.4 below, the proposed alterations at 2550 Van Ness Avenue are minor in scope and would not conflict with regulations and policies related to historic resources. Therefore, as with the original project, the revised project would not conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect, and this impact would continue to be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the project at 2550 Van Ness Avenue.

2801 Leavenworth Street (The Cannery)

The original project analyzed AAU's proposed use of 133,675 square feet of this site as post-secondary educational institutional use to accommodate approximately 1,600 students and 18 faculty/staff per day. There are two classroom spaces on the first floor of this building, only one of which is currently in use. At 2801 Leavenworth Street, under the revised project, AAU would modify the application to retain retail or other active ground floor uses that would be physically accessible to members of the public during the normal retail hours of operation customary in the neighborhood. This proposed change would make the revised project more consistent with Northeastern Waterfront Plan policies that prefer office uses to be above the ground floor and for active ground-floor retail uses. As discussed under Section 4.4 below, the proposed ground floor change of use at 2801 Leavenworth are minor in scope and would not conflict with regulations and policies related to historic resources. Therefore, no conflict with plans or policies would result from this change and this impact would continue to be less than significant. No mitigation measures are necessary. There would be no new significant impacts and the revised project would not conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the project at 2801 Leavenworth Street.

2225 Jerrold Avenue

The original project analyzed AAU's proposed use as AAU office space, storage area for AAU bus operations, mechanical/janitorial functions, and other miscellaneous storage for AAU purposes, along with approximately 22,683 square feet for SFFD storage use. In addition, the original project analyzed the inclusion of an approximately 17,533 square-foot AAU basketball court and weight room for recreational purposes. Under the revised project, AAU would revise its change of use application to replace the initially proposed AAU recreational facilities with an approximately 15,084 square foot community facility that is open to the public and includes a multi-purpose recreation room and indoor and outdoor community

facility lounge spaces. This proposed change would provide for more active community uses and would not conflict with existing plans, policies, or regulations for the site. Therefore, this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts and the revised project would not conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the project at 2225 Jerrold Avenue.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to land use and planning impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2016), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified effects. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding conflicts with applicable land use plans, policies, or regulations, and no new mitigation is required. This analysis does not result in any different conclusions than those reached in the Final EIR related to land use and plans, either on a project-related or cumulative basis.

4.2 Aesthetics

The Final EIR determined that the original project would not substantially affect scenic vistas or visual resources visible from publicly accessible areas in the study areas or at the project sites, would not substantially degrade the existing visual character or quality of the sites and their surroundings, and would not create a new source of substantial light or glare which would adversely affect day or nighttime views or which would substantially impact other people or properties, resulting in less-than-significant impacts within the study areas and at the project sites. Similarly, the Final EIR determined that implementation of the original project, in combination with other past, present, and reasonably foreseeable future projects would not result in a cumulatively considerable contribution to a significant aesthetic impact. No mitigation measures were required with respect to aesthetics. The revised project would not change any of these findings, as further discussed below.

1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street; 150 Hayes Street; 460 Townsend Street; and 121 Wisconsin Street

Under the revised project, AAU would vacate 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street; 150 Hayes Street; 460 Townsend Street; and 121 Wisconsin Street. AAU would not make any interior or exterior modifications to these buildings and the change of use applications would be withdrawn, resulting in no additions or changes to the roofline or height and bulk of these buildings. Any future modifications or changes of use at these sites would be subject to separate CEQA review.

Therefore, because no modifications at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street, and 121 Wisconsin Street would occur, the revised project at these locations would not result in a substantial adverse impact on a scenic vista or visual resource, would not result in a demonstrable negative change, disrupt the existing visual character within the vicinity of the project site, or have a substantial impact on existing scenic vistas, and would not create a new source of substantial light or glare that would adversely affect day or nighttime views at the project site or that would substantially impact other people or properties. There would be no impact. No mitigation measures are necessary. There would be no new

significant impacts related to aesthetics at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street, and 121 Wisconsin Street. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding aesthetics, and no new mitigation is required.

1946 Van Ness Avenue (the Bakery)

Under the revised project, AAU proposes to convert 1946 Van Ness Avenue for a post-secondary educational institutional use. The conversion for post-secondary educational institutional use would require minor modifications to the base building core and shell to bring the building into compliance with current life safety codes. Aesthetic improvements would include replacement of existing boarded storefronts with aluminum storefronts in the openings of both the west façade facing Van Ness and the North façade facing Jackson Street. On the upper floors, broken or missing windows would be replaced with clear glazing. All improvements would be compatible with the existing character defining features of the building, and would generally improve the visual character of the building.

Interior improvements would be related to the conversion of the building for post-secondary educational institutional use. More specifically, the space would be divided to accommodate a number of vocational rooms, or classrooms, to serve AAU's Industrial Design and Auto Restoration Programs, including an auto display and instructional work space. Sign proposals, floor plans and property improvements necessary for the change of use would be submitted with the Master CU application. Because the revised project would be limited to interior improvements associated with the change of use and exterior improvements designed to bring the building into compliance with safety codes and to improve its accessibility and appearance, the revised project would not result in any major additions or changes to the roofline or height and bulk of the building. There would be minimal changes to the existing lighting and changes would be limited to the replacement of existing broken, worn out, or unsafe fixtures in the interior of the building. Additionally, any installation of signs would be required to comply with the planning code. 1946 Van Ness Avenue is in a RC-4 (Residential-Commercial, High Density) zoning district and, as such, any sign installation would be required to comply with San Francisco Planning Code Article 6, Section 607.1, for signs placed in Residential-Commercial districts. Section 607.1 contains regulations designed to limit sign height, location, size, projection, and illumination controls.

Should any exterior lighting be installed in addition to what already exists, building lighting would be angled towards building surfaces for aesthetic purposes and/or to illuminate signs. Additionally, the revised project would comply with Planning Commission Resolution 9212, which prohibits the use of mirrored or reflective glass. Furthermore, because 1946 Van Ness Avenue is located in a lighted, urban area, the addition of exterior lighting as a result of the revised project would not substantially increase ambient lighting. Because the revised project would comply with Planning Commission Resolution 9212 and would minimally change the amount of lighting on site, light and glare impacts would not be expected to have a substantial, demonstrable negative aesthetic impact.

Therefore, because modifications at 1946 Van Ness Avenue would include interior improvements associated with the change of use and exterior improvements that would be consistent with the existing historic character of the building, the revised project at 1946 Van Ness Avenue would not result in a substantial adverse impact on a scenic vista or visual resource, would not result in a demonstrable negative change, disrupt the existing visual character within the vicinity of the project site, or have a substantial impact on existing scenic vistas, and would not create a new source of substantial light or glare that would

adversely affect day or nighttime views at the project site or that would substantially impact other people or properties. These impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to aesthetics at 1946 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding aesthetics, and no new mitigation is required.

1142 Van Ness Avenue (the Concordia Club)

Under the revised project, AAU proposes to convert 1142 Van Ness Avenue for a post-secondary educational institutional use. No physical improvements are proposed at 1142 Van Ness Avenue for the change of use, as the current configuration supports educational, office, and as-needed event hosting space. Sign proposals, floor plans and property improvements necessary for the change of use would be submitted with the Master CU application. Because the revised project would be limited to exterior signage, the revised project would not result in any major additions or changes to the roofline or height and bulk of the building. There would be minimal changes to the existing lighting and changes would be limited to the replacement of existing broken, worn out, or unsafe fixtures in the interior of the building. Additionally, any installation of signs would be required to comply with the planning code. 1142 Van Ness Avenue is located in a RC-4 (Residential-Commercial, High Density) zoning district and, as such, any sign installation would have to comply with San Francisco Planning Code Article 6, Section 607.1, for signs placed in Residential-Commercial districts. Section 607.1 contains regulations designed to limit sign height, location, size, projection, and illumination controls.

Should any exterior lighting be installed in addition to what already exists, building lighting would be angled towards building surfaces for aesthetic purposes and/or to illuminate signs. Additionally, the revised project would comply with Planning Commission Resolution 9212, which prohibits the use of mirrored or reflective glass. Furthermore, because 1142 Van Ness Avenue is located in a lighted, urban area, the addition of exterior lighting as a result of the revised project would not substantially increase ambient lighting. Because the revised project would comply with Planning Commission Resolution 9212 and would minimally change the amount of lighting on site, light and glare impacts would not be expected to have a substantial, demonstrable negative aesthetic impact.

Therefore, because no physical modifications are proposed at 1142 Van Ness Avenue beyond new furnishing, signage, and lighting, the revised project at 1142 Van Ness Avenue would not result in a substantial adverse impact on a scenic vista or visual resource, would not result in a demonstrable negative change, disrupt the existing visual character within the vicinity of the project site, or have a substantial impact on existing scenic vistas, and would not create a new source of substantial light or glare that would adversely affect day or nighttime views at the project site or that would substantially impact other people or properties. These impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to aesthetics at 1142 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding aesthetics, and no new mitigation is required.

2550 Van Ness Avenue (the Da Vinci Hotel)

Under the revised project, AAU proposes to use 2550 Van Ness Avenue (the Da Vinci Hotel) as 136 units (approximately 306 beds) of student housing, including replacement housing for students vacated from the existing building at 1055 Pine Street. Sign proposals, floor plans and property improvements necessary for

the change of use would be submitted with the Master CU application. This would require a change of use approval. The only interior changes at the property would be replacing hotel furnishings with dormitory furnishings. Because the revised project would be limited to interior improvements associated with the change of use and exterior signage, the revised project would not result in any major additions or changes to the roofline or height and bulk of the building. There would be minimal changes to the existing lighting and changes would be limited to the replacement of existing broken, worn out, or unsafe fixtures in the interior of the building. Additionally, any installation of signs would be required to comply with the planning code. 2550 Van Ness Avenue is located in two zoning districts, RM-3 (Residential-Mixed, Medium Density), and RC-3 (Residential-Commercial, Medium Density) and, as such, any sign installation would have to comply with San Francisco Planning Code Article 6, Section 606 and Section 607.1, for signs placed in Residential-Mixed and Residential-Commercial districts. Section 606 and Section 607.1 contains regulations designed to limit sign height, location, size, projection, and illumination controls.

Should any exterior lighting be installed in addition to what already exists, building lighting would be angled towards building surfaces for aesthetic purposes and/or to illuminate signs. Additionally, the revised project would comply with Planning Commission Resolution 9212, which prohibits the use of mirrored or reflective glass. Furthermore, because 2550 Van Ness Avenue is located in a lighted, urban area, the addition of exterior lighting as a result of the revised project would not substantially increase ambient lighting. Because the revised project would comply with Planning Commission Resolution 9212 and would minimally change the amount of lighting on site, light and glare impacts would not be expected to have a substantial, demonstrable negative aesthetic impact.

Therefore, because modifications at 2550 Van Ness Avenue would include minor interior improvements associated with the change of use and exterior signage, the revised project at 2550 Van Ness Avenue would not result in a substantial adverse impact on a scenic vista or visual resource, would not result in a demonstrable negative change, disrupt the existing visual character within the vicinity of the project site, or have a substantial impact on existing scenic vistas, and would not create a new source of substantial light or glare that would adversely affect day or nighttime views at the project site or that would substantially impact other people or properties. These impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to aesthetics at 2550 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding aesthetics, and no new mitigation is required.

2801 Leavenworth Street (the Cannery)

2801 Leavenworth Street has an Article 10 rating as a "Structure of Merit" and a Planning Department Historic Resource Status of "A" (Known Historic Resource) and is therefore considered a visual resource. The closest visual resources to 2801 Leavenworth Street are the San Francisco Bay and shoreline, which are not visible from any ground level public viewing areas in the immediate vicinity of the building.

The revised project would modify the application for 2801 Leavenworth Street to retain retail or other active ground floor uses that would be physically accessible to members of the public during the normal retail hours of operation customary in the neighborhood. Retail uses could include AAU art galleries with space for rotating art exhibitions and fine art sales. Because the revised project would be limited to interior improvements associated with the proposal, the revised project would not result in any major additions or changes to the roofline, height, and bulk of the building, or exterior modifications to the building. There would be minimal changes to the existing lighting and changes would be limited to installation of

temporary partitions and the replacement of existing broken, worn out, or unsafe fixtures in the interior of the building.

Therefore, because modifications at 2801 Leavenworth Street would include only interior changes resulting from the proposal, the revised project at 2801 Leavenworth Street would not result in a substantial adverse impact on a scenic vista or visual resource, would not result in a demonstrable negative change, disrupt the existing visual character within the vicinity of the project site, or have a substantial impact on existing scenic vistas, and would not create a new source of substantial light or glare that would adversely affect day or nighttime views at the project site or that would substantially impact other people or properties. These impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to aesthetics at 2801 Leavenworth Street. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding aesthetics, and no new mitigation is required.

2225 Jerrold Avenue

2225 Jerrold Avenue is one of the project sites identified in the Final EIR that received a project-level analysis. 2225 Jerrold Avenue is in the Bayview Hunters Point neighborhood in a heavy industrial area. The flat project site contains a warehouse and parking facilities in the front and rear of the warehouse. The area immediately surrounding the project site is visually defined by light industrial, one to two-story warehouses and open storage yards. The project site is not a historical resource.

The original project analyzed AAU's proposed use as AAU office space, storage area for AAU bus operations, mechanical/janitorial functions, and other miscellaneous storage for AAU purposes, along with approximately 22,683 square feet for SFFD storage use. In addition, the original project analyzed the inclusion of an approximately 17,533 square-foot AAU basketball court and weight room for recreational purposes. Under the revised project, AAU will revise its change of use application to replace the initially proposed AAU recreational facilities with an approximately 15,084 square foot community facility that is open to the public and includes a multi-purpose recreation room and indoor and outdoor community facility lounge spaces.

Because the revised project would be limited to interior improvements associated with the proposal, the revised project would not result in any substantial additions or changes to the roofline, height, and bulk of the building, or exterior modifications to the building. There would be minimal exterior modifications related to safe pedestrian and bicycle infrastructure to provide access to amenities and the community facility uses in the building. However, these exterior changes would not result in a substantial adverse impact on a scenic vista or visual resource, would not result in a demonstrable negative change, disrupt the existing visual character within the vicinity of the project site, or have a substantial impact on existing scenic vistas, and would not create a new source of substantial light or glare that would adversely affect day or nighttime views at the project site or that would substantially impact other people or properties. These impacts would be less than significant. No mitigation measures are necessary. There would therefore be no new significant impacts related to aesthetics at 2225 Jerrold Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding aesthetics, and no new mitigation is required.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to aesthetics impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2016), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified effects. Therefore, the revised project would not result in a substantial adverse impact on a scenic vista or visual resource, would not result in a demonstrable negative change, disrupt the existing visual character within the vicinity of the project site, or have a substantial impact on existing scenic vistas, and would not create a new source of substantial light or glare that would adversely affect day or nighttime views at the project site or that would substantially impact other people or properties, and these impacts would be less than significant. This analysis does not result in any different conclusions than those reached in the original project EIR related to aesthetics, either on a project-related or cumulative basis.

4.3 Population, Housing, and Employment

The Final EIR determined that the original project would not induce substantial population growth in an area, either directly or indirectly, resulting in a less-than-significant impact within the study areas and at the project sites. However, the original project was determined to result in a significant and unavoidable impact in the study areas and at the project sites through displacement of substantial numbers of people, or existing housing units, or through the creation of demand for additional housing, necessitating the construction of replacement housing elsewhere. No mitigation measures were required.

As discussed in Section 2.1, the original project analyzed a projected on-site (full-time and part-time students taking at least one course in San Francisco) enrollment of 17,282 students by 2020, which represented an increase of 5 percent per year, starting with a 2010 on-site enrollment of 11,182. This projected enrollment would represent an increase of 6,100 students between 2010 and 2020. Actual enrollment is significantly lower than would have occurred under the Final EIR's assumed rate of growth. Based on the rate of growth assumed under the original project, on-site enrollment would have been 16,062 students in 2018. Actual on-site enrollment in fall 2018 was 6,710 students. Thus, actual enrollment is less than 50 percent of the projected enrollment analyzed in the Final EIR. Table 3 provides additional information on projected versus actual enrollment.

The original project studied an additional 400 beds of student housing, resulting in a total future capacity of 2,210 beds. As noted above under Student Enrollment, AAU currently operates approximately 1,810 beds in its student housing. Based on recent enrollment trends, the revised project includes an assumed growth rate of approximately 3 percent per year through 2022. Under the revised project, the relocation of student housing from 1055 Pine (155 beds) to 2550 Van Ness (306 beds) would result in an increase of 151 beds. However, with the removal of 168 Bluxome Street, which currently provides 219 beds, the revised project would result in a net increase of approximately 29 beds for a total capacity of approximately 1,839 beds.

Population Growth

Due to the substantial decrease in projected enrollment, all potential population impacts under the revised project would be less than the impacts analyzed in the Final EIR. None of the changes of use or permit withdrawals at the project sites would affect the projected AAU enrollment or contribute to population or

job growth beyond what was analyzed in the Final EIR. The growth in population and jobs that would result from the revised project have been anticipated and accommodated by local and regional plans, as specified in the Final EIR. Therefore, the revised project would not be expected to induce substantial population or employment growth, either directly or indirectly, and this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to population growth at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding population growth, and no new mitigation is required.

Housing Demand

Impacts under the revised project would be less than those described for the original project due to the decreases in existing and projected enrollment as compared to that analyzed in the Final EIR. The Final EIR determined that the original project would result in approximately 5,400 new residents to the city, creating substantial demand of approximately 2,203 units of housing in San Francisco. The relocation of student housing from 1055 Pine (155 beds) to 2550 Van Ness (306 beds) would result in a net increase of 151 beds; however, AAU would also withdraw from 168 Bluxome Street, which currently provides 219 beds. Ultimately, the revised project would result in a net increase of 29 beds for a total capacity of 1,839 beds, which would help reduce the revised project's impact on housing.

As described above under section 2.2.1, the following commitments (implemented either by limiting enrollment or developing new code-compliant student housing, including any required CEQA review) will be documented in the Development Agreement regarding the provision of student housing in the future, subject to the process described in the Development Agreement for deferring these increases if occupancy rates do not support them:

- By July 1, 2022, AAU will house in San Francisco at least 36 percent of its full-time students taking up to one class online; and
- By July 1, 2023, AAU will house in San Francisco at least 38 percent of its full-time students taking no more than one class online.

After July 1, 2023, the Academy will use good faith efforts to house in San Francisco at least 45 percent of its full-time students taking no more than one class online. The revised project would result in a net increase of 29 beds for a total capacity of 1,839 beds for student housing. As a result, despite the commitments by AAU to provide housing for its on-campus students, as described above, the revised project's impact upon housing would remain significant and unavoidable as determined by the EIR. The revised project would continue to create a substantial demand for additional housing, although the demand would be less than what was analyzed in the Final EIR due to the decreases in existing and projected enrollment. As with the original project, the addition of residential uses to sufficiently mitigate this impact or reduction of institutional growth sufficient to avoid any increase in housing demand would fundamentally alter the revised project. As a result, there is no feasible mitigation for this impact. Therefore, as with the original project, the revised project's impact on housing demand would be significant and unavoidable. The revised project would not change the conclusions reached in the Final EIR regarding housing demand.

Displacement

Business displacement would not occur at 1055 Pine Street or 1069 Pine Street, or at 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 150 Hayes, 460 Townsend, and 121 Wisconsin, because any existing

AAU employees at these locations would be transferred to a different AAU location within San Francisco. The revised project would change the use at 1946 Van Ness Avenue, 1142 Van Ness Avenue, and 2550 Van Ness Avenue. However, the building at 1946 Van Ness is currently vacant and no existing businesses would be displaced; and there are no existing businesses at 1142 Van Ness. 2550 Van Ness Avenue is currently used as a tourist hotel, so an existing business would be displaced when AAU occupies this site. However, the number of employees displaced at this location would not be substantial, and these employees would be expected to locate similar work elsewhere in San Francisco. At 2801 Leavenworth Street, the revised project would modify the application to retain retail or other active ground floor uses; no businesses would be displaced, as the space that AAU would occupy is currently vacant. Therefore, as with the original project, implementation of the revised project at these locations would not displace a substantial number of people or businesses, and this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to displacement at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding displacement, and no new mitigation is required.

Conclusion

Although the revised project would still result in a significant and unavoidable impact with regard to a substantial demand for housing, it would not change any of the Final EIR's findings with respect to population, housing, and employment impacts. As discussed above, there is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2010), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified significant effects. This analysis does not result in any different conclusions than those reached in the Final EIR related to population, housing, and employment, either on a project-related or cumulative basis.

4.4 Cultural and Paleontological Resources

The Final EIR concluded that the original project would not result in a substantial adverse change in the significance of historical resources either within the study areas or at the project sites. The Final EIR also determined that the original project would not cause a substantial adverse change in the significance of archaeological resources and human remains at the project level; and could cause a substantial adverse change in the significance of archaeological resources and human remains within the study areas and at the project sites with implementation of a Mitigation Measure M-CP-2.1 that would require preparation of project-specific preliminary archeological assessments for future projects involving soils-disturbing or soils-improving activities. The Final EIR also determined that the original project would not directly or indirectly destroy a unique paleontological resource or site or unique geological feature. Furthermore, the Final EIR determined that the original project would not result in a cumulatively considerable contribution to a significant cumulative historical, archaeological, or paleontological resources impact, or to a significant cumulative disturbance of human remains. The revised project would not change any of these findings, as further discussed below.

1055 Pine Street and 1069 Pine Street

1055 Pine Street and 1069 Pine Street were not among the six project sites analyzed for project-level growth in the Final EIR nor are they located within one of the 12 study areas analyzed for program-level growth. Thus, the Final EIR did not consider project activities at these two sites with regards to cultural and

paleontological resource impacts. 1055 Pine Street and 1069 Pine Street were analyzed in the ESTM, which, as noted above, was prepared by the city to assess any potential effects that resulted from previous unauthorized changes of uses and/or appearance at AAU's 34 existing sites and to discuss the required legalization approvals for these sites.

Under the revised project, AAU would vacate the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street. The 155 beds currently provided at 1055 Pine Street would be relocated to the Da Vinci Hotel at 2550 Van Ness Avenue (see discussion below). The 1069 Pine Street building contains a small gymnasium which would be relocated to an existing, similarly-sized gymnasium at 1142 Van Ness Avenue (the site of the former Concordia Club). Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable San Francisco codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed.

Historical Resources

1055 Pine Street is a six-story, Classical Revival-style building constructed in 1910 as a hospital facility. According to the planning department's online Property Information Map,¹⁴ 1055 Pine Street was determined to be eligible for listing in the National Register of Historic Places in 2002 through the Section 106 review process. This determination was concurred with by the California State Historic Preservation Officer, and the building is listed in the California Register of Historical Resources (CRHR). Thus 1055 Pine Street qualifies as a historical resource for the purposes of CEQA review.

1069 Pine Street is a one-story, rectangular plan commercial building constructed in 1921. A Historic Resource Evaluation (HRE) Part 1 completed in May 2016 by SWCA Environmental Consultants recommended that 1069 Pine Street does not appear to be eligible for listing in the CRHR under any criterion, and this was finalized in the ESTM. Thus, 1069 Pine Street does not qualify as a historical resource for the purposes of CEQA review. Furthermore, the project site is not located within a CRHR-listed or -eligible historic district, such that new construction in the location of 1069 Pine Street would not have the potential to cause an impact to historic districts.

As noted, with vacation of the buildings at 1055 Pine Street and 1069 Pine Street, their future disposition is unknown. As stated in the Final EIR, future activities related to the implementation of the project that involve alterations to CEQA historical resources would undergo project-specific environmental review, as administered by the planning department. If required, modifications would be analyzed for adherence to the *Secretary of the Interior's Standards for Rehabilitation* (Secretary's Standards),¹⁵ and prior to the issuance of building permits, the revised project would be subject to standard CEQA review procedures for historical resources.¹⁶ For the purposes of the present analysis, the revised project to vacate 1055 Pine Street would not involve physical changes to the building's character-defining features. 1069 Pine Street is not considered a historic resource, and thus the revised project at 1055 Pine Street and 1069 Pine Street would

¹⁴ San Francisco Planning Department *Property Information Map*, available online at: <http://propertymap.sfplanning.org/>. Accessed March 8, 2018.

¹⁵ The Secretary of the Interior's *Standards for the Treatment of Historic Properties* are used by federal and state agencies, local governments, organizations and individuals in making decisions about the identification, evaluation, registration and treatment of historic properties.

¹⁶ The building permit application and full plans for 1055 Pine Street were filed on February 2, 2018 (BPA 201802020222).

not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to historical resources. No new mitigation is required.

Archaeological Resources, Paleontological Resources, and Human Remains

As the revised project would not involve any ground disturbing activities at 1055 Pine Street and 1069 Pine Street that were not analyzed in the Final EIR, the revised project would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to archaeological resources, paleontological resources, and human remains. No new mitigation is required.

700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street, and 121 Wisconsin Street

700 Montgomery Street, 150 Hayes Street, and 121 Wisconsin Street were among the six project sites that received project-level analysis in the Final EIR. The 700 Montgomery Street project described in the Final EIR involved the conversion of the site to accommodate classroom, office, and restaurant space. The original project also proposed new signage at the Washington Street and Montgomery Street façades and interior tenant improvements, including interior construction and system upgrades. The 150 Hayes Street project described in the Final EIR involved the conversion of the site to accommodate offices for AAU use, potential classroom space, and parking; new signage for the site was also analyzed. The 121 Wisconsin Street project described in the Final EIR involved changes to accommodate the use of the site as a bus storage yard, lounge, office, restroom, and storage space; at full occupancy, the site would accommodate approximately two staff in the trailers and 30 shuttle buses.

While 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, and 460 Townsend Street were included in the ESTM, only the legalization of previous changes in use or appearance at these sites was considered in the Final EIR. Thus, the Final EIR did not consider project activities at 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, and 460 Townsend Street with regards to cultural and paleontological resource impacts.

As part of the revised project, AAU would vacate the building at 700 Montgomery Street and would withdraw the active CU and Certificate of Appropriateness applications associated with the property. AAU would also vacate the buildings at 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes, 460 Townsend Street, and 121 Wisconsin Street and would withdraw any respective CU and change of use applications associated with the properties.

Historical Resources

700 Montgomery Street, a three-story Classical Revival-style building, was constructed in 1904–1905 as the Columbus Savings Bank. The building was designated as city Landmark #212 under Article 10 of the planning code. Additionally, the building is listed as a contributor to the Jackson Square Historic District, which is listed under Article 10 and in the National Register of Historic Places (NRHP) and CRHR. For these reasons, 700 Montgomery Street qualifies as a historical resource for the purposes of CEQA review. The Final EIR reported that the Planning Department prepared a Historic Resource Evaluation Response (HREER) for the proposed project, which determined that the exterior signage and interior improvements would adhere to the Secretary's Standards and thus would have a less-than-significant impact on 700 Montgomery Street and the Jackson Square Historic District for the purposes of CEQA review. No mitigation measures were incorporated.

150 Hayes Street is the former American Automobile Association building that was constructed in 1959. The six-story, rectangular-plan, concrete-framed building features glass and metal spandrel curtain walls on the front façade and metal curtain walls on the remainder. A historic resource evaluation was conducted for the site in compliance with the National Historic Preservation Act of 1966 and determined that 150 Hayes Street is not a historical resource and not eligible for listing in the NRHP and CRHR. Because the site is not a historical resource for the purposes of CEQA and because the proposed project involved a change of use and exterior modifications were limited, the Final EIR determined that the project would not have a significant impact historical resources.

121 Wisconsin Street is used as a bus parking lot. Two trailers and a small shed, all less than 50 years old, are present on-site and none hold or merit local, state, or federal designation as a historical resource. Therefore, 121 Wisconsin Street is not a historical resource under CEQA and the project would have no impact on historical resources.

2295 Taylor Street is a two-story, Mission Revival-style, concrete building constructed in 1919 as an automobile garage. 2295 Taylor Street was documented at the reconnaissance level in the c.1980s North Beach Survey and identified as a contributor to the North Beach Historic District. However, the building does not appear to have received a comprehensive historic resource evaluation at that time. The ESTM considered the CRHR eligibility of 2295 Taylor Street and determined that the building does not retain integrity, as many of its original character-defining features have been removed. Consequently, the ESTM determined that 2295 Taylor Street does not appear to be eligible for listing in the CRHR under any criterion. Thus, 2295 Taylor Street does not qualify as a historical resource for the purposes of CEQA review.

2340 Stockton Street is a three-story, modern-style building designed by the architectural firm Wurster, Bernardi, and Emmons and constructed in 1970 to provide administrative facilities for the Otis Elevator Company. As described in the ESTM, 2340 Stockton Street has not been listed in, or found eligible for listing in, any historical register. An HRE Part 1 completed in May 2016 by SWCA Environmental Consultants found that 2340 Stockton Street does not appear to be eligible for listing in the CRHR under any criterion, and this determination was finalized in the ESTM. Thus, 2340 Stockton Street does not qualify as a historical resource for the purposes of CEQA review.

168 Bluxome Street is currently used for student housing. The university has leased 61 units at 168 Bluxome for use as student housing for approximately 219 students. This property contains live/work lofts. Each unit features a private kitchen and bath. The building has a Manager's office, a recreation room and a study room. 168 Bluxome Street was surveyed in the adopted South of Market Area historic Resource Survey and found to not be a historical resource.

460 Townsend Street is a two-story, rectangular warehouse building constructed in 1915 that was used as a wholesale facility prior to AAU's occupation in 2009. After AAU moved into the building, the site was used for classrooms, labs, studios, offices, and student and faculty lounges. 460 Townsend Street is a relatively modest industrial warehouse property and one of a number of similar properties in the neighborhood. As a result, the property does not appear individually eligible for the CRHR. However, the site was previously found to be a contributor to the locally eligible Bluxome and Townsend Warehouse Historic District identified in the adopted South of Market Area Historic Resource Survey. At the local level, the property derives its significance as part of a cohesive grouping of related industrial/warehouse buildings in the area. As the building still exhibits many of the features that convey the significance of the

district, the property retains sufficient historic integrity. Thus, for the purposes of CEQA, 460 Townsend Street is considered a historical resource.

Because no physical alterations of 700 Montgomery Street and 460 Townsend Street or their immediate surroundings would occur under the revised project and AAU would withdraw its use of these sites, the revised project would not cause impacts on the characteristics that qualify 700 Montgomery Street for listing as an Article 10 city landmark or impair the historic resource status of the Jackson Square Historic District. Similarly, the revised project would not cause impacts on the characteristics that qualify 460 Townsend Street as a contributor to a locally eligible historic district. Therefore, the revised project scope at 700 Montgomery Street and 460 Townsend Street would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to historical resources.

Because no physical alterations of 2295 Taylor Street, 2340 Stockton Street, 150 Hayes Street, 168 Bluxome, and 121 Wisconsin Street or these properties' immediate surroundings would occur under the revised project and AAU would withdraw its use of these sites, and because these properties are not historical resources under CEQA, the revised project at 2295 Taylor Street, 2340 Stockton Street, 150 Hayes Street, 168 Bluxome, and 121 Wisconsin Street would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to historical resources. No new mitigation is required.

Archaeological Resources, Paleontological Resources, and Human Remains

As the revised project would not involve any ground disturbing activities at 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome, 150 Hayes, 460 Townsend, and 121 Wisconsin that were not analyzed in the Final EIR, the revised project scope at the three project sites would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to archaeological resources, paleontological resources, and human remains.

1946 Van Ness Avenue (the Bakery)

The original project did not include any project-level activities at 1946 Van Ness Avenue, nor is the building located within one of the 12 study areas. Thus, the Final EIR did not consider project activities at 1946 Van Ness Avenue in program-level or project-level analysis with regards to cultural and paleontological resource impacts.

As part of the revised project, 1946 Van Ness Avenue would be converted for post-secondary educational institutional use. The proposed scope of work includes installation of new aluminum storefronts with tempered glass in the existing openings for both the Van Ness Avenue and Jackson Street facades. On the upper floors, broken or missing windows would be repaired or replaced, as appropriate, to match existing glazing. Further repair includes the in-kind replacement of doors on Jackson Street, restoration of prior window replacements with windows to match in material and design, and removal of mechanical features, such as ventilation flues, and general maintenance of the property. Improvements to the 1946 Van Ness Avenue property would be consistent with the Secretary's Standards. Interior alterations include the construction of partition walls, introduction of new sanitary facilities, construction of interior stairs, and other tenant improvements to support its institutional use.

Historical Resources

1946 Van Ness Avenue is a three-story building constructed in 1920 by the firm MacDonald and Kahn, an engineering and contracting firm, for Leon Lewin, a coffee importer. The building originally housed the California-Oakland Motor Company, an automobile dealership. In 1938, the building was converted for use as the Ahrens Bakery, which it housed until the 1980s. 1946 Van Ness Avenue was documented via Department of Parks and Recreation forms in 2010 as part of the Automotive Support Structures Survey conducted by William Kostura. The 2010 recordation determined that 1946 Van Ness Avenue appears eligible for listing in the CRHR under Criterion 3 (Architecture). The San Francisco Historic Preservation Commission adopted the findings of the Automotive Support Structures Survey; thus 1946 Van Ness Avenue qualifies as a historical resource for the purposes of CEQA review.

The reinforced concrete building is three stories in height and clad in scored stucco to resemble masonry. The building derives its architectural expression from the rhythm and proportions of its bays, the skeletal treatment of the upper stories, and its details and texturing, with a ground story featuring a storefront system along Van Ness Avenue and the northwest corner of Jackson Street capped by a simple cornice. The upper floors feature window bays with a three-by-three grid of steel windows, each featuring three-over-three mullion divisions. Analysis by William Kostura in 2010 found that the property is significant under Criterion 3 (Architecture), as a notable example of reinforced concrete construction by MacDonald and Kahn, an important firm of engineers and contractors.¹⁷ 1946-1960 Van Ness is the surviving building that best exemplifies Kahn's architectural philosophy of uniting utility with beauty through clarity of expression and a restrained use of ornament. The period of significance for the property is 1920, the date of construction.

The character defining features of this building are its height and width, its scored stucco surface, all of its industrial steel sash windows, the parapet, the cornices at the base of the parapet and at the second floor level, the molding and piers that frame the bays, the storefront windows with their frames in the first story, and the wooden vehicle entrance doors on the Jackson Street side of the building. No interior features were found to be significant.

As described above, the revised project is anticipated to include installation of new matte powder coat or similar finish aluminum storefronts with tempered glass in the existing openings for both the Van Ness and Jackson Street facades. On the upper floors, broken or missing windows would be replaced with clear glazing to match existing glazing. Further repair includes restoration of prior window replacements with windows to match in material and design, removal of mechanical features, such as ventilation flues, and general maintenance of the property. The wooden vehicle entrance doors on Jackson Street would be replaced in kind. The revised project would be fully in compliance with the Secretary's Standards, as all work would be restorative in nature and preserve the greatest amount of historic fabric as possible.¹⁸ As such, the revised project would not have the potential to affect any adjacent known historic resources. Physical alterations at 1946 Van Ness Avenue would be in compliance with the Secretary's Standards and

¹⁷ Kostura, William. 2010. "1946-1960 Van Ness Avenue." State of California Department of Parks and Recreation Primary Record and Building, Structure, and Object Record. *Van Ness Auto Row Support Structures*. San Francisco: San Francisco Department of City Planning.

¹⁸ San Francisco Planning Department, *Preservation Team Review Form for 1946 Van Ness Avenue*, February 22, 2018.

would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to historical resources. No new mitigation is required.

Archaeological Resources, Paleontological Resources, and Human Remains

As the revised project would not involve any ground disturbing activities at 1946 Van Ness Avenue that were not analyzed in the Final EIR, the project scope proposed at 1946 Van Ness Avenue would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to archaeological resources, paleontological resources, and human remains. No new mitigation is required.

1142 Van Ness Avenue (the Concordia Club)

The Final EIR did not propose any project activities at 1142 Van Ness Avenue. The building, however, is located within SA-3, one of the 12 study areas analyzed for program-level growth. The Final EIR proposed a change of use for buildings within SA-3 to provide up to approximately 400 beds of student housing. The Final EIR did not identify specific buildings within the study areas where project-related activities would occur, and thus did not determine specific impacts on cultural and paleontological resources within SA-3. Rather, the Final EIR assumed that the building(s) selected for change in use under the proposed project would undergo tenant improvements, such as interior construction, systems upgrades, and exterior signage, in addition to possible scopes of work such as seismic strengthening, window and lighting replacement, and the installation of exterior awnings and lighting, and analyzed the general effects associated with these types of improvements.

As part of the revised project, 1142 Van Ness Avenue would be converted for post-secondary educational institutional use. Physical improvements at 1142 Van Ness Avenue to accommodate the change of use include gate and door replacements, security camera relocation, and the installation of new signage. The proposed alterations would be fully compliant with the Secretary's Standards.

Historical Resources

1142 Van Ness Avenue is a three-story, Classical Revival-style building constructed in 1909 and characterized by a two-part façade composition. At the primary (Van Ness) façade, the upper two stories feature three rounded windows flanked by projecting piers at the corners of the building. 1142 Van Ness Avenue is identified as a "significant building" in the Van Ness Area Plan, which qualifies it as a historical resource for the purposes of CEQA review.

The Final EIR reported that the city prepared an HRER for program-level growth in 2013 that determined the proposed project would not result in substantial adverse change to historical resources within SA-3. The Final EIR stated that the proposed program-level activities constitute scopes of work that would involve minimal impacts on the significant architectural features of identified historical resources, and thus the project would have a low potential of materially impairing the character-defining features of any historical resource within Study Area-3. Physical alterations at 1142 Van Ness Avenue would be limited to the installation of new signage, requiring standard city review procedures, and would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to historical resources. No new mitigation is required.

Archaeological Resources, Paleontological Resources, and Human Remains

The Final EIR determined that the original project had the potential to cause a significant impact on archaeological resources and human remains within the study areas and at the project sites, because specific future project activities associated with the change of use of AAU buildings within the 12 study areas were not known. The Final EIR specified that the incorporation of Mitigation Measure M-CP-2.1, requiring a project-specific preliminary archaeological assessment for individual project components involving ground-disturbing activities within the 12 studies areas, would ensure the project's impact on archaeological resources and human would be less-than-significant level. Furthermore, the Final EIR stated that it was not anticipated that the original project would involve more than minor excavation (no soil disturbance lower than 10 feet below ground surface). As a result, the Final EIR concluded that proposed project activities in the 12 study areas would result in a less-than-significant impact on paleontological resources. No mitigation measures were incorporated for impacts on paleontological resources.

As the revised project would not involve any ground disturbing activities at 1142 Van Ness Avenue that were not analyzed in the Final EIR, the project scope proposed at 1142 Van Ness Avenue would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to archaeological resources, paleontological resources, and human remains. Additionally, as no ground disturbing activities are proposed, the revised project would not require the application of Mitigation Measure M-CP-2.1. No new mitigation is required.

2550 Van Ness Avenue (the Da Vinci Hotel)

The Final EIR did not propose any project activities at 2550 Van Ness Avenue. The building, however, is located within SA-2, one of the 12 study areas analyzed for program-level growth. The Final EIR proposed a change of use for buildings within SA-2 to provide up to approximately 400 beds of student housing. The Final EIR did not identify specific buildings where specific project-related activities would occur, and thus did not determine specific impacts on cultural and paleontological resources within SA-2. Rather, the Final EIR assumed that the building(s) selected for change in use under the proposed project would undergo tenant improvements, such as interior construction, systems upgrades, and exterior signage, in addition to possible scopes of work such as seismic strengthening, window and lighting replacement, and the installation of exterior awnings and lighting, and analyzed the general effects associated with these types of improvements.

As part of the revised project, 2550 Van Ness Avenue would be leased by AAU and would undergo a change of use from tourist hotel to group student housing. Proposed exterior improvements include new signage. No other exterior or interior physical improvements are proposed at 2550 Van Ness Avenue to accommodate the change of use.

Historical Resources

2550 Van Ness Avenue is a mid-century modern-style motel building constructed in 1959. A Draft HRE Part 1 completed in November 2017 by ICF found that 2550 Van Ness Avenue does not appear to be eligible for listing in the CRHR under any criterion.¹⁹ The Planning Department has prepared a Preservation Team

¹⁹ ICF. 2017. *2550 Van Ness Avenue, San Francisco Historic Resource Evaluation Part 1*. Draft. November 2017. San Francisco, CA. Prepared for the Academy of Art University, San Francisco, CA.

Review Form, dated February 6, 2018, that accepts the findings of the 2017 HRE Part 1.²⁰ Thus, 2550 Van Ness Avenue does not qualify as a historical resource for the purposes of CEQA review.

Because 2550 Van Ness Avenue is not a historical resource under CEQA, the project scope at 2550 Van Ness Avenue would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to historical resources. No new mitigation is required.

Archaeological Resources, Paleontological Resources, and Human Remains

The Final EIR determined that the proposed project had the potential to cause a significant impact on archaeological resources and human remains at the program level, as well as at the program level combined with project-level activities, because future project activities associated with the change of use of AAU buildings within the 12 study areas were not definitely known. The incorporation of Mitigation Measure M-CP-2.1, requiring a project-specific preliminary archaeological assessment for individual project components involving ground-disturbing activities within the 12 studies areas, reduced the project's impact on archaeological resources and human remains to a less than significant level. Furthermore, the Final EIR stated that it was not anticipated that the original project would involve more than minor excavation (no soil disturbance lower than 10 feet below ground surface). As a result, the Final EIR concluded that proposed project activities in the 12 study areas would result in a less-than-significant impact on paleontological resources. No mitigation measures were incorporated for paleontological resources.

As the revised project would not involve any ground disturbing activities at 2550 Van Ness Avenue that were not analyzed in the Final EIR, the revised project proposed at 2550 Van Ness Avenue would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to archaeological resources, paleontological resources, and human remains. Additionally, as no ground disturbing activities are proposed, the revised project would not require the application of Mitigation Measure M-CP-2.1. No new mitigation is required.

2801 Leavenworth Street (the Cannery)

2801 Leavenworth Street was one of the project sites identified in the Final EIR that received a project-level analysis. The project described in the Final EIR involved the conversion of the building's retail use to accommodate classroom, office, restaurant, and event spaces. Proposed exterior alterations included installation of signage in various locations at the Leavenworth Street, Jefferson Street, and Beach Street façades. Proposed alterations not visible from the public right-of-way included general tenant improvements, repairs, and systems upgrades.

As part of the revised project, AAU would modify the change of use application in order to retain publicly accessible retail or other uses at the ground floor. Additional details are not currently available regarding the interior tenant improvements that would occur in order to support the proposed uses of the building.

Historical Resources

The building at 2801 Leavenworth Street, also referred to as the Cannery, is a three-story brick industrial building constructed in 1907-1909 and used as a fruit canning facility until 1936. The Cannery was

²⁰ San Francisco Planning Department, *Preservation Team Review Form for 2550 Van Ness Avenue*, February 6, 2018.

rehabilitated in the late 1960s by modernist architect Joseph Esherick, involving numerous interventions to the property. The Junior League of San Francisco surveyed the building and included it in the book *Here Today: San Francisco's Architectural Heritage*, published in 1968. The findings of the *Here Today* survey were adopted by the San Francisco Board of Supervisors in 1970, and the survey is considered an official local historical register under CEQA. Additionally, the Final EIR stated that the Cannery is eligible for listing in the CRHR under Criteria 1 (Events) and 3 (Architecture). Due to its inclusion in *Here Today* and its CRHR eligibility, the Cannery qualifies as a historical resource under CEQA. Additionally, in 2011 the Planning Department completed an HRER for 2801 Leavenworth Street, which identified a period of significance, 1907-1967, that encompasses Esherick's rehabilitation design. The HRER also lists the character-defining features of the property, some of which are located at the interior. Interior character-defining features include interior stairs illuminated by skylights, as well as interior elements referred to as the Hearst Estate interiors.

The Final EIR reported that the Planning Department completed an HRER for the original project, which determined that the exterior signage would adhere to the Secretary's Standards and thus would have a less than significant effect on 2801 Leavenworth Street for the purposes of CEQA review.

It is not anticipated that the revised project would result in changes to the building's exterior or interior character-defining features. The first level totals 39,150 square feet, comprised of approximately 22,669 square feet of restaurants, 6,880 square feet of retail space, and 9,300 square feet of vacant space. The proposal to activate the ground floor relates to the remaining 9,300 square feet of vacant space and does not require any physical changes to this vacant space. As stated in the Final EIR, future activities related to the implementation of the project that involve alterations to CEQA historical resources would undergo project-specific environmental review, as administered by the planning department. Once the project scope at 2801 Leavenworth Street is further developed to the level at which it can be analyzed for adherence to the Standards, and prior to the issuance of building permits, the revised project would be subject to the planning department's standard CEQA review procedures for historical resources. For the purposes of the present analysis, the revised project to modify the change of use application does not involve physical changes to the building's character-defining features, and thus the revised project scope at 2801 Leavenworth Street would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to historical resources. No new mitigation is required.

Archaeological Resources, Paleontological Resources, and Human Remains

As the revised project would not introduce ground disturbing activities at 2801 Leavenworth Street that were not analyzed in the Final EIR, the revised project scope at 2801 Leavenworth Street would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to archaeological resources, paleontological resources, and human remains. No new mitigation is required.

2225 Jerrold Avenue

2225 Jerrold Avenue was one of the project sites identified in the Final EIR that received a project-level analysis. The original project analyzed AAU's proposed use as AAU office space, storage area for AAU bus operations, mechanical/janitorial functions, and other miscellaneous storage for AAU purposes, along with approximately 22,683 square feet for SFFD storage use. In addition, the original project analyzed the inclusion of an approximately 17,533 square-foot AAU basketball court and weight room for recreational purposes. Under the revised project, AAU will revise its change of use application to replace the initially

proposed AAU recreational facilities with an approximately 15,084 square foot community facility that is open to the public and includes a multi-purpose recreation room and indoor and outdoor community facility lounge spaces. No ground disturbing activities would be required.

Historical Resources

2225 Jerrold Avenue is in the Bayview Hunters Point neighborhood in a heavy industrial area. The 125,581 square-foot lot contains a warehouse and parking facilities in the front and rear of the warehouse. The area immediately surrounding the project site is visually defined by light industrial, one to two-story warehouses and open storage yards. The topography of the area is flat. The project site is not a historical resource. The project does not propose any substantial exterior changes and would comply with Planning Code regulations to ensure that the revised project would not negatively change or disrupt the visual character of the site or vicinity. Implementation of the revised project would not affect a historic resource. Thus, the revised project at 2225 Jerrold Avenue would not change the conclusions reached in the Final EIR that the project would not cause a significant impact related to historical resources. No new mitigation is required.

Archaeological Resources, Paleontological Resources, and Human Remains

As the revised project would not introduce ground disturbing activities at 2225 Jerrold Avenue that were not analyzed in the Final EIR, the revised project scope at 2225 Jerrold Avenue would not change the conclusion reached in the Final EIR that the project would not cause a significant impact related to archaeological resources, paleontological resources, and human remains. No new mitigation is required.

Preservation Entitlements

As discussed above under Additional Term Sheet Requirements, eight of the 34 sites to be approved by the Master CU are designated in Article 11 of the Planning Code, three of the 34 sites are designated in Article 10 of the Planning Code, and one site is designated within both Article 10 and 11. As such, these sites have been determined to require Historic Preservation Commission approval of permits to alter and/or certificates of appropriateness. Preservation entitlement for these properties would be approved under a Master Certificate of Appropriateness (COA) or Master Permit to Alter (PTA) and would require the acquisition of either Administrative or full COAs or Major and Minor PTAs, as appropriate, in general accordance with Article 10 and Article 11 of the Planning Code.

The properties that require Administrative or full COAs are summarized below:

Requires an Administrative COA:

- 491 Post Street

Requires a COA:

- 58 Federal Street
- 601-625 Polk Street
- 2151 Van Ness Avenue

The properties that require Major and Minor PTAs are summarized below.

Requires a Minor PTA:

- 79 New Montgomery Street
- 680 Sutter Street

Requires a Major PTA

- 180 New Montgomery Street
- 620 Sutter Street
- 625 Sutter Street
- 655 Sutter Street
- 540 Powell Street
- 410 Bush Street

Overall, the revised projects would require the above preservation entitlements and therefore would not impact the integrity or character defining features of Article 10 or 11 buildings such that the historical significance of the respective properties could no longer be conveyed.

Conclusion

The revised project would not change any of the original project EIR's findings with respect to cultural and paleontological resources. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2016), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified effects. This analysis does not result in any different conclusions than those reached in the original project EIR related to aesthetics, either on a project-related or cumulative basis.

4.5 Transportation and Circulation

The Final EIR concluded that, with mitigation, the original project would not result in a substantial adverse impact at any of the study or project site intersections during peak hours, or cause major traffic hazards;²¹ would neither result in a substantial increase in local or regional transit demand that could not be accommodated by local or regional transit capacity, nor affect transit operating conditions such that adverse impacts on local or regional transit service could occur; and would not result in substantial overcrowding on public sidewalks or otherwise interfere with pedestrian accessibility, or create potentially hazardous conditions for pedestrians, resulting in less-than-significant impacts. It was also determined that the original project would not result in potentially hazardous conditions for bicyclists or otherwise substantially interfere with bicycle accessibility within the study areas or adjacent to the project sites; would not substantially increase loading demand; would not substantially increase parking demand nor would it cause unsafe or delayed conditions for other transportation activities; would not result in inadequate emergency access; and would not result in construction-related transportation impacts, also resulting in less-than-significant impacts.

The Final EIR concluded that the original project could result in a substantial increase in shuttle demand within the study areas and at the project site that could not be accommodated by planned shuttle capacity so as to avoid an impact on the city's transit or transportation system during the peak hour; however, this

²¹ Automobile delay (as measured by level of service) was analyzed in the Final EIR under impacts TR-1.1, 1.2, 1.3 and C-TR-1.1, 1.2 and 1.3. On March 3, 2016, the San Francisco Planning Commission adopted Resolution 19579 to use the vehicle miles travelled metric instead of automobile delay to evaluate the transportation impacts of projects.

impact was determined to be less than significant with implementation of Mitigation Measure M-TR-3.1, which requires AAU to develop, implement, and provide to the city a shuttle management plan to address meeting the peak hour shuttle demand needs associated with its then-projected growth. With implementation of Mitigation Measure M-TR-3.1, the Final EIR determined that operation of AAU's shuttle service would not cause substantial conflicts with traffic, public transit, pedestrian, bicycles, or commercial loading, resulting in a less than significant impact with respect to these travel modes.

In regards to cumulative transportation and circulation impacts, the Final EIR also determined that growth in the 12 study areas and the six project sites, in combination with past, present, and reasonably foreseeable future projects in the vicinity of the study areas, could result in a substantial increase in local transit demand that could not be accommodated by adjacent Muni transit capacity on the Kearny/Stockton and Geary corridors under 2035 cumulative plus project conditions. This impact was found to be significant and unavoidable even with implementation of Mitigation Measure C-M-TR-2.1a, which requires AAU to make a fair share contribution to mitigate the cumulative transit demand impact related to AAU growth in transit ridership on the Kearny/Stockton corridor of the Northeast screenline and on the Geary corridor of the Northwest screenline to the municipal transit agency. The revised project would not change any of these findings, as further discussed below.

The Final EIR also includes the improvement measures summarized below that are intended to further reduce the less than significant impacts associated with single-occupancy vehicles, shuttle operation:

- Improvement Measure I-TR-1 requires AAU to implement a Transportation Demand Management (TDM) Program that seeks to minimize the number of single-occupancy vehicle trips generated by the original project for the lifetime of the project. The TDM Program targets a reduction in single-occupancy vehicle trips by encouraging persons to select other modes of transportation, including walking, bicycling, transit, car-share, carpooling, and/or other modes.
- Improvement Measure I-TR-2 requires AAU to develop and monitor a shuttle bus operation program or group of policies, such as the AAU Shuttle Bus Policy, to ensure shuttle activities do not on a recurring basis substantially impede or interfere with traffic, adjacent land use, transit, pedestrians, commercial or passenger loading, and bicycles on the public right-of-way.
- Improvement Measure I-TR-3 would improve pedestrian conditions at and around the 2225 Jerrold Avenue recreation facility by requiring AAU to create a clear pedestrian walkway between the proposed AAU shuttle stop and adjacent parking lot to the building entrance, in addition to making other changes to at this project site. This improvement measure has been incorporated into the plans submitted by AAU as part of its Master CU application
- Improvement Measure I-TR-4 would improve less-than-significant impacts related to bicycle parking and conditions for bicyclists by requiring AAU to add on- or off-street (or some combination thereof) bicycle parking facilities at the six project and future project sites. This improvement measure has been incorporated into the plans submitted by AAU as part of its Master CU application
- Improvement Measure I-TR-5 would improve less-than-significant impacts related to commercial loading by requiring AAU to monitor and efficiently manage their commercial loading activities

over time and as needed, adjusting times of deliveries or applying for additional on-street commercial loading spaces from the San Francisco Municipal Transit Agency.

- Improvement Measure I-TR-6 would further reduce less-than-significant construction-related transportation impacts by limiting truck movements to the hours between 9:00 a.m. and 3:30 p.m. (or other times, if approved by the municipal transit agency).
- Improvement Measure I-TR-7 would further reduce less-than-significant construction-related impacts to transportation by requiring AAU to develop construction management plans that improve carpool and transit access for construction workers (thereby reducing parking demand) and providing project construction updates to nearby businesses and neighborhoods regarding project construction schedules and contact information for specific construction concerns.

These improvement measures and all mitigation measures are included in the proposed Term Sheet as conditions of approval and would apply to all revised project circumstances as applicable.

The revised project would withdraw from nine existing AAU properties: 700 Montgomery Street, 1055 Pine Street, 1069 Pine Street, 2295 Taylor Street, 2340 Stockton Street, 460 Townsend Street, 150 Hayes Street, 121 Wisconsin Street, and 168 Bluxome Street. Since these properties would be vacated, there would not be additional project person trips generated from these projects as a result of implementation of the revised project. The revised project includes three new AAU sites (1142 Van Ness Avenue, 1946 Van Ness Avenue, and 2550 Van Ness Avenue) and changes of use at two existing AAU properties (2801 Leavenworth Street and 2225 Jerrold Avenue). Travel demand for these five properties was calculated by using the trip generation rates developed for each type of AAU use. Table 4 below presents the number of person trips for each project site under the existing condition, the existing plus project condition, and a net change between the two conditions. The revised project at these five sites would increase the total person trips by 430 trips during the PM peak hour.

<i>Project Site</i>	<i>Daily</i>			<i>PM Peak Hour</i>		
	<i>Existing</i>	<i>Revised Project</i>	<i>Net Change</i>	<i>Existing</i>	<i>Revised Project</i>	<i>Net Change</i>
1. 1142 Van Ness Avenue	N/A	2,815	N/A	-	239	+239
2. 1946 Van Ness Avenue	N/A	1,386	N/A	-	118	+118
3. 2550 Van Ness Avenue	N/A	921	N/A	34	159	+125
4. 2801 Leavenworth Street	7,172	7,172	0	610	610	0
5. 2225 Jerrold Avenue	999	657	-342	105	53	-52
Total	8,171	12,951	4,780	749	1,179	430

Source: CHS Consulting 2018.

Table 5 below presents the number of vehicle trips, transit person-trips, and bike person-trips for 1142, 1946, and 2550 Van Ness Avenue, 2801 Leavenworth Street, and 2225 Jerrold Avenue under the existing condition, the existing plus project condition (i.e. revised project), and the net change between the two conditions. The revised project at these five sites would result in an increase of approximately 10 vehicle trips, 22 shuttle passenger trips, 10 bike trips, and 73 transit trips, and a decrease of approximately 14 carpool trips.

Table 5 Revised Project PM Peak Hour Trips by Mode								
Project Site	Person Trips						Vehicle Trips	
	Drive Alone	Carpool	Transit	Shuttle	Bike	Walk		Total
Existing Condition								
1. 2225 Jerrold Avenue	15	5	0	85	0	0	105	17
2. 2801 Leavenworth Street	86	29	309	82	17	87	610	99
3. 1142 Van Ness Avenue	-	-	-	-	-	-	-	-
4. 1946 Van Ness Avenue	-	-	-	-	-	-	-	-
5. 2550 Van Ness Avenue	-	34	-	-	-	-	34	17
Total	101	68	309	167	17	87	749	133
Revised Project								
1. 2225 Jerrold Avenue	8	20	9	0	1	15	53	17
2. 2801 Leavenworth Street	52	18	187	49	10	53	369	60
3. 1142 Van Ness Avenue	34	11	121	32	7	34	239	39
4. 1946 Van Ness Avenue	17	6	60	16	3	17	118	19
5. 2550 Van Ness Avenue	-	-	8	91	6	54	159	-
Total	111	55	385	188	27	173	938	135
Net Change								
1. 2225 Jerrold Avenue	(7)	15	9	(85)	1	15	(52)	0
2. 2801 Leavenworth Street	(34)	(12)	(122)	(32)	(7)	(34)	(241)	(39)
3. 1142 Van Ness Avenue	34	11	121	32	7	34	239	39
4. 1946 Van Ness Avenue	17	6	60	16	3	17	118	19
5. 2550 Van Ness Avenue	-	(34)	8	91	6	54	125	(17)
Total	10	(14)	73	22	10	86	189	2

Source: CHS Consulting 2018.
Note: A number in parenthesis means the net balance is negative.

1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street, and 121 Wisconsin Street

The Final EIR analyzed AAU's proposed conversion and occupation of 700 Montgomery Street, 2295 Taylor Street, and 2340 Stockton Street for AAU institutional use. However, as part of the revised project, AAU would not occupy any portion of these sites. In addition, AAU will no longer occupy 1055 Pine Street, 1069 Pine Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street or 121 Wisconsin Street. Future use of these sites is unknown at this time. As AAU would not occupy any portion of the project sites, vehicular, transit, shuttle, pedestrian, bicycle, and truck trips to or from these project sites would be reduced (see Tables 15 and 16 in Appendix B).²² Therefore, there would be no impacts related to VMT, transit, shuttle, pedestrians, bicycles, loading, traffic hazards, emergency vehicle access, construction, and parking.

²² CHS Consulting, 2018. Transportation Memo. February, 2019.

Transportation impacts will be analyzed through the entitlement and environmental review process once future uses for these project sites are identified. No mitigation measures are necessary. There would be no new significant impacts related to transportation at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding transportation and circulation, and no new mitigation is required.

1946 Van Ness Avenue (the Bakery)

Vehicle Miles Traveled

A project would have a significant effect on the environment if it would cause substantial additional Vehicle Miles Traveled (VMT). The State Office of Planning and Research’s Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA (“proposed transportation impact guidelines”) recommends screening criteria to identify types, characteristics, or locations of projects that would not result in significant impacts on VMT. If a project meets the screening criteria, then it is presumed that VMT impacts would be less than significant for the project, and a detailed VMT analysis is not required.

As noted above, AAU proposes to convert 1946 Van Ness Avenue to a post-secondary educational institutional use under the revised project. The 1946 Van Ness Avenue site is located in TAZ 343. Regional average daily work-related VMT is 16.2 per capita for office development. Table 6 includes the TAZ in which the project site is located, 343.

Table 6 Daily Vehicle Miles Traveled (Existing Condition)			
Land Use	Bay Area		TAZ 343
	Regional Average	Regional Average Minus 15%	
Office	16.2	13.8	8.0

Source: CHS Consulting 2018.
 VMT = vehicle miles travelled; TAZ = transportation analysis zone.

As shown in Table 6, existing average daily VMT per capita for residential uses in TAZ 343 is 8.0 miles. This is approximately 51 percent below the existing regional average daily VMT per capita of 16.2 miles. Given that the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the revised project would not result in substantial additional VMT and impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to VMT at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding VMT, and no new mitigation is required.

Transit

The revised project would generate 60 additional transit trips (approximately 22 in and 38 out) during the PM peak hour at 1946 Van Ness Avenue. These trips would be dispersed throughout the transit network in the project vicinity using nearby Muni bus lines to reach their destinations or to access regional transit providers such as BART, Caltrain, SamTrans, AC Transit, and Golden Gate Transit, as needed. Nearby Muni bus routes 10-Townsend, 12-Folsom/Pacific, 19-Polk, 27-Bryant, 47-Van Ness, and 49-Van Ness-Mission currently operate at 71 percent, 57 percent, 66 percent, 46 percent, 58 percent, and 47 percent of their capacity, respectively, during the PM peak hour. The 60 PM peak hour transit trips are not anticipated to cause a substantial increase in transit demand that could not be accommodated by adjacent transit

capacity or exceed the SFMTA's performance standard of 85 percent capacity utilization during the PM peak hour.

The revised project at 1946 Van Ness would generate 19 additional vehicle trips to adjacent streets during the PM peak hour. Since the project site does not provide any off-street parking spaces, it is reasonable to assume that these vehicle trips would be spread among nearby streets. Based on the level and likely distribution of the additional vehicle traffic, the revised project would not add vehicle traffic to the degree that it would cause a substantial increase in transit delays or operating costs. The revised project would not cause a substantial conflict with the operation of transit vehicles on Van Ness Avenue. Therefore, transit impacts related to the proposed change of use at 1946 Van Ness Avenue would be less than significant. No mitigation measures are necessary. The revised project would not change the conclusions reached in the Final EIR regarding transit, and no new mitigation is required.

Shuttle

The revised project at 1946 Van Ness Avenue would generate approximately 16 shuttle riders during the PM peak hour. AAU would utilize the existing shuttle service on Van Ness Avenue (Route M) to serve this demand. In the spring semester of 2017, Route M operated every 20 minutes and traveled along portions of Polk Street, Van Ness Avenue, Laguna Street, Lombard Street, Broadway, Sacramento Street, Bush Street, Sutter Street, and Post Street, connecting students on Lombard Street, Van Ness Avenue, and Octavia Street to and from the AAU facilities located along Sutter Street. A new shuttle stop will also be added at 1604 Broadway in lieu of 2209 Van Ness Avenue.

In the spring semester of 2010, when capacity utilization data was last collected, this route operated at 44 percent of the total seated capacity (i.e., 65 seats) at the maximum load point during the PM peak hour. The shuttle frequency of Route M has since increased from a 50-minute headway to a 20-minute headway, increasing its peak hour capacity to an estimated 162 seats. Based on the increased capacity in 2017, the estimated shuttle demand of 16 shuttle riders would be accommodated with the existing shuttle route M.

AAU would not add any new shuttle stop for this project site, and instead would utilize a nearby shuttle stop in front of 1849 Van Ness Avenue (located approximately 300 feet south of the project site across Van Ness Avenue) to serve the estimated shuttle demand at this site. A new shuttle service stop would also be added at 1604 Broadway. Therefore, shuttle impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to shuttle service at 1946 Van Ness Avenue. The revised project would reduce the impact identified in the Final EIR regarding shuttle service, and no new mitigation is required.

Pedestrians

Pedestrian trips generated by the revised project would include walk trips to and from transit stops, shuttle stops as well as nearby businesses and commercial uses. Overall, the revised project would add up to 92 pedestrian trips during the PM peak hour including 60 transit-access trips, 15 shuttle-access trips, and 17 walk trips. These additional pedestrian trips would be distributed onto surrounding sidewalks and are not anticipated to cause a substantial overcrowding on public sidewalks.

In the vicinity of the project site, Van Ness Avenue and Polk Street are High Injury corridors in the city's Vision Zero network. The 19 additional vehicle trips generated by the revised project would be distributed onto multiple streets, and the level of traffic added onto these streets would not exacerbate an existing

hazard for pedestrians. The revised project would not include any hazardous design features or result in unusual pedestrian conflict points.

Students traveling to the nearest Muni bus stop, as well as the shuttle stop at 1849 Van Ness Avenue, would likely cross Van Ness Avenue and travel along the existing sidewalks on Van Ness Avenue. Adjacent to the project site, the intersection of Van Ness Avenue and Post Street is controlled by traffic signals that include pedestrian crossing signal heads and have crosswalk markings with Americans with Disabilities Act-compliant curbed ramps at all four corners of the intersections. The revised project would not create barriers that could adversely affect pedestrian accessibility to the project site or adjoining areas. Therefore, pedestrian impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to pedestrians at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding pedestrians, and no new mitigation is required.

Bicycles

The revised project would generate three additional bicycle trips and 19 additional vehicle trips during the PM peak hour at 1946 Van Ness Avenue. Although the revised project would result in an increase in both vehicle and bicycle trips in the vicinity of the project site, this increase would not be substantial enough to cause potential conflicts between bicycles and vehicles. This site has two off-street loading docks with a door fronting the south side of Jefferson Street. Vehicle access to these loading docks is not located on a bicycle route and would not create new collision risks through inadequate sight distance or substantial conflicts with bicyclists.

The revised project would be required to provide one class I and two class II bicycle parking spaces per San Francisco Planning Code section 155.2. While the number of proposed bicycle parking spaces is unknown at this time, the class I bicycle parking spaces would be located near the site's Van Ness Avenue entrance and the class II spaces would be on Jackson Street. The revised project would not include any design elements that could adversely affect bicycle accessibility to the project site or adjoining areas. Therefore, bicycle impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to bicycles at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding bicycles, and no new mitigation is required.

Loading

The revised project would generate a total of three daily truck trips, which corresponds to a demand for up to one space during the average loading hour or the peak loading hour (see Table 16 Appendix B). The project site has two off-street loading docks with a door fronting the south side of Jefferson Street. In addition, there is one on-street freight loading space located on the east side of Van Ness Avenue, adjacent to the project site. These spaces can be potentially used to accommodate the project loading demand. The revised project is not required to provide any off-street freight loading spaces per San Francisco Planning Code section 152.1. Therefore, the revised project would be in compliance with the planning code and loading impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to bicycles at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding bicycles, and no new mitigation is required.

Traffic Hazards

The project site would have two vehicle ingress/egress driveways on Jackson Street for access to the loading docks. Jackson Street carries approximately 320 vehicles during the PM peak hour. Vehicles attempting to enter the loading docks (three daily truck trips) would be required to stop for a gap in traffic along Jackson Street prior to entering the loading docks, if approaching from the westbound direction. Because the level of the existing traffic on Jackson Street is low, no extended queues would be expected to occur and potential conflicts between the truck trips and the existing traffic on Jackson Street would be low. Trucks exiting the loading docks would yield to any vehicles traveling along the Jackson Street, and would not cause adverse traffic impacts related to safety. The revised project would not include any design elements that would create new collision risks through inadequate sight distance or substantial conflicts to vehicles. Therefore, traffic impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to traffic hazards at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding traffic hazards, and no new mitigation is required.

Emergency Vehicle Access

The street network serving the project site currently accommodates the movements of emergency vehicles that travel to the project site. In the event of an emergency, vehicles would access the project site from Van Ness Avenue or Jackson Street immediately adjacent to the site in the same way as under the existing condition. Furthermore, although the revised project would generate additional traffic in the area, such an increase in vehicles would be a 1 percent increase (i.e., 19 vehicle trips over 1,830 existing vehicle trips on Van Ness Avenue during the PM peak hour) over the existing traffic volumes along Van Ness Avenue and would not impede or hinder the movement of emergency vehicles in the project area, for example from the nearest fire stations (i.e., Fire Department Fire Station No. 41 at 1325 Leavenworth Street). Therefore, emergency vehicle access impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to emergency vehicle access at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding emergency vehicle access, and no new mitigation is required.

Construction

Detailed plans for renovation activities at 1946 Van Ness Avenue are not available at this time, but because the revised project would involve the reuse of an existing building, the majority of improvements would be internal to the building, with minimal construction-related activities to the exterior of the building or other portions of the project site. Because the revised project would not involve demolition or grading, it is unlikely that the project would generate a substantial amount of trips associated with haul trucks, which are commonly used for import of fill materials/equipment and export of spoils.

Construction contractor(s) would be required to coordinate with Transportation Advisory Staff Committee (TASC) and other agencies (as appropriate) and prepare and implement a Construction Management Plan, which would address issues of circulation (traffic, pedestrians, and bicycle), safety, parking, and other project construction in the area. Therefore, construction impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to construction at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding construction, and no new mitigation is required.

Parking

The revised project would not include any off-street parking spaces, nor is it required to provide any off-street parking space per San Francisco Planning Code section 151.1. Therefore, the revised project would be in compliance with the planning code. No mitigation measures are necessary. There would be no new significant impacts related to parking at 1946 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding parking, and no new mitigation is required.

1142 Van Ness Avenue (the Concordia Club)

Vehicle Miles Traveled

The 1142 Van Ness Avenue site is located in TAZ 699. Regional average daily work-related VMT is 16.2 per capita for office development. As shown in Table 7, existing average daily VMT per capita for residential uses in TAZ 699 is 7.2 miles.

Table 7 Daily Vehicle Miles Traveled (Existing Condition)			
Land Use	Bay Area VMT (miles)		TAZ 699 VMT (miles)
	Regional Average	Regional Average Minus 15%	
Office	16.2	13.8	7.2

SOURCE: CHS Consulting 2018.
 VMT = vehicle miles travelled; TAZ = transportation analysis zone.

This is approximately 56 percent below the existing regional average daily VMT per capita of 16.2 miles. Given that the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the revised project would not result in substantial additional VMT and impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to VMT at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding VMT, and no new mitigation is required.

Transit

The revised project would generate 121 additional transit trips (approximately 45 in and 76 out) during the PM peak hour at 1142 Van Ness Avenue. Nearby Muni bus routes include 2-Clement, 3-Jackson, 19-Polk, 38-Geary, 38R-Geary Rapid, 47-Van Ness, and 49-Van Ness-Mission. Each of these lines currently operates below the SFMTA's performance standard of 85 percent capacity utilization during the PM peak hour, except for the 38R-Geary Rapid which operates at 90 percent of its capacity. While the revised project would generate a total of 121 additional transit trips, only 45 of these trips would occur in the inbound direction and contribute to the capacity utilization in the peak direction during the PM peak hour. These 45 transit trips would be dispersed throughout multiple Muni bus lines in the vicinity of the project site. Therefore, the increased transit demand would not constitute a substantial contribution to the existing transit service in the area.

The revised project would generate 39 additional vehicle trips to adjacent streets during the PM peak hour. Since the project site does not provide any off-street parking space, it is reasonable to assume that these vehicle trips would be distributed onto nearby streets. Based on the level and likely distribution of the additional vehicle traffic, the revised project would not cause substantial increase in transit delays or operating costs. Therefore, transit impacts would be less than significant. No mitigation measures are

necessary. There would be no new significant impacts related to transit at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding transit, and no new mitigation is required.

Shuttle

The revised project at 1142 Van Ness Avenue would generate approximately 32 shuttle riders during the PM peak hour. AAU would utilize the existing shuttle service on Van Ness Avenue (route M) to serve the increased demand. In the spring semester of 2017, Route M operated every 20 minutes and traveled along portions of Polk Street, Van Ness Avenue, Laguna Street, Lombard Street, Broadway, Sacramento Street, Bush Street, Sutter Street, and Post Street, connecting students on Lombard Street, Van Ness Avenue, and Octavia Street to and from the AAU facilities located along Sutter Street. As part of the revised project, a new shuttle stop would be added at 1604 Broadway in lieu of 2209 Van Ness Avenue.

In the spring semester of 2010, when capacity utilization data was collected, this route operated at 44 percent of the total seated capacity (i.e., 65 seats) at the maximum load point during the PM peak hour. The shuttle frequency of Route M has since increased from 50-minute headway to 20-minute headway, increasing its peak hour capacity to an estimated 162 seats. Based on the increased capacity in 2017, the estimated shuttle demand of 32 shuttle riders would be accommodated with the existing shuttle route M.

AAU would add a new shuttle stop for this project site using the existing white passenger loading zone in front of the project site on Van Ness Avenue. New shuttle service stops would also be added at 1604 Broadway. Shuttle buses are expected to fully pull into the designated shuttle bus zone without substantial conflicts with Muni transit vehicles. Van Ness Avenue is not a designated bicycle route. Therefore, the new AAU shuttle stop would not directly conflict with bicycle traffic. Therefore, shuttle impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to shuttle service at 1142 Van Ness Avenue. The revised project would reduce the impact identified in the Final EIR regarding shuttle service, and no new mitigation is required.

Pedestrians

Pedestrian trips generated by the revised project at 1142 Van Ness Avenue would include walk trips to and from transit stops, as well as nearby businesses and commercial uses. Overall, the revised project would add up to 155 pedestrian trips during the PM peak hour including 121 transit-access trips and 34 walk trips. These additional pedestrian trips would be spread onto surrounding sidewalks and would not be anticipated to cause substantial overcrowding on public sidewalks.

Near the project site, Van Ness Avenue, Polk Street, Post Street, Geary Street, and O'Farrell Street are designated as High Injury corridors in the city's Vision Zero network. The 39 additional vehicle trips generated by the revised project would be distributed onto multiple streets, and the level of traffic added onto these streets would not exacerbate any existing hazards for pedestrians. The revised project would not include any hazardous design features or result in unusual pedestrian conflict points.

Students traveling to the nearest Muni bus stop would travel along the existing sidewalks on Van Ness Avenue. Adjacent to the project site, the intersection of Van Ness Avenue and Post Street is controlled by traffic signals that include pedestrian crossing signal heads and have crosswalk markings with Americans with Disabilities Act-compliant curb ramps at all four corners of the intersections. The revised project would not create barriers that could adversely affect pedestrian accessibility to the project site or adjoining

areas. Therefore, pedestrian impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to pedestrians at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding pedestrians, and no new mitigation is required.

Bicycles

The revised project at 1142 Van Ness Avenue would generate seven additional bicycle trips and 39 additional vehicle trips during the PM peak hour. Although the revised project would result in an increase in both vehicle and bicycle trips in the vicinity of the project site, this increase would not be substantial enough to cause potential conflicts between bicycles and vehicles. The revised project would not have any vehicle ingress/egress driveway and would not cause new collision risks with bicyclists.

The revised project would be required to provide two class I and four class II bicycle parking spaces meeting or exceeding the San Francisco Planning Code section 155.2 requirement. Accordingly, the revised project at 1143 Van Ness Avenue includes two class I bicycle parking spaces and four class 2 bicycle parking spaces on the property's Van Ness Avenue frontage. The revised project would not include any design elements that could adversely affect bicycle accessibility to the project site or adjoining areas. Therefore, bicycle impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to bicycles at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding bicycles, and no new mitigation is required.

Loading

The revised project at 1142 Van Ness Avenue would generate a total of five daily truck trips, which corresponds to a demand for up to one space during the average loading hour or the peak loading hour (see Table 16 in Appendix B). The project site does not have any off-street loading onsite. However, commercial deliveries to the site could temporarily utilize the existing 45-foot-long white passenger loading spaces in front of the project site or on-street parking spaces on Van Ness Avenue. The revised project is not required to provide any off-street freight loading spaces per San Francisco Planning Code section 152.1 and the revised project would therefore comply with the planning code. Therefore, loading impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to loading at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding loading, and no new mitigation is required.

Traffic Hazards

The 1142 Van Ness Avenue project site would not have any vehicle ingress/egress driveway and would not cause major vehicle conflicts. The revised project would not include any design elements that would create new collision risks through inadequate sight distance or substantial conflicts with vehicles. Therefore, traffic impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to traffic hazards at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding traffic hazards, and no new mitigation is required.

Emergency Vehicle Access

The street network serving the 1142 Van Ness Avenue project site currently accommodates the movements of emergency vehicles that travel to the project site. In the event of an emergency, vehicles would access the project site from Van Ness Avenue immediately adjacent to the site in the same way as under the existing condition. Furthermore, although the revised project would generate additional traffic in the area, such an increase in vehicles would be a less than 2 percent increase (i.e., 39 vehicle trips over the current 1,960 existing vehicle trips during the PM peak hour) over the existing traffic volumes along Van Ness Avenue and would not impede or hinder the movement of emergency vehicles in the project area, for example from the nearest fire stations (i.e., Fire Department Fire Station No. 3 at 1067 Post Street). Therefore, emergency vehicle access impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to emergency vehicle access at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding emergency vehicle access, and no new mitigation is required.

Construction

Detailed plans for renovation activities for 1142 Van Ness Avenue are not available at this time, but because the revised project would involve the reuse of an existing building, the majority of construction activities would be internal to the building, with minimal construction-related activities to the exterior of the building or other portions of the project site. Because the revised project would not involve demolition or grading, it is unlikely that the project would generate substantial trips from haul trucks, which are commonly used for import of fill materials/equipment and export of spoils.

Construction contractor(s) would be required to coordinate with TASC and other agencies (as appropriate) and prepare a Construction Management Plan, which would address issues of circulation (traffic, pedestrians, and bicycle), safety, parking, and other project construction in the area. Therefore, construction impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to construction at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding construction, and no new mitigation is required.

Parking

The revised project would not include any off-street parking spaces and it is not required to provide any off-street parking space per San Francisco Planning Code section 151.1. Therefore, the revised project would be in compliance with the planning code. No mitigation measures are necessary. There would be no new significant impacts related to parking at 1142 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding parking, and no new mitigation is required.

2550 Van Ness Avenue (the Da Vinci Hotel)

Vehicle Miles Traveled

The 2550 Van Ness Avenue site is located in TAZ 367. Regional average daily work-related VMT is 16.2 per capita for office development. As shown in Table 8, existing average daily VMT per capita for residential uses in TAZ 367 is 9.1 miles.

Table 8 Daily Vehicle Miles Traveled (Existing Condition)

Land Use	Bay Area VMT (miles)		TAZ 367 VMT (miles)
	Regional Average	Regional Average Minus 15%	
Office	16.2	13.8	9.1

SOURCE: CHS Consulting 2018
 VMT = vehicle miles travelled; TAZ = transportation analysis zone.

This is approximately 44 percent below the existing regional average daily VMT per capita of 16.2 miles. Given that the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the revised project would not result in substantial additional VMT and impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to VMT at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding VMT, and no new mitigation is required.

Transit

The revised project would generate eight additional transit trips (approximately four in and four out) during the PM peak hour at 2250 Van Ness Avenue. Nearby Muni bus routes include 19-Polk, 41-Union, 45-Union/Stockton, 47-Van Ness, and 49-Van Ness-Mission. Each of these lines currently operates below the SFMTA’s performance standard of 85 percent capacity utilization during the PM peak hour, except for 41-Union which operates at 90 percent of its capacity. While the revised project would generate a total of eight additional transit trips, only four of these trips would occur in the inbound direction and contribute to the capacity utilization in the peak direction during the PM peak hour. These four transit trips would be dispersed throughout multiple Muni bus lines in the vicinity of the project site. Therefore, the increased transit demand would not be a substantial contribution to the existing transit service in the area.

The revised project would cause a reduction of 17 vehicle trips in adjacent streets during the PM peak hour with the change in use at this site. Therefore, the revised project would not cause a substantial increase in transit delays or operating costs. AAU would not add a new shuttle stop for this project site, and instead would utilize the existing shuttle service on Van Ness Avenue (Route M). A new shuttle service stop would be added at 1604 Broadway. Since there would be no new shuttle stop, the revised project would not cause a substantial conflict with the operation of transit vehicles on Van Ness Avenue. Therefore, transit impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to transit at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding transit, and no new mitigation is required.

Shuttle

The revised project would generate approximately 91 shuttle riders during the PM peak hour. AAU would utilize the existing shuttle service on Van Ness Avenue (Route M) to serve the demand. In the spring semester of 2017, Route M operated every 20 minutes and traveled along portions of Polk Street, Van Ness Avenue, Laguna Street, Lombard Street, Broadway, Sacramento Street, Bush Street, Sutter Street, and Post Street, connecting students on Lombard Street, Van Ness Avenue, and Octavia Street to and from the AAU facilities located along Sutter Street. As part of the revised project, a new shuttle stop will also be added at 1604 Broadway in lieu of 2209 Van Ness Avenue.

In the spring semester of 2010, when capacity utilization data was collected, this route operated at 44 percent of the total seated capacity (i.e., 65 seats) at the maximum load point during the PM peak hour. The

shuttle frequency of Route M has since increased from 50-minute headway to 20-minute headway, increasing its peak hour capacity to an estimated 162 seats. Based on the increased capacity in 2017, the estimated shuttle demand of 91 shuttle riders would be accommodated with the existing shuttle Route M.

As noted, a new shuttle stop would be added at 1604 Broadway in lieu of 2209 Van Ness Avenue to serve the estimated shuttle demand. Therefore, shuttle impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to shuttle service at 2550 Van Ness Avenue. The revised project would reduce the impact identified in the Final EIR regarding shuttle service, and no new mitigation is required.

Pedestrians

Pedestrian trips generated by the revised project would include walk trips to and from transit stops, shuttle stops as well as nearby businesses and commercial uses. Overall, the revised project would add up to 153 pedestrian trips during the PM peak hour including eight transit-access trips, 91 shuttle-access trips, and 54 walk trips. These additional pedestrian trips would be spread onto surrounding sidewalks and would not be anticipated to cause a substantial overcrowding on public sidewalks.

In the vicinity of the project site, Van Ness Avenue and Polk Street are High Injury corridors in the city's Vision Zero network. The revised project would cause a net reduction in 16 vehicle trips and thereby reduce existing hazards for pedestrians. The revised project would not include any hazardous design features or result in unusual pedestrian conflict points.

Students traveling to the nearest Muni bus stop, as well as the shuttle stops at 2151 Van Ness Avenue or 1604 Broadway, would likely cross Van Ness Avenue and travel along the existing sidewalks on Van Ness Avenue. Adjacent to the project site, the intersection of Van Ness Avenue and Filbert Street is controlled by traffic signals and has crosswalk markings with Americans with Disabilities Act-compliant curbed ramps at all four corners of the intersections. The revised project would not create barriers that could adversely affect pedestrian accessibility to the project site or adjoining areas. Therefore, pedestrian impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to pedestrians at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding pedestrians, and no new mitigation is required.

Bicycles

The revised project at 2550 Van Ness Avenue would generate six additional bicycle trips and 17 additional vehicle trips during the PM peak hour at 2550 Van Ness Avenue. Although the revised project would result in an increase in both vehicle and bicycle trips in the vicinity of the project site, this increase would not be substantial enough to cause potential conflicts between bicycles and vehicles. This site has two off-street loading docks with a door fronting the south side of Jefferson Street. Vehicle access to these loading docks is not located on a bicycle route and would not create new collision risks through inadequate sight distance or substantial conflicts to bicyclists.

The revised project would be required to provide 99 class I and 15 class II bicycle parking spaces per San Francisco Planning Code section 155.2. There are currently only four class I bicycle parking spaces provided on site near the loading area on Filbert Street. The revised project at 2550 Van Ness Avenue includes 99 class I bicycle parking spaces along the property's Filbert Street frontage and 16 class II bicycle parking spaces along the property's Van Ness Avenue frontage. The revised project would not include any design

elements that could adversely affect bicycle accessibility to the project site or adjoining areas. Therefore, bicycle impacts would be less than significant. There would be no new significant impacts related to bicycles at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding bicycles, and no new mitigation is required.

Loading

The revised project would generate a total of two daily truck trips, which corresponds to a demand for up to one space during the average loading hour or the peak loading hour. The project site does not include an off-street loading area. However, there is a 60-foot-long on-street freight loading (yellow curb) space on the east side of Van Ness Avenue adjacent to the project site. This loading area would help meet the project loading demand. The revised project is not required to provide any off-street freight loading spaces per San Francisco Planning Code section 152.1. Therefore, the revised project would be in compliance with the planning code and loading impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to loading at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding loading, and no new mitigation is required.

Traffic Hazards

The project site would have three vehicle ingress/egress driveways on Filbert Street for access to the parking areas. Filbert Street carries approximately 250 vehicles during the PM peak hour. Vehicles attempting to enter the parking areas would be required to stop for a gap in traffic along Filbert Street prior to entering the loading areas, if approaching from the westbound direction. Because the level of the existing traffic on Filbert Street is low, no extended queues are expected to occur and potential conflicts between the truck trips and the existing traffic on Filbert Street would be low. Vehicles exiting the parking areas would yield to any vehicles traveling along the Filbert Street, and would not cause adverse traffic impacts related to safety. The revised project would not include any design elements that would create new collision risks through inadequate sight distance or substantial conflicts with vehicles. Therefore, traffic impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to traffic hazards at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding traffic hazards, and no new mitigation is required.

Emergency Vehicle Access

The street network serving the project site currently accommodates the movements of emergency vehicles that travel to the project site. In the event of an emergency, vehicles would access the project site from Van Ness Avenue or Filbert Street immediately adjacent to the site in the same way as under the existing condition. Furthermore, the revised project would cause a net reduction in 17 vehicle trips and would not impair the movement of emergency vehicles in the project area, for example from the nearest fire stations (i.e., Fire Department Fire Station No. 41 at 1325 Leavenworth Street). Therefore, emergency vehicle access impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to emergency vehicle access at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding emergency vehicle access, and no new mitigation is required.

Construction

Detailed plans for renovation activities at 2550 Van Ness Avenue are not available at this time, but because the revised project would involve the reuse of an existing building, any construction activities would be internal to the building, with minimal improvements to the exterior of the building or other portions of the project site. Because the revised project would not involve demolition or grading, it is unlikely that the project would generate a substantial amount of haul trucks, which are commonly used for import of fill materials/equipment and export of spoils.

Construction contractor(s) would be required to coordinate with TASC and other agencies (as appropriate) and prepare a Construction Management Plan, which would address issues of circulation (traffic, pedestrians, and bicycle), safety, and parking and other project construction in the area. Therefore, construction impacts would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to construction at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding construction, and no new mitigation is required.

Parking

The revised project would provide 43 off-street parking spaces for AAU faculty and staff use (approved by conditional use authorization), three parking spaces for the existing restaurant use, and one car share space for a total reduction of six spaces from the existing 53 spaces. Therefore, the revised project would be in compliance with the planning code. No mitigation measures are necessary. There would be no new significant impacts related to parking at 2550 Van Ness Avenue. The revised project would not change the conclusions reached in the Final EIR regarding parking, and no new mitigation is required.

2801 Leavenworth Street (the Cannery)

AAU currently uses a portion of the building at 2801 Leavenworth Street (80,908 square feet) for office, gallery, and multi-use/event space. Other tenants include a mix of office, retail, commercial, and restaurant uses. The Final EIR analyzed the conversion and occupation of the entire 133,675 square foot site by AAU for institutional use. However, as part of the revised project, AAU would modify its application to retain retail or other active uses on the ground floor that are physically accessible to members of the public during the normal retail hours of operation customary in the area. AAU may have galleries on the ground floor and limit other uses to the mezzanine, second and third floors of the building.

Since AAU would reduce its footprint at 2801 Leavenworth Street by modifying its application, compared to the Final EIR, AAU would reduce vehicular, transit, shuttle, pedestrian, bicycle, truck trips to or from this project site (see Tables 15 and 16 in Appendix B). Therefore, impacts related to VMT, transit, shuttle, pedestrians, bicycles, loading, traffic hazards, emergency vehicle access, construction, and parking would be reduced as compared to the previously proposed project. There would be no new significant impacts related to transportation at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding transportation and circulation, and no new mitigation is required.

2225 Jerrold Avenue

The Final EIR analyzed the 2225 Jerrold Avenue site for vehicle and commercial storage uses, office space, and AAU recreational uses that included a gym and basketball courts. Under the revised project, AAU would revise its change of use application to replace the initially proposed AAU recreational facilities with a community facility that is open to the public and includes a multi-purpose recreation room and indoor and outdoor community facility lounge spaces.

Compared to the Final EIR, the revised project would not result in increased vehicle trips, including shuttle trips, to and from the site. The proposed project would, however, increase other mode trips during the PM peak hour, including nine transit trips, one bike trip, and 15 pedestrian trips. These trips are considered low volume. The revised project would not include any hazardous design features or barriers that could adversely affect pedestrian and bicycle accessibility to the project site or surrounding area. The revised project would not result in new significant impacts related to VMT, transit, shuttle, pedestrians, bicycles, loading, traffic hazards, emergency vehicle access, construction and parking compared to the previously proposed project. The revised project would not change the conclusions reached in the Final EIR regarding transportation and circulation, and no new mitigation is required.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to transportation and circulation impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2010), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Conclusions from this analysis remain the same as those reached in the Final EIR related to transportation and circulation, both on a project-related and cumulative basis. In addition, note that all transportation and circulation mitigation and improvement measures would continue to apply to the revised project as applicable. Thus Mitigation Measures M-TR-3.1 (Shuttle Demand, Service Monitoring, and Capacity Utilization) and C-M-TR-2.1a (AAU Fair Share Contribution to Cumulative Transit Impact) would ameliorate conditions related to shuttle demand and operation as they may affect the revised project. Similarly, less-than-significant impacts of the revised project related to single-occupancy vehicles, monitoring of shuttle activities, bicycle parking conditions, commercial loading activities, and construction activities would be further reduced by Improvement Measures I-TR-1, I-TR-2, I-TR-4, I-TR-5, I-TR-6, and TR-7, respectively.

4.6 Noise

The Final EIR's analysis of potential noise impacts associated with the original project included (1) noise generated by construction activities, (2) traffic and stationary source noise generated by future AAU operations, (3) consistency of potential future uses with San Francisco Land Use Compatibility Guidelines for Community Noise (Figure 4.7-8, City of San Francisco Land Use Compatibility Guidelines, p. 4.7-21), and (4) vibration. Potential contributions to cumulative noise impacts were evaluated in the context of the then-existing, proposed, and reasonably foreseeable future development expected in the vicinity of the original project, with the assumption that it would be limited to occupancy and change of use of existing buildings in already developed areas of the city. The Final EIR determined that the potential siting of noise-generating stationary equipment (such as pumps, fans, air-conditioning apparatus or refrigeration machines) at future study area locations could result in health effects associated with exposure to chronic

high levels of environmental noise and with exposure to short-term spikes in noise occurring during the typical hours of sleep. To reduce such a potential impact the Final EIR includes Mitigation Measure M-NO-2.1c, which requires AAU to prepare an analysis of noise that may occur with the installation of new mechanical equipment or ventilation units as part of a building change of use that would be expected to increase ambient noise levels by 5 dBA or more, either short-term, at nighttime, or as a 24-hour average, in the proposed project site vicinity.²³ Furthermore, all such mechanical equipment is subject to section 2909(a) and (b) of the Noise Ordinance, which limit mechanical equipment noise from residential and commercial properties at the property plane to no more than 5 and 8 dBA above the ambient noise level.

The Final EIR concluded that the original project would not expose people to temporary or permanent increases in noise levels substantially in excess of ambient levels, result in noise levels in excess of standards established in the San Francisco General Plan or Noise Ordinance, create excessive ground borne vibration, or result in any cumulative noise impacts in combination with past, present, and future projects. The revised project would not change any of these findings, as further discussed below.

The revised project includes the following activities related to noise and vibration:

- Construction activities involving minor, largely interior alterations at 1946 Van Ness Avenue, 1142 Van Ness Avenue, 2550 Van Ness Avenue, and 2801 Leavenworth Street;
- Minor changes in the volumes and distribution of traffic associated with the changes of use proposed by the revised project; and

As analyzed below, the potential temporary noise impacts associated with the revised project would be associated with construction activities, while the potential permanent noise impacts would be associated with operation of the buildings (primarily noise associated with stationary equipment and changes in traffic volumes and distribution).

As discussed previously, under the revised project AAU would vacate the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street. The 155 beds currently provided at 1055 Pine Street would be relocated to the Da Vinci Hotel at 2550 Van Ness Avenue (see discussion below). The 1069 Pine Street building contains a small gymnasium which would be relocated to an existing, similarly-sized gymnasium at 1142 Van Ness Avenue (the site of the former Concordia Club). Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable San Francisco codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed. No substantial noise-generating activities would occur with the vacation of these two properties. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding noise, and no new mitigation is required.

²³ The Final EIR also included two mitigation measures (M-NO-2.1a and 2.1b) intended to address potential noise impacts to new residential uses that would be sited in noisy environments. However, the California Supreme Court has held that CEQA does not generally require an agency to consider the effects of existing environmental conditions on a proposed project's future users or residents except where a project or its residents may exacerbate existing environmental hazards (California Building Industry Association v. Bay Area Air Quality Management District, December 17, 2015, Case No. S213478. Available at <http://www.courts.ca.gov/opinions/documents/S213478.PDF>).

1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street

Under the revised project, AAU would vacate 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street. AAU would not make any interior or exterior modifications to these buildings and the pending change of use applications would be withdrawn, resulting in no additions or changes to any of the buildings. Any future modifications or changes of use at these sites would be subject to separate CEQA review.

Therefore, because no modifications at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street would occur, the revised project at these properties would not add new or change the magnitude of existing noise or vibration sources, because no construction or renovation activities would occur, no new vehicle trips would be generated, and no other stationary sources of noise would be added to the sites. As determined in the transportation analysis conducted for the revised project, vacation of each of these sites would result in a net decrease in trips relative to the existing conditions. Consequently, the ambient noise environment under the existing conditions would be unchanged. There would be no impact, and no mitigation measures are necessary. There would be no new significant impacts related to noise at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding noise, and no new mitigation is required.

1946 Van Ness Avenue (the Bakery)

Temporary Noise Impacts

The conversion for post-secondary educational institutional use at 1946 Van Ness Avenue would require minor modifications to the base building core and shell to bring the building into compliance with current life safety codes. This tenant improvement work would primarily occur both on the exterior and within the interior of the building; however, it would not be expected to require heavy-duty equipment, such as excavators, concrete mixers, etc. Consequently, the type and magnitude of noise that would be generated by the modifications to the building core and shell would be similar to the tenant improvement activities evaluated in the Final EIR. As discussed in the Final EIR, San Francisco Noise Ordinance Sections 2907 and 2908 limit noise from any individual piece of non-impact construction equipment to 80 dBA at 100 feet, and prohibit construction noise that exceeds 5 dBA over the ambient noise level at the nearest property line during the nighttime hours (i.e., between 8:00 p.m. and 7:00 a.m.), respectively. The same requirements would apply to the tenant improvement activities at 1946 Van Ness Avenue. Additionally, no pile driving or other construction equipment that could result in ground borne vibration would be used for the tenant improvements. Therefore, the additional tenant improvement work at 1946 Van Ness Avenue would primarily occur indoors and would be shielded from adjacent land uses, would not likely require heavy-duty construction equipment, and would be required to adhere to the San Francisco Noise Ordinance. Consequently, temporary noise impacts would be less than significant, and no mitigation measures are necessary. There would be no new significant impacts related to noise at 1946 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding noise, and no new mitigation is required.

Permanent Noise Impacts

Long-term, operational sources of potential noise at 1946 Van Ness Avenue would include increased traffic, stationary sources, and student-generated noise. The institutional use proposed for 1946 Van Ness Avenue would be a non-sensitive use and thus no new sensitive receptors would be exposed to noise. The transportation analysis conducted for the revised project has determined that AAU's use of 1946 Van Ness Avenue would result in 1,386 daily person trips to and from the site. The majority of trips, however, would be associated either with a low-noise mode of transport (i.e., bicycle or walking), or with the existing transportation infrastructure (i.e., existing bus or AAU shuttle routes). The revised project would not require any additional transit or AAU shuttle trips to accommodate the use at 1946 Van Ness Avenue. All other trips (19 trips in the PM peak hour) would occur with a passenger vehicle. According to the revised project transportation analysis, existing volumes on Van Ness near 1946 Van Ness Avenue are approximately 1,830 vehicles in the PM peak hour. Existing volumes on Jackson and Washington Streets, two smaller streets adjacent to the site, are 320 and 200 vehicles in the PM peak hour, respectively. There would only be an increase in 19 vehicles in the PM peak hour, which is approximately 1 percent of current volumes on Van Ness and less than 10 percent of current volumes on Jackson and Washington Streets. Traffic noise typically produces a noticeable increase in noise (i.e., 3 decibels) when there is a doubling of the existing traffic volumes on a roadway. Because the increase in volumes from 1946 Van Ness Avenue would be comparatively small on any of the 3 adjacent roadways, the increase in noise would be less than 3 decibels, not detectable, and less than significant based on the criteria used in the EIR. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding traffic noise, and no new mitigation is required.

The use at 1946 Van Ness Avenue could involve the installation and use of new stationary equipment, such as pumps, fans, air-conditioning apparatus, etc. Any stationary equipment currently located at the site would be considered to be part of the existing conditions and is not evaluated. These types of noise sources were evaluated in the EIR and were found to be less than significant with implementation of Mitigation Measure M-NO-2.1c, which requires demonstration that new mechanical equipment is compliant with Section 2909 of the city's Noise Ordinance. Compliance with Section 2909 of the city's Noise Ordinance would ensure that operational noise from new stationary sources at 1946 Van Ness Avenue would not increase substantially above ambient noise and would not result in noise levels considered to be incompatible with existing residential uses nearby (greater than 45 dBA between the hours of 10:00 p.m. to 7:00 a.m. or 55 dBA between the hours of 7:00 a.m. to 10:00 p.m. with windows open). Consequently, the revised project would not change the conclusions reached in the Final EIR regarding operational stationary source noise, and no new mitigation is required.

Student noise at 1946 Van Ness Avenue would be another potential source of operational noise. The Final EIR determined that, while the introduction of students in institutional sites could lead to loud music or other entertainment-related noise, any increase in noise would be consistent with a highly urbanized downtown environment. The instructional and classroom uses proposed for 1946 Van Ness Avenue would not be expected to include students yelling or the playing of loud music. Additionally, the Final EIR cited the city's Noise Ordinance as a method through which excessive noise could be satisfactorily addressed via complaints to the San Francisco Police Department. Therefore, noise impacts resulting from the introduction of students and faculty to 1946 Van Ness Avenue would be less than significant. The same conclusion would apply to 1946 Van Ness Avenue and any potential noise generated by students. Consequently, the revised project would not change the conclusions reached in the Final EIR regarding student noise, and no new mitigation is required.

1142 Van Ness Avenue (the Concordia Club)

Temporary Noise Impacts

Because no physical improvements are proposed at 1142 Van Ness Avenue, no noise-generating construction or renovation-related equipment would be used at the site. There would be no exterior changes to the building, and the changes to the interior of the building would be limited to the replacement of existing broken, worn out, or unsafe fixtures. The physical act of replacing fixtures is not considered to be a noise-intensive activity, because it would not involve noisy, heavy-duty equipment. Any noise that would occur from small hand tools or other minor equipment would be indoors and would not be audible at any nearby noise-sensitive land uses. Consequently, there would be no appreciable sources of noise that could generate temporary noise levels that are substantially above existing ambient noise levels, and the revised project temporary noise impacts would be less-than-significant. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding temporary noise impacts, and no new mitigation is required.

Permanent Noise Impacts

Long-term, operational sources of potential noise at 1142 Van Ness Avenue would include increased traffic, stationary sources, and student-generated noise. The land use at 1142 Van Ness Avenue would not include residential or other sensitive uses and thus no new sensitive receptors would be exposed to noise. The transportation analysis conducted for the revised project has determined that AAU's use of 1142 Van Ness Avenue would result in 2,815 daily person trips to and from the site. The majority of trips, however, would either be with a low-noise mode of transport (i.e., bicycle or walking), or with the existing transportation infrastructure (i.e., existing bus or AAU shuttle routes). The revised project would not require any additional transit or AAU shuttle trips to accommodate the use at 1142 Van Ness Avenue. All other trips (39 trips in the PM peak hour) would occur with a passenger vehicle. According to the revised project transportation analysis, existing volumes on Van Ness near 1142 Van Ness Avenue are approximately 1,959 vehicles in the PM peak hour. Existing volumes on Geary Boulevard and Post Street are 750 and 620 vehicles in the PM peak hour, respectively. There would be an increase in 39 vehicles in the PM peak hour, which is approximately 2 percent of current volumes on Van Ness and less than 7 percent of current volumes on Geary Boulevard and Post Street. Traffic noise typically produces a noticeable increase in noise (i.e., 3 decibels) when there is a doubling of the existing traffic volumes on a roadway. Because the increase in volumes from 1142 Van Ness Avenue would be comparatively small on any of the three roadways, the increase in noise would be less than 3 decibels, a level that is not detectable, and would be less than

significant based on the criteria used in the EIR. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding traffic noise, and no new mitigation is required.

The use at 1142 Van Ness Avenue could involve the installation and use of new stationary equipment, such as pumps, fans, air-conditioning apparatus, etc. Any stationary equipment current located at the site would be considered to be part of the existing conditions and is not evaluated. These types of noise sources were evaluated in the EIR and were found to be less than significant with implementation of Mitigation Measure M-NO-2.1c, which requires demonstration that new mechanical equipment is compliant with Section 2909 of the city's Noise Ordinance. Compliance with Section 2909 of the city's Noise Ordinance would ensure that operational noise from new stationary sources at 1142 Van Ness Avenue does not increase substantially above ambient noise and does not result in noise levels considered to be incompatible with existing residential uses nearby (greater than 45 dBA between the hours of 10:00 p.m. to 7:00 a.m. or 55 dBA between the hours of 7:00 a.m. to 10:00 p.m. with windows open). Consequently, the revised project would not change the conclusions reached in the Final EIR regarding operational stationary source noise, and no new mitigation is required.

Student noise at 1142 Van Ness Avenue would be another potential source of operational noise. The Final EIR determined that, while the introduction of students in institutional sites could lead to loud music or other entertainment-related noise, any increase in noise would be consistent with a highly urbanized downtown environment. Similar to the proposed change of use at 1946 Van Ness, the proposed instructional and classroom use at 1142 Van Ness Avenue would not be expected to include loud music or other entertainment-related noise. Additionally, the Final EIR cited the city's Noise Ordinance as a method through which excessive noise could be handled via complaints to the San Francisco Police Department. The same conclusion would apply to 1142 Van Ness Avenue and any potential noise generated by students. Consequently, the revised project would not change the conclusions reached in the Final EIR regarding student noise, and no new mitigation is required.

2550 Van Ness Avenue (the Da Vinci Hotel)

Temporary Noise Impacts

The revised project would result in permitting changes at 2550 Van Ness Avenue but would involve minimal physical changes to the building. To convert the building from a tourist hotel to student housing, tenant improvements would occur within the interior of the building but would be limited to the replacement of hotel furnishings with student dormitory furnishings. The physical act of replacing the furnishings is not considered to be a noise-intensive activity, because it would not involve noisy, heavy-duty equipment. Any noise that does occur from small hand tools or other minor equipment would be indoors and would not be audible at any nearby noise-sensitive land uses. Delivery and removal of furnishings to/from the site would likely involve moving trucks on the surrounding roadways, but it is unlikely that the number of moving truck trips required to replace the furnishings at a 136 room hotel would change the existing roadway noise levels in the vicinity of the building in a noticeable manner. Because no heavy-duty construction equipment would be required that could potentially create temporary substantial increases in noise or vibration, the revised project would continue to result in a less-than-significant impact. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding temporary noise impacts, and no new mitigation is required.

Permanent Noise Impacts

The changes occurring at 2550 Van Ness Avenue would result in minor changes to the current operational noise sources located at the site. The transportation analysis conducted for the revised project has determined that AAU's use of 2550 Van Ness Avenue would result in a net decrease of 17 passenger vehicle trips to and from the site relative to the current use as a tourist hotel. The number of trips to and from the site using any mode of transport would increase overall, but most of the trips would use a low-noise mode of transport (i.e., bicycle or walking), or the existing transportation infrastructure (i.e., existing bus or AAU shuttle routes), which would not increase the existing noise environment. Students are more likely to use bicycle, walking, or public transit modes of transport than the users of a tourist hotel, who would be more likely to use passenger vehicles. As such, there would be 17 fewer noise-generating trips as a student dormitory according to the transportation analysis. The use of 2550 Van Ness Avenue, then, would not result in any additional traffic noise, because there would be fewer passenger vehicles traveling to the site. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding traffic noise, and no new mitigation is required.

The use at 2550 Van Ness Avenue could involve the installation and use of new stationary equipment, such as pumps, fans, air-conditioning apparatus, etc. Any stationary equipment current located at the site would be considered to be part of the existing conditions and is not evaluated. These types of noise sources were evaluated in the EIR and were found to be less than significant with implementation of Mitigation Measure M-NO-2.1c, which requires demonstration that new mechanical equipment is compliant with Section 2909 of the city's Noise Ordinance. Compliance with Section 2909 of the city's Noise Ordinance would ensure that operational noise from new stationary sources at 2550 Van Ness Avenue does not increase substantially above ambient noise and does not result in noise levels considered to be incompatible with existing residential uses nearby (greater than 45 dBA between the hours of 10:00 p.m. to 7:00 a.m. or 55 dBA between the hours of 7:00 a.m. to 10:00 p.m. with windows open). Consequently, the revised project would not change the conclusions reached in the Final EIR regarding operational stationary source noise, and no new mitigation is required.

Under the revised project, the 136 rooms currently serving tourists at the Da Vinci Hotel would become rooms for up to 306 students. While some increase in noise from students may periodically occur, it would not be substantially greater in magnitude to the current user noise at the hotel. As such, the use of 2550 Van Ness Avenue would not significantly change the level of noise from site users (i.e., music and other entertainment-related noise) in an appreciable manner. Consequently, the revised project would not change the conclusions reached in the Final EIR regarding student noise, and no new mitigation is required.

The current building at 2550 Van Ness Avenue is a tourist hotel and is considered a noise-sensitive land use. Converting the building to a student dormitory, which also would be a noise-sensitive land use, could result in an increase in the potential number of individuals who could be exposed to potentially significant ambient noise levels. The tourist hotel likely has a number of vacant rooms on any given day or rooms that are occupied by a single person, while the student dormitory would more likely be fully occupied on most days with two occupants per room. Consequently, converting 2550 Van Ness Avenue from a tourist hotel to a student dormitory would site new sensitive receptors, and, as such, Mitigation Measure M-NO-2.1b would apply. Mitigation Measure M-NO-2.1b, Siting of Noise-Sensitive Uses, requires the preparation of a noise analysis that includes a site survey to identify noise-generating uses within 900 feet of, and with a direct line-of-sight to, the project site, and at least one 24-hour noise measurement. The analysis required

by this mitigation measure would need to demonstrate that the acceptable interior noise levels consistent with the Title 24 Standards can be attained, prior to project approval. With implementation of Mitigation Measure M-NO-2.1b, new sensitive receptors at 2550 Van Ness Avenue would not be exposed to noise in excess of the Title 24 Standards. The revised project would not change the conclusions reached in the Final EIR regarding sensitive receptor exposure, and no new mitigation is required.

2801 Leavenworth Street (the Cannery)

Temporary Noise Impacts

The revised project would result in permitting changes at 2801 Leavenworth Street but would involve few physical changes at the building. There would be no exterior changes to the building, and the changes to the interior of the building would be limited to the replacement of existing broken, worn out, or unsafe fixtures. The physical act of replacing fixtures is not considered to be a noise-intensive activity, because it would not involve noisy, heavy-duty equipment. Any noise that does occur from small hand tools or other minor equipment would be indoors and would not be audible at any nearby noise-sensitive land uses. Because no heavy-duty construction equipment would be required that could potentially create temporary substantial increases in noise or vibration, the revised project would continue to result in a less-than-significant impact. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding temporary noise impacts, and no new mitigation is required.

Permanent Noise Impacts

The changes occurring at 2801 Leavenworth Street would, overall, result in minor changes to the current operational noise sources located at the site. As determined in the transportation analysis conducted for the revised project, the changes to 2801 Leavenworth Street would result in a net decrease of 39 vehicle trips relative to the existing conditions. The use of 2801 Leavenworth Street, then, would not result in any additional traffic noise, because there would be 39 fewer noise-generating passenger vehicles traveling to the site. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding traffic noise, and no new mitigation is required.

The permitting changes at 2801 Leavenworth Street would not drastically change the types of uses in the building; thus, it is unlikely that any changes to stationary equipment, such as pumps, fans, air-conditioning apparatus, etc. would be required. Stationary source noise impacts, then, would remain unchanged from the Final EIR. In the event that any new stationary equipment is required at 2801 Leavenworth Street, it would comply with the city's Noise Ordinance. Stationary source noise was evaluated in the EIR and was found to be less than significant with implementation of Mitigation Measure M-NO-2.1c, which requires demonstration that new mechanical equipment is compliant with Section 2909 of the city's Noise Ordinance. Compliance with Section 2909 of the city's Noise Ordinance would ensure that operational noise from new stationary sources, if necessary, at 2801 Leavenworth Street does not increase substantially above ambient noise and does not result in noise levels considered to be incompatible with existing residential uses nearby (greater than 45 dBA between the hours of 10:00 p.m. to 7:00 a.m. or 55 dBA between the hours of 7:00 a.m. to 10:00 p.m. with windows open). Consequently, the revised project would not change the conclusions reached in the Final EIR regarding operational stationary source noise, and no new mitigation is required.

Student and other site-user noise at 2801 Leavenworth Street would be approximately the same as discussed for the Final EIR, because the site uses would not drastically change as a result of the revised

project. Consequently, the revised project would not change the conclusions reached in the Final EIR regarding student noise, and no new mitigation is required.

2225 Jerrold Avenue

Temporary Noise Impacts

The revised project at 2225 Jerrold Avenue would consist primarily of interior modifications and minor exterior modifications related to pedestrian and bicycle infrastructure to provide safe access to the community facility on-site. Interior changes to the existing building would not involve heavy equipment and indoor construction noise would largely be shielded from any nearby noise-sensitive uses in the surrounding area. Exterior construction would also be limited and would not require heavy equipment or substantial ground disturbance and excavation, except for improvements to pedestrian and bicycle infrastructure. Such construction would be temporary in nature and would not generate substantial construction-related noise.

Because no heavy-duty construction equipment would be required that could potentially create temporary substantial increases in noise or vibration, the revised project would continue to result in a less-than-significant impact. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding temporary noise impacts, and no new mitigation is required.

Permanent Noise Impacts

The revised project would change the uses on-site from a recreational facility for AAU students and staff to community use. The revised project would not increase vehicle trips to the site, including shuttles. Therefore, the revised project would not result in additional traffic noise and the conclusions reached in the Final EIR regarding traffic noise would not change. No new mitigation is required.

If any new noise-generating stationary equipment such as fan or air-conditioning apparatuses are required, it would comply with the city's Noise Ordinance. Stationary source noise was evaluated in the EIR and was found to be less than significant with implementation of Mitigation Measure M-NO-2.1c, which requires demonstration that new mechanical equipment is compliant with Section 2909 of the city's Noise Ordinance. Compliance with Section 2909 of the city's Noise Ordinance would ensure that operational noise from new stationary sources, if necessary, at 2225 Jerrold Avenue would not increase substantially above ambient noise and would not result in noise levels considered to be incompatible with existing residential uses nearby (greater than 45 dBA between the hours of 10:00 p.m. to 7:00 a.m. or 55 dBA between the hours of 7:00 a.m. to 10:00 p.m. with windows open). Consequently, the revised project would not change the conclusions reached in the Final EIR regarding operational stationary source noise, and no new mitigation is required.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to noise and vibration impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2010), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Conclusions from this analysis remain the same as those reached

in the Final EIR related to noise and vibration, both on a project-related and cumulative basis. As discussed above, Mitigation Measure M-NO-2.1c would continue to apply to the revised project.

4.7 Air Quality

The air quality analysis in the Final EIR assessed air quality impacts under both a full occupancy scenario and a partial occupancy scenario. The partial occupancy scenario was developed to capture worst case ROG emissions, and assumes occupancy of all but 200,000 square feet of the 779,670 square feet of the space AAU might occupy under the original project; the remaining 200,000 square feet would be under renovation while the other 579,670 square feet would be in operation by AAU. The full occupancy scenario represents the combined total of all AAU operations from the project sites and study areas.

The Final EIR evaluated the impact of tenant improvements, such as painting, seismic retrofit work, and installing fire sprinkler systems, and determined that simultaneous renovation of 100,000 square feet of building space, as part of a partial occupancy scenario²⁴, would not exceed the air quality district's significance thresholds. Mitigation Measure M-AQ-3.3 of the Final EIR limits renovation to a maximum of 100,000 square feet of building space at a time.

The Final EIR determined that the original project would not violate an air quality standard or contribute substantially to an existing violation during the renovation activities in the study areas and at the project sites either under the full occupancy operational scenario or under the partial occupancy scenario. The Final EIR also determined that neither construction activities nor operations, including growth in shuttle bus emissions, would result in toxic air contaminant emissions that would expose sensitive receptors to substantial pollution concentrations; nor would the original project conflict with an applicable air quality plan or generate objectionable odors, as concluded in the Final EIR. The revised project would not change any of these findings, as further discussed below.

1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street

Under the revised project, AAU would vacate 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street. AAU would not make any interior or exterior modifications to these buildings and the change of use application would be withdrawn, resulting in no additions or changes to any of the buildings. Any future modifications or changes of use at these sites would be subject to separate CEQA review.

Therefore, because no modifications at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street would occur the sites would be vacated, the revised project at these properties would not increase fugitive dust, criteria pollutant, toxic air contaminant, or odor emissions. Emissions associated with renovation and operation of these three buildings, as analyzed in the Final EIR, would no longer be

²⁴ The partial occupancy scenario is defined as the occupancy of all but 200,000 square feet of the 779,670 square feet space that AAU was assumed to have occupied in the Final EIR. Emissions from the Partial Study Area Occupancy scenario of the Final EIR are the combined total of operational emissions (shuttle bus emissions, non-shuttle vehicle emissions, natural gas combustion, and landscaping emissions) from the Final EIR project sites and 579,670 sf of the Final EIR study areas, plus the construction emissions from the final 200,000 sf of remaining study area renovations.

generated when AAU vacates these properties. The transportation analysis conducted for the revised project determined that vacating each of these sites would result in a net decrease in trips relative to the existing conditions and hence a decrease in VMT and the corresponding criteria pollutant emissions. The revised project at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street would not conflict with the air quality district's 2017 Clean Air Plan, because vacating these buildings would result in less criteria pollutant emissions than was evaluated in the Final EIR.

The revised project involves AAU vacating 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street and converting other existing buildings for AAU use. Vacation of 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street would not worsen any air quality impacts discussed in the Final EIR. Consequently, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

1946 Van Ness Avenue (the Bakery)

Construction

The conversion to a post-secondary educational institutional use at 1946 Van Ness Avenue would require minor modifications to the base building core and shell to bring the building into compliance with current life safety codes. This tenant improvement work would primarily occur within the interior of the building and would not be expected to require heavy-duty equipment, such as excavators, concrete mixers, etc., and this requirement would apply to any tenant improvement activities at 1946 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

With respect to construction sources of toxic air contaminant emissions, tenant improvements at 1946 Van Ness Avenue would involve minimal use of diesel-powered equipment. Because the site is not located in an air pollution exposure zone, it would not be subject to the construction emissions minimization plan requirement that is specified in the Final EIR. Although the amount of diesel equipment required is anticipated to be minor if it is required at all, the use of diesel equipment outside of an air pollution exposure zone for the tenant improvement activities is not considered to be a significant impact, based on the criteria used in the Final EIR. Further, the Mitigation Measure M-AQ-3.3 limit of 100,000 square feet of building space at a given time would apply to any improvement activities at 1946 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR with respect to construction toxic air contaminant emissions, and no new mitigation is required.

Operation

With respect to criteria air pollutant emissions, the transportation analysis conducted for the revised project determined that the change of use at 1946 Van Ness Avenue would result in an increase of 19 daily vehicle trips to and from the site that could result in additional emissions. Regarding operation of the building, the proposed use of 1946 Van Ness Avenue would result in approximately 25,840 square feet of AAU-operated institutional space. Building-related emissions would be associated with heating, ventilation and air conditioning.

The addition of 19 vehicle trips during the peak hour (see Table 5) with the change of use at 1946 Van Ness Avenue would not affect the conclusion in the Final EIR with respect to local carbon monoxide impacts when considering the net loss of 19 vehicle trips indicated in Table 5 that would occur with implementation of the revised project. The additional 25,840 square feet of institutional space proposed for 1946 Van Ness Avenue would not result in a substantial increase in emissions analyzed in the Final EIR when considering the relatively minor net increase in total institutional space of 454 square feet and 29 beds that would occur with implementation of the revised project.

With respect to toxic air contaminants, the use of 1946 Van Ness Avenue would not include any substantial sources of toxic air contaminants. No diesel generator is currently located at 1946 Van Ness Avenue, and there is no intention to add one at the site. The Final EIR evaluated the worst-case scenario for mobile source toxic air contaminant emissions from the AAU shuttles. According to the transportation analysis, the use of 1946 Van Ness Avenue would not require an increase in the number of shuttles that AAU would operate; however, an additional shuttle stop is proposed at 1604 Broadway. The addition of a shuttle stop without any increase in the number of shuttles would not result in more emissions than the worst-case analysis from the Final EIR, which accounted for growth in shuttle use commensurate with the higher student growth projections evaluated in the Final EIR. However, as discussed above, student growth is anticipated to be substantially lower than projected. Consequently, there would be no further impacts pertaining to operational toxic air contaminant emissions at 1946 Van Ness Avenue from the revised project.

Additionally, implementation of the revised project at 1946 Van Ness Avenue would not conflict with the air quality district's 2017 Clean Air Plan, and it would not change the conclusions reached in the Final EIR, and no new mitigation is required.

1142 Van Ness Avenue (the Concordia Club)

Construction

The conversion of 1142 Van Ness Avenue to a post-secondary educational institutional use would include no exterior changes to the building, and the changes to the interior of the building would be limited to some re-painting of walls and to the replacement of existing broken, worn out, or unsafe fixtures. The replacement of fixtures would not be an activity that would be of concern regarding air quality, because it would not likely involve the use of gas- or diesel-powered equipment, or substantial paint application that could result in off-gassing related emissions. Therefore, substantial air quality impacts are not anticipated for the limited construction activities that could occur at 1142 Van Ness Avenue. Further, the Mitigation Measure M-AQ-3.3 limit of 100,000 square feet of building space at a given time would apply to any improvement activities at 1142 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

With respect to construction sources of toxic air contaminant emissions, the limited tenant improvements at 1142 Van Ness Avenue would not likely involve the use of diesel-powered equipment. Because the site is not located in an air pollution exposure zone, it would not be subject to the construction emissions minimization plan requirement that is specified in the Final EIR. Although the amount of diesel equipment required is anticipated to be minor if it is required at all, the use of diesel equipment outside of an air pollution exposure zone for the tenant improvement activities is not considered to be a significant impact, based on the criteria used in the Final EIR. Therefore, the revised project would not change the conclusions

reached in the Final EIR with respect to construction toxic air contaminant emissions, and no new mitigation is required.

Operation

With respect to criteria air pollutant emissions, the transportation analysis conducted for the revised project determined that the change of use at 1142 Van Ness Avenue would result in a net increase of 39 daily vehicle trips to and from the site that could result in additional emissions. Regarding operation of the building, the proposed use of 1142 Van Ness Avenue would result in approximately 50,221 square feet of AAU-operated institutional space. Building-related emissions would be associated with heating, ventilation and air conditioning.

The addition of 39 vehicle trips during the peak hour (see Table 5) with the change of use at 1142 Van Ness Avenue would not affect the conclusion in the Final EIR with respect to local carbon monoxide impacts when considering the net loss of 19 vehicle trips indicated in Table 5 that would occur with implementation of the revised project. The additional 25,840 square feet of institutional space proposed for 1142 Van Ness Avenue would not result in a substantial increase in emissions analyzed in the Final EIR when considering the relatively minor net increase in total institutional space of 454 square feet and 29 beds that would occur with implementation of the revised project.

With respect to toxic air contaminants, the use of 1142 Van Ness Avenue would not include any substantial sources of toxic air contaminants. No diesel generator is currently located at 1946 Van Ness Avenue, and there is no intention to add one at the site. The Final EIR evaluated the worst-case scenario for mobile source toxic air contaminant emissions from the AAU shuttles. According to the transportation analysis, the use of 1142 Van Ness Avenue would not require an increase in the number of shuttles that AAU would operate; however, an additional shuttle stop is proposed at 1604 Broadway Avenue. The addition of a shuttle stop without any increase in the number of shuttles would not result in more emissions than the worst-case analysis from the Final EIR, which accounted for growth in shuttle use commensurate with the higher student growth projections evaluated in the Final EIR. However, as discussed previously, student growth is anticipated to be substantially lower than projected. Consequently, there would be no further impacts pertaining to operational toxic air contaminant emissions at 1142 Van Ness Avenue from the revised project.

Additionally, implementation of the revised project at 1142 Van Ness Avenue would not conflict with the air quality district's 2017 Clean Air Plan, and it would not change the conclusions reached in the Final EIR, and no new mitigation is required.

2550 Van Ness Avenue (the Da Vinci Hotel)

Construction

The revised project would result in the use of 2550 Van Ness Avenue to replace student housing space vacated at other AAU buildings. There would be no exterior changes to the building, and the changes to the interior of the building would be limited to the replacement of hotel furnishings with student furnishings. The replacement of furnishings would not generate substantial air emissions, because it would not likely involve the use of gas- or diesel-powered equipment, or substantial paint application that could result in off-gassing related emissions. Therefore, substantial air quality impacts are not anticipated for the limited construction activities that could occur at 2550 Van Ness Avenue. Further, the Mitigation Measure

M-AQ-3.3 limit of 100,000 square feet of building space at a given time would apply to any improvement activities at 2550 Van Ness Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

With respect to construction sources of toxic air contaminant emissions, the use of 2550 Van Ness Avenue would not likely involve the use of diesel-powered equipment. Because the site is not located in an air pollution exposure zone, it would not be subject to the construction emissions minimization plan requirement that is specified in the Final EIR. Although the amount of diesel equipment required is anticipated to be minor if it is required at all, the use of diesel equipment outside of an air pollution exposure zone for the tenant improvement activities is not considered to be a significant impact, based on the criteria used in the Final EIR. Therefore, the revised project would not change the conclusions reached in the Final EIR with respect to construction toxic air contaminant emissions, and no new mitigation is required.

Operation

With respect to criteria air pollutant emissions, the transportation analysis conducted for the revised project determined that the change of use at 2550 Van Ness Avenue would result in a net decrease of 17 PM peak hour vehicle trips to and from the site that could result in additional emissions. Regarding operation of the building, the proposed use of 2550 Van Ness Avenue would result in approximate maximum of 54,298 square feet of AAU-operated residential space. Building-related emissions would be associated with heating, ventilation and air conditioning.

The decrease of 17 vehicle trips during the peak hour (see Table 5) with the change of use at 2550 Van Ness Avenue would not affect the conclusion in the Final EIR with respect to local carbon monoxide impacts when considering the net loss of 19 vehicle trips indicated in Table 5 that would occur with implementation of the revised project. The additional 25,840 square feet of institutional space proposed for 2550 Van Ness Avenue would not result in a substantial increase in emissions analyzed in the Final EIR when considering the relatively minor net increase in total institutional space of 454 square feet and 29 beds that would occur with implementation of the revised project. Further, the change of use at 2550 Van Ness Avenue would result in a decrease in VMT relative to the existing conditions, according to the transportation analysis. Students are more likely to use bicycle, walking, or public transit modes of transport than the users of a tourist hotel, who would be more likely to use passenger vehicles. As such, there would not be any additional emissions from vehicles associated with 2550 Van Ness Avenue. Furthermore, as shown in Table 5, the net effect of the revised project would be a decrease in 17 PM peak hour vehicle trips per day.

With respect to toxic air contaminants, the use of 2550 Van Ness Avenue would not include any substantial sources of toxic air contaminants. No diesel generator is currently located at 2550 Van Ness Avenue, and there is no intention to add one at the site. According to the transportation analysis, the use of 2550 Van Ness Avenue would not require an increase in the number of shuttles that AAU would operate; however, additional shuttle stops are proposed at 2151 Van Ness Avenue, 1604 Broadway, and 1142 Van Ness Avenue. The addition of three shuttle stops without any increase in the number of shuttles would not result in more emissions than the worst-case analysis from the Final EIR, which accounted for growth in shuttle use commensurate with the higher student growth projections evaluated in the Final EIR. However, as discussed above, student growth is anticipated to be substantially lower than projected. Consequently,

there would be no further impacts pertaining to operational toxic air contaminant emissions at 2550 Van Ness Avenue from the revised project.

Additionally, implementation of the revised project at 2550 Van Ness Avenue would not conflict with the air quality district's 2017 Clean Air Plan, and it would not change the conclusions reached in the Final EIR, and no new mitigation is required.

2801 Leavenworth Street (the Cannery)

Construction

The revised project would result in the use of the ground floor of 2801 Leavenworth Street as a publicly-accessible retail space. There would be no exterior changes to the building, and the changes to the interior of the building would be limited to minor renovations. These minor renovations would not generate substantial air emissions because they would not likely involve the use of gas- or diesel-powered equipment, or substantial paint application that could result in off-gassing related emissions. Therefore, substantial air quality impacts are not anticipated for the limited construction activities that could occur at 2801 Leavenworth Street. Furthermore, Mitigation Measure M-AQ-3.3 would limit the amount of construction to 100,000 square feet of building space at a given time would apply to any improvement activities at 2801 Leavenworth Street. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

With respect to construction sources of toxic air contaminant emissions, the change of use at 2801 Leavenworth Street would not likely involve the use of diesel-powered equipment. However, because the site is in the air pollution exposure zone, any use of diesel equipment that is required would be subject to Mitigation Measure M-AQ-2.1 from the Final EIR. If diesel equipment is used at the site, the project sponsor is required to submit a construction emissions minimization plan to the city for review that documents compliance with measures to reduce emissions from diesel equipment. Thus, diesel construction emissions at 2801 Leavenworth Street would be minimized if they occur at all and would be less than significant. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

Operation

The changes occurring at 2801 Leavenworth Street would result in minor changes to operational emissions. While the Final EIR evaluated the entire 133,675 square foot 2801 Leavenworth building as institutional space, the revised project would change 4,142 square feet to retail space, 2,745 square feet to multi-functional space, and 409 square feet to storage. These modifications would not result in an appreciable change in the building's operational emissions as compared to what was evaluated in the Final EIR, because the sources of operational emissions for institutional, retail, multi-functional, and storage space are of a similar nature and magnitude. Additionally, the building would be used in the same fundamental manner despite the change in use (i.e. institutional and retail space would both use natural gas, require occasional landscaping equipment, and generate consumer product emissions). There would be no further impacts pertaining to operational criteria pollutant emissions at 2801 Leavenworth Street from the revised project.

The change of use at 2801 Leavenworth Street would result in a decrease in VMT relative to the existing conditions, according to the transportation analysis. As such, there would not be any additional emissions

from vehicles associated with 2801 Leavenworth Street. Furthermore, as shown in Table 5, the net effect of the revised project would be a decrease in 17 vehicle trips during the PM peak hour period.

With respect to operational sources of toxic air contaminant emissions, the change of use at 2801 Leavenworth Street would not include the use of any substantial sources of toxic air contaminants. There is no diesel generator at 2801 Leavenworth, and there is no intention to add one at the site. The Final EIR evaluated the worst-case scenario for mobile source toxic air contaminant emissions from the AAU shuttles, and, because the change of use at 2801 Leavenworth Street would decrease the number of students riding the AAU shuttles²⁵, the revised project would not result in more emissions than the worst case analysis from the Final EIR. Consequently, there would be no further impacts pertaining to operational toxic air contaminant emissions at 2801 Leavenworth Street from the revised project.

2225 Jerrold Avenue

Construction

The original project analyzed AAU's proposed use as AAU office space, storage area for AAU bus operations, mechanical/janitorial functions, and other miscellaneous storage for AAU purposes, along with approximately 22,683 square feet for SFFD storage use. In addition, the original project analyzed the inclusion of an approximately 17,533 square-foot AAU basketball court and weight room for students and staff. Under the revised project, AAU would revise its change of use application to replace the initially proposed AAU recreational facilities with an approximately 15,084 square foot community facility that is open to the public and includes a multi-purpose recreation room and indoor and outdoor community facility lounge spaces.

The proposed change of use to a community facility would not require substantial construction activities that would generate substantial air emissions because they would not likely involve the use of gas- or diesel-powered equipment, or substantial paint application that could result in off-gassing related emissions. Therefore, substantial air quality impacts are not anticipated for the limited construction activities that could occur at 2225 Jerrold Avenue. Furthermore, Mitigation Measure M-AQ-3.3, which would limit the amount of construction to 100,000 square feet of building space on AAU properties at a given time, would include any improvement activities at 2225 Jerrold Avenue. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required. Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

With respect to construction sources of toxic air contaminant emissions, the change of use at 2225 Jerrold Avenue would not likely involve the use of diesel-powered equipment. However, because the site is in the Article 38 Air Pollution Exposure Zone, any use of diesel equipment that is required would be subject to Mitigation Measure M-AQ-2.1 from the Final EIR. If diesel equipment is used at the site, the project sponsor is required to submit a construction emissions minimization plan to the city for review that documents compliance with measures to reduce emissions from diesel equipment. Thus, diesel construction emissions at 2225 Jerrold Avenue would be minimized if they occur at all and would be less than significant.

²⁵ This conclusion is based on the transportation analysis conducted for the revised project.

Therefore, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

Operation

The revised project would change the use of the site from a recreational facility for AAU students and staff to a publicly accessible community facility. In addition, the revised project includes pedestrian and bicycle infrastructure improvements to provide safe access to the site. These modifications would not result in an appreciable change in the building's operational emissions as compared to what was evaluated in the Final EIR because the sources of operational emissions would be the same and the building would be used in the same fundamental manner, despite the change of use. There would be no further impacts pertaining to operational criteria pollutant emissions at 2225 Jerrold Avenue from the revised project.

The change of use at 2225 Jerrold Avenue would not result in a substantial change in VMT relative to the existing conditions, according to the transportation analysis. As such, there would not be any additional emissions from vehicles associated with 2225 Jerrold Avenue.

With respect to operational sources of toxic air contaminant emissions, the change of use at 2225 Jerrold Avenue would not include the use of any substantial sources of toxic air contaminants. There is no diesel generator at 2225 Jerrold Avenue, and there is no proposal to add one at the site. The Final EIR evaluated the worst-case scenario for mobile source toxic air contaminant emissions for the site, and because the change of use at 2225 Jerrold Avenue would not change the number of vehicle trips to the project site, including shuttles, the revised project would not result in more emissions than the worst-case analysis from the Final EIR. Consequently, there would be no additional impacts pertaining to operational toxic air contaminant emissions at 2225 Jerrold Avenue from the revised project.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to air quality impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2010), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified significant effects. This analysis does not result in any different conclusions than those reached in the Final EIR related to air quality impacts, either on a project-related or cumulative basis.

4.8 Greenhouse Gas Emissions

The Final EIR determined that the original project would not generate greenhouse gas emissions that would result in a cumulatively considerable impact on the environment, or conflict with any policy, plan, or regulation, adopted for reducing greenhouse gas emissions within the study areas or at the project sites.

As discussed in the Final EIR, the original project would be consistent with San Francisco's energy and conservation standards, as reflected in San Francisco's Greenhouse Gas (GHG) Reduction Strategy, and compliance with the strategy would reduce specific sources of GHG emissions that would otherwise occur. San Francisco has been successful in meeting its stated GHG reduction goal through implementation of the strategy, and those goals are consistent with state GHG reduction goals. Therefore, the revised project, if

consistent with the GHG Reduction Strategy, would also be consistent with the GHG emissions reduction goals of EO S-3-05, EO B-30-15, AB 32, SB 32, and the Bay Area 2017 Clean Air Plan.

1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street

Under the revised project, AAU would vacate 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street. AAU would not make any interior or exterior modifications to these buildings and the change of use applications would be withdrawn, resulting in no additions or changes to any of the buildings. Any future modifications or changes of use at these sites would be subject to separate CEQA review.

Therefore, because no modifications at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street would occur, the revised project at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street would not increase greenhouse gas emissions. Consequently, the revised project would not change the conclusions reached in the Final EIR, and no new mitigation is required.

1946 Van Ness Avenue (the Bakery)

The revised project at 1946 Van Ness Avenue would be subject to and required to comply with several regulations adopted to reduce GHG emissions as identified in the GHG Reduction Strategy. Regulations applicable to 1946 Van Ness Avenue include the Commuter Benefits Ordinance, the Commercial Water Conservation Ordinance, and the Mandatory Recycling and Composting Ordinance. The consistency of the proposed 1946 Van Ness Avenue use with the city's GHG Reduction Strategy is demonstrated by the city's Compliance Checklist.²⁶

Because the revised project at 1946 Van Ness Avenue would be consistent with the city's GHG Reduction Strategy, it would not conflict with any plans adopted for reducing GHG emissions and would not exceed San Francisco's applicable GHG emissions threshold of significance. Moreover, the additional use of 1946 Van Ness Avenue would not change the consistency of the original project with the city's GHG Reduction Strategy. As such, the revised project would not result in a significant increase in GHG emissions compared to the GHG emissions analyzed in the Final EIR. No mitigation measures are necessary.

1142 Van Ness Avenue (the Concordia Club)

The revised project at 1142 Van Ness Avenue would be subject to and required to comply with several regulations adopted to reduce GHG emissions as identified in the GHG Reduction Strategy. Regulations applicable to 1142 Van Ness Avenue include the Commuter Benefits Ordinance, the Emergency Ride Home Program, and the Mandatory Recycling and Composting Ordinance. The consistency of the proposed 1142 Van Ness Avenue use with the city's GHG Reduction Strategy is demonstrated by the city's Compliance Checklist.²⁷

²⁶ San Francisco Planning Department, Greenhouse Gas Analysis: Compliance Checklist for 1946 Van Ness Avenue, February 23, 2019.

²⁷ San Francisco Planning Department, Greenhouse Gas Analysis: Compliance Checklist for 1142 Van Ness Avenue, February 23, 2019.

Because the revised project at 1142 Van Ness Avenue would be consistent with the city's GHG Reduction Strategy, it would not conflict with any plans adopted for reducing GHG emissions and would not exceed San Francisco's applicable GHG emissions threshold of significance. Moreover, the additional use of 1142 Van Ness Avenue would not change the consistency of the original project with the city's GHG Reduction Strategy. As such, the revised project would not result in a significant increase in GHG emissions compared to the GHG emissions analyzed in the Final EIR. No mitigation measures are necessary.

2550 Van Ness Avenue (the Da Vinci Hotel)

The revised project at 2550 Van Ness Avenue would not result in an appreciable increase in GHG emissions, because there would be no exterior changes to the building, and the changes to the interior of the building would be limited to the replacement of hotel furnishings with student furnishings. The revised project at 2550 Van Ness Avenue would be subject to and required to comply with several regulations adopted to reduce GHG emissions as identified in the GHG Reduction Strategy. Regulations applicable to 2550 Van Ness Avenue include the Commuter Benefits Ordinance, the Transportation Sustainability Fee, and the Mandatory Recycling and Composting Ordinance. Consistency of 2550 Van Ness Avenue with the city's GHG Reduction Strategy is demonstrated by the city's Compliance Checklist.²⁸

Because the revised project at 2550 Van Ness Avenue would be consistent with the city's GHG Reduction Strategy, it would not conflict with any plans adopted for the purpose of reducing GHG emissions and would not exceed San Francisco's applicable GHG emissions threshold of significance. Moreover, the additional use of 2550 Van Ness Avenue would not change the consistency of the original project with the city's GHG Reduction Strategy. As such, the revised project would not result in a significant increase in GHG emissions compared to the GHG emissions analyzed in the Final EIR. No mitigation measures are necessary.

2801 Leavenworth Street (the Cannery)

The revised project would result in permitting changes at 2801 Leavenworth Street but would involve minimal physical changes to the building. There would be no exterior changes to the building, and the changes to the interior of the building would be limited to the replacement of existing broken, worn out, or unsafe fixtures. There would also be a net decrease in VMT relative to the existing conditions, according to the transportation analysis. As such, there would not be any additional emissions from vehicles associated with 2801 Leavenworth Street. Because the revised project at 2801 Leavenworth Street would not result in additional GHG emissions, it would not conflict with any plans adopted for the purpose of reducing GHG emissions. As such, the revised project would not result in a significant increase in GHG emissions compared to the GHG emissions analyzed in the Final EIR. No mitigation measures are necessary.

2225 Jerrold Avenue

Compared to the original project, the revised project at 2225 Jerrold Avenue would involve minimal changes to the interior of the building and limited exterior modifications related to safe pedestrian and bicycle infrastructure to provide public access to the community amenities on-site. There would be not be a substantial change in VMT relative to existing conditions as the number of vehicle trips would stay the

²⁸ San Francisco Planning Department, Greenhouse Gas Analysis: Compliance Checklist for 2550 Van Ness Avenue, February 23, 2019.

same under the revised project. As such, there would not be any additional emissions from vehicles associated with 2225 Jerrold Avenue. Because the revised project at 2225 Jerrold Avenue would not result in additional GHG emissions, it would not conflict with any plans adopted for the purpose of reducing GHG emissions. As such, the revised project would not result in a significant increase in GHG emissions compared to the GHG emissions analyzed in the Final EIR. No mitigation measures are necessary.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to greenhouse gas emissions impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2016), or changes to the project that would give rise to new significant environmental effects. This analysis does not result in any different conclusions than those reached in the Final EIR related to greenhouse gas emissions, either on a project-related or cumulative basis. No mitigation is required.

4.9 Wind and Shadow

The Final EIR determined that the original project would not alter wind in a manner that could substantially affect public areas, nor would it create new shadow in a manner that could substantially affect outdoor recreation facilities or other public areas. No impacts in the study areas or at the project sites were identified. Under the revised project, 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, and 2340 Stockton Street would be vacated by AAU, and no wind or shadow impacts would occur at these sites. Similar to the original project, construction activities under the revised project at 1946 Van Ness Avenue, 1142 Van Ness Avenue, 2550 Van Ness Avenue, and 2801 Leavenworth Street related to changes in use would be limited to tenant improvements, including interior construction, fire sprinkler/alarm upgrades, and/or the addition of exterior signage.

As discussed previously, under the revised project AAU would vacate the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street. Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable planning and building codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed.

Because the revised project would not involve any new development or additions at these locations that would change the height and bulk of existing structures, it would not alter wind environments, alter shadows, or be subject to the requirements of San Francisco Planning Code section 295 (see discussion below under Wind). Furthermore, any future changes would be required to comply with all applicable policies and regulations, including San Francisco Planning Code section 148, intended to reduce wind impacts, and all applicable policies and regulations intended to reduce shadow impacts. Therefore, as with the original project, the revised project at these locations would not alter wind in a manner that substantially affects public areas and would not create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas; there would be no impacts related to wind and shadow. No mitigation measures are necessary. There would be no new significant impacts related to wind and shadow at any of the project sites. Therefore, the revised project at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 460 Townsend Street, 1946 Van Ness Avenue, 1142 Van Ness Avenue, 2550 Van Ness Avenue, 168 Bluxome Street, 121 Wisconsin Street, 150 Hayes Street,

121 Wisconsin Street, 2801 Leavenworth Street, and 2225 Jerrold Avenue. would not change the conclusions reached in the Final EIR regarding wind and shadow impacts, and no new mitigation is required.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to wind and shadow impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2010), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity of previously identified significant effects. This analysis does not result in any different conclusions than those reached in the Final EIR related to wind and shadows, either on a project-related or cumulative basis.

4.10 Recreation

The Final EIR determined that the original project would not increase the use of or physically degrade existing recreational facilities such that substantial physical deterioration of those facilities would occur or be accelerated or require construction or expansion of recreational facilities in a way that would adversely affect the environment, resulting in a less-than-significant impact in the study areas and at the project sites. The revised project would be limited to the occupation, change of use, and vacation of existing buildings in already developed areas of the city and would not result in new development or major additions at all locations. Although the recreational facility at 1069 Pine Street would be vacated, AAU students, faculty, and staff would still be able to use other AAU recreational facilities at 620 Sutter Street, 655 Sutter Street, 601 Brannan Street, 1142 Van Ness Avenue and 2225 Jerrold Avenue.²⁹

The revised project would result in a net increase of 29 beds, for a total capacity of 1,839 beds, due to the proposed occupation of 2550 Van Ness Avenue by AAU for use as student housing. AAU students at 2550 Van Ness Avenue would have access to existing AAU recreational resources. Further, the new student housing facility at 2550 Van Ness Avenue would be required to meet the open space requirements for student housing, as specified in San Francisco Planning Code section 135. In addition, the revised project proposes new open space, including a basketball half court and a picnic area, at 1727 Lombard Street.

The revised project also could increase the demand for recreational resources around the properties not previously occupied by AAU—1946 Van Ness Avenue and 1142 Van Ness Avenue—due to the additional residents, students, faculty, and staff that the revised project would bring to the area. Conversely, the revised project would result in a decrease in the demand for recreational resources around the properties to be vacated by AAU (1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 150 Hayes Street, 168 Bluxome Street, 460 Townsend Street, 121 Wisconsin Street, and 2340 Stockton Street). Conditions and demand for recreational resources at 2801 Leavenworth Street would stay the same under the revised project because the change of use permit would be modified, and the only new uses proposed at the site would be retail uses.

In addition to the increased demand for recreational resources at some locations, the revised project would remove the existing recreational facilities currently provided for AAU students, faculty, and staff at 1069 Pine Street. AAU also facilitates access for students, faculty, and staff at other nearby facilities, as listed in

²⁹ As discussed on page 4.11-18 in the Final EIR, 2225 Jerrold Avenue would be used on an accessory basis as recreational space for AAU.

Table 4.11-2 of the Final EIR, where practice and game space is provided for various AAU athletic programs.

Despite increases in the demand for recreational use that could occur around some sites under the revised project, and even with the removal of the existing recreational uses at 1069 Pine Street, the demand for recreational uses would be less under the revised project than under the original project due to the substantial decrease in projected AAU enrollment, and the continued availability of recreational resources, both specifically designated for AAU student, faculty and staff, and generally available within the neighborhoods near revised project sites.³⁰ Therefore, the amount of additional demand for and use of recreational resources under the revised project would be less than under the original project. Further, based on the significant decline in enrollment since 2012, and because the revised project would result in only a gradual increase of net population throughout the project sites, the growth would be less than that analyzed in the Final EIR, and ample recreational facilities would be available for resident, student, faculty and staff use within and immediately adjacent to the project sites. Therefore, the increase in population as a result of the revised project would not result in the degradation or deterioration of existing recreational facilities, or include or result in the need to expand or construct new facilities. Additionally, future occupation and change of use of existing buildings would be required to comply with San Francisco Planning Code sections 135 and 102.36 for open space requirements.

Conclusion

As with the original project, this impact would be less than significant, and no mitigation measures are necessary. There would be no new significant impacts related to recreation at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding recreation, and no new mitigation is required.

4.11 Utilities and Service Systems

The Final EIR determined that the original project would not require or result in the construction of substantial new water treatment facilities, and the city would have sufficient water supplies available to serve the original project (including growth in the study areas and at the project sites) from existing entitlements and resources. The Final EIR also concluded that the original project would not require new or expanded water supply resources or entitlements, would not require or result in the expansion or construction of new wastewater treatment or stormwater facilities, exceed capacity of the wastewater treatment provider when combined with other commitments, or exceed wastewater treatment requirements of the Regional Water Quality Control Board, and would be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs and would comply with federal, state, and local statutes and regulations related to solid waste, resulting in less-than-significant impacts in the study areas and at the project sites.

The revised project would result in a net increase of 454 square feet of institutional uses and a net increase of approximately 29 beds for student housing, for a total capacity of approximately [1,839] beds as compared to the original project. This increase in institutional and residential use would result in a small

³⁰ Final EIR Tables 4.11-1 and 4.11-2 provide comprehensive lists of parks and recreational facilities in the vicinity of the 12 study areas and six project sites, including those near the mid Van Ness Avenue 2801 Leavenworth area, and existing athletic facilities used by AAU.

increase in the demand for utilities and service systems around the properties requiring a change of use or construction (1946 Van Ness Avenue, 1142 Van Ness Avenue, and 2550 Van Ness Avenue) due to additional residents, students, faculty, and staff in the area.

However, as previously discussed, under the revised project AAU would vacate the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street. The 155 beds currently provided at 1055 Pine Street would be relocated to the Da Vinci Hotel at 2550 Van Ness Avenue (see discussion below). The 1069 Pine Street building contains a small gymnasium. This use would be relocated to an existing, similarly-sized gymnasium at 1142 Van Ness Avenue (the site of the former Concordia Club). Accordingly, expanded demand in utilities and service systems associated with vacation of these two properties would not occur. Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable planning and building codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed.

While the revised project would result in an increase in the demand for public services and utilities around some sites that would be occupied by AAU, the revised project would decrease the growth of AAU uses and demand for utilities and service systems around the properties to be vacated (700 Montgomery Street, 2295 Taylor Street, 168 Bluxome Street, 121 Wisconsin Street, 150 Hayes Street, 460 Townsend Street, and 2340 Stockton Street). Demand for utilities and service systems at 2801 Leavenworth Street would remain the same under the revised project because the change of use permit would be modified, and the proposed uses would continue to be ground-floor retail. Similarly, demand for utilities and service systems at 2225 Jerrold Avenue would remain the same under the revised project because the proposed use would continue to be a community recreation facility.

Overall, due to the significant decrease in projected enrollment under the revised project, all potential impacts on utilities and service systems under the revised project would be less than the impacts analyzed in the Final EIR. The Final EIR determined that even with the increase in student, faculty, and staff populations, which would result in an increase in the demand for utilities and service systems, sufficient water supplies would be available to serve the original project; construction of new water, wastewater, or stormwater facilities would not be required; and sufficient landfill capacity would be available to serve the original project. Taking into account reduced growth under the revised project, utilities and service systems would still each have adequate resources and capacity to meet demand and avoid the need for construction of new facilities. As under the original project, the revised project would result in incremental, dispersed growth that could be accommodated without resulting in an adverse effect to utilities and service systems.

Additionally, newly occupied buildings would be required to comply with the San Francisco's Residential Water Conservation Ordinance that would require installation of water conservation equipment (such as low-flow showerheads, faucets, and toilets) prior to making major improvements. AAU would also be required to adhere to the applicable federal, state, and local regulations associated with reduction of construction-related and operational solid waste, including the Mandatory Recycling and Composting Ordinance, which requires everyone in San Francisco to separate their refuse into recyclables, compostables, and trash. With adherence to applicable regulations, the increasing rate of diversion through recycling, composting, and other methods would result in a decreasing share of total waste that would be disposed in the Hay Road Landfill in Solano County. Moreover, all new development projects within the

city are required to comply with applicable requirements of the city's Sustainability Plan, Climate Action Plan, Green Building Ordinances, and Title 24 requirements.

Conclusion

As discussed above in the Project Description, AAU's current and projected enrollment are substantially lower than that predicted in the Final EIR. The revised project would result in a gradual increase of net population throughout the project sites that would be less than what was analyzed in the Final EIR. As such, utility and service systems would still have adequate resources and capacity to meet demand. Therefore, the increase in AAU uses as a result of the revised project would not result in the need for new or expanded utility and service systems, or construction of new facilities. Therefore, the amount of additional demand for and use of utilities and service systems under the revised project would be less than under the original project, which would result in fewer impacts than analyzed in the Final EIR, and as with the original project, this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to utility and service systems at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding utility and service systems, and no new mitigation is required.

4.12 Public Services

The Final EIR concluded that the original project would not result in substantial adverse physical impacts associated with the provision of, or the need for, new or physically altered fire or police protection facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for fire and police protection, would not result in substantial adverse physical impacts associated with the provision of, or the need for, new or physically altered school facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios or other performance objectives for schools, and would not result in substantial adverse physical impacts associated with the provision of, or the need for, new or physically altered library facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios or other performance objectives for libraries, resulting in less-than-significant impacts in the study areas and at the project sites.

As discussed previously, under the revised project AAU would vacate the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street. The 155 beds currently provided at 1055 Pine Street would be relocated to the Da Vinci Hotel at 2550 Van Ness Avenue (see discussion below). The 1069 Pine Street building contains a small gymnasium, the use of which would be relocated to an existing, similarly-sized gymnasium at 1142 Van Ness Avenue (the site of the former Concordia Club). Demand for public services near these two properties would decrease with vacation of these two properties. Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable planning and building codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed.

The revised project would result in a net increase of 454 square feet of institutional uses and a net increase of 29 beds for student housing, for a total capacity of approximately 1,839 beds as compared to the original project. This increase in institutional and student housing use could result in a small increase in the demand for public services around the properties requiring a change of use or construction (1946 Van Ness Avenue,

1142 Van Ness Avenue, and 2550 Van Ness Avenue) due to additional residents, students, faculty, and staff in the area.

While the revised project would result in an increase in the demand for public services around some sites that would be occupied by AAU under the revised project, the revised project would decrease the growth of AAU uses and demand for public services around the properties to be vacated (700 Montgomery Street, 2295 Taylor Street, 168 Bluxôme Street, 121 Wisconsin Street, 150 Hayes Street, 460 Townsend Street, and 2340 Stockton Street). As discussed above in Section 4.11 Utilities and Service Systems, demand for utilities and service systems at 2801 Leavenworth Street and 2225 Jerrold Avenue would remain the same under the revised project.

Overall, due to the substantial decrease in projected enrollment under the revised project, all potential impacts on public services under the revised project would be less than the impacts analyzed in the Final EIR. The Final EIR determined that even with the increase in student, faculty and staff populations, which would result in an increase in the demand for fire and police protection services, the San Francisco Fire Department and San Francisco Police Department each have adequate resources to meet demand for fire and police protection that would be associated with growth under the original project and construction of new facilities would not be required. Similarly, the San Francisco Unified School District and San Francisco Public Library system have adequate capacity to accommodate growth from the original project. Taking into account less growth under the revised project, the San Francisco Fire Department, San Francisco Police Department, San Francisco Unified School District, and San Francisco Public Library system would still each have adequate resources and capacity to meet demand for fire and police protection, and school and library services, avoiding the need for construction of new facilities. As under the original project, the revised project would result in incremental, dispersed growth that could be accommodated without resulting in an adverse effect to police or fire protection services or school or library services.

Conclusion

Because current enrollment is substantially lower than that predicted in the Final EIR, and the revised project would result in only a gradual increase of net population throughout the project sites, it would be less than what was analyzed in the Final EIR, and public services would still have adequate resources and capacity to meet demand, the increase in population as a result of the revised project would not result in the need for new or expanded public services, or construction of new facilities. Therefore, the amount of additional demand for and use of utilities and service systems under the revised project would be less than under the original project, which would result in fewer impacts than analyzed in the Final EIR, and as with the original project, this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to public services at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding public services, and no new mitigation is required.

4.13 Biological Resources

The Final EIR determined that there would be no impact on riparian habitat or other sensitive natural community, federally protected wetlands, conflict with any local policies or ordinances protecting biological resources, or conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. The Final EIR also concluded that the original 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 in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service and would not interfere substantially with the movement of 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, resulting in less-than-significant impacts in the study areas and at the project sites.

As discussed previously, under the revised project AAU would vacate 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 168 Bluxome Street, 121 Wisconsin Street, 150 Hayes Street, 460 Townsend Street, and 2340 Stockton Street. No activities would occur with the vacation of these properties that would result in a substantial impact to a native resident or migratory fish or wildlife species, or with an established native resident or migratory wildlife corridor. Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable planning and building codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed. In addition, the proposed changes of use at 2801 Leavenworth Street and 2225 Jerrold Avenue would largely occur within the buildings and not result in a substantial impact to native resident or migratory fish or wildlife species, or with an established native resident or migratory wildlife corridor.

Similar to the original project, the revised project is located within highly urbanized areas and does not support or provide habitat for any rare, endangered, or protected wildlife or plant species. Because the study areas are in fully developed urban areas with no natural vegetation communities remaining, the revised project would also not affect any special-status plants. Work at the revised project locations would involve minor (largely interior) alterations and no trees would be removed, thus avoiding disturbance or destruction of nesting habitat for bird species.

Additionally, the revised project would not substantially interfere with the movement of a native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors due to the highly developed and urbanized nature of the project setting. As with the original project, the revised project would utilize existing buildings in all locations and would not increase building heights or result in construction on previously undeveloped sites. The revised project therefore would likely have limited or no impacts on migration patterns or migratory wildlife corridors or increase any bird hazards.

Conclusion

As with the original project, potential impacts to biological resources would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to biological resources at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding biological resources, and no new mitigation is required.

4.14 Geology and Soils

The Final EIR determined that the original project would not result in impacts within the study areas or at the project sites related to fault rupture, landslides, erosion and loss of topsoil, wastewater disposal, and change in topography. The Final EIR also concluded that the original project would result in less-than-significant impacts in the study areas or at the project sites related to exposure of people or structures to the risk of loss, injury, or death involving strong seismic ground shaking and seismic-related ground failure

such as liquefaction, geologic or soil units that are unstable, or that could become unstable, and expansive soil.

No excavation would occur for any of the revised project structures. For those buildings which would be subject only to minor alterations, the revised project would result in the same or similar impacts as the original project on geology and soils.

As discussed previously, under the revised project AAU would vacate 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 168 Bluxome Street, 121 Wisconsin Street, 150 Hayes Street, 460 Townsend Street, and 2340 Stockton Street. No activities that could result in an impact related to geologic hazards would occur with the vacation of these properties. In addition, the proposed changes of use at 2801 Leavenworth Street and 2225 Jerrold Avenue would not result in any geologic hazard impacts beyond the less than significant impacts disclosed in the Final EIR.

In addition, the revised project includes a change of use from tourist hotel/motel to student housing at 2550 Van Ness Avenue, a change of use from retail and light industry to postsecondary educational institution at 1946 Van Ness Avenue, and a change of use from private community facility to postsecondary educational institution at 1142 Van Ness Avenue. Similarly, the changes of use at 2550 Van Ness Avenue, 1946 Van Ness Avenue, and 1142 Van Ness Avenue would not result in impacts related to geologic hazards. Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable San Francisco codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed.

The revised project at all other locations would not expose people or structures to the risk of loss, injury, or death involving strong seismic ground shaking and seismic-related ground failure such as liquefaction, would not be located on geologic or soil units that are unstable, or that could become unstable as a result of the revised project, and would not be located on expansive soil and, therefore, would not create substantial risks to life or property. Impacts would be the same because the project sites under the revised project are within the same geologic units and have the same potential for ground shaking and liquefaction. AAU would be required to ensure that building occupants at facilities it intends to occupy are protected from unstable soil hazards to the extent required under existing San Francisco Building Code regulations as administered by the Department of Building Inspection. The Department of Building Inspection review would address hazards such as liquefaction, lateral spreading, ground failure, and compressible soils. Occupancy permits would not be issued until structural upgrades, as deemed necessary through site-specific investigation, have been implemented; therefore, impacts would be less than significant.

This analysis conservatively assumes that AAU could occupy buildings in areas where artificial fill and/or Bay Mud is present and thus could be located on expansive soils. Therefore, the revised project could create substantial risks to life or property. However, if a permit from the Department of Building Inspection is required prior to AAU's occupancy of a building and the issuance of occupancy permits, AAU would be required to comply with all applicable building code regulations as administered by the Department of Building Inspection. This may include implementation of a site-specific structural survey and Department of Building Inspection permit review, compliance with current building code requirements and the requirements of San Francisco's unreinforced masonry building ordinance (ordinance 225-92, adopted in 1992) and Soft Story Program.

Conclusion

Compliance with these regulations would avoid or minimize adverse effects associated with expansive soils in the study areas, and like the original project, this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to geology and soils at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding geology and soils, and no new mitigation is required.

4.15 Hydrology and Water Quality

The Final EIR determined that there would be no impacts within the study areas or at the project sites related to deletion of groundwater supplies/interference with groundwater recharge, alteration of drainage patterns, failure of a dam or levee, seiche and mudflows, or placing housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other authoritative flood hazard delineation map, or placing within a 100-year flood hazard area structures that would impede or redirect flood flows. The Final EIR also determined the original project would not violate any water quality standards or waste discharge requirements or otherwise substantially degrade water quality, 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 flooding on site or off site, or create or contribute runoff water that would exceed the capacity of existing or planned storm sewer systems or provide substantial additional sources of polluted runoff and would not expose people or structures to inundation by tsunami, resulting in less-than-significant impacts in the study areas and at the project sites.

The revised project would result in the same impacts as described under the original project. The revised project would result in the change of use of certain buildings, withdrawal of change of use permits, and vacation of existing buildings. Due to these changes in use, there would be modest changes in wastewater flows. However, the revised project would not result in substantial increases in wastewater and stormwater generation beyond that which is associated with projected population growth, and revised project flows would be accommodated by existing wastewater treatment facilities and improvements identified in the San Francisco Public Utilities Commission Sewer System Improvement Project.³¹ Further, the projected AAU enrollment in the Final EIR was significantly greater than what has actually occurred; as such, wastewater generation would be reduced under the revised project as compared to the original project analyzed in the Final EIR.

The wastewater flows would continue to flow into the city's combined stormwater and sewer system and would continue to be treated to the standards contained in the city's National Pollutant Discharge Elimination System permit for the Southeast Water Pollution Control Plant or the National Pollutant Discharge Elimination System permit for the North Point Water Pollution Control Plant, depending on the location of the project site. Therefore, project stormwater flows can be accommodated with little, if any, change in wastewater characteristics, the contribution of those flows from the project sites would have little, if any, effect on the quality of wastewater treated at and discharged from the city's permitted

³¹ The public utilities commission sewer system improvement project is a 20-year, 6.9-billion-dollar citywide program to upgrade the city's aging sewer system infrastructure to ensure a reliable and seismically safe system. More about the project may be found here: <http://sfwater.org/index.aspx?page=116>. Accessed March 30, 2018.

combined sewer system facilities. Therefore, the revised project would not cause water quality violations or water quality degradation.

Additionally, none of the proposed tenant improvements at the project sites would involve activities that meet the criteria for the National Pollutant Discharge Elimination System General Permit for Discharges of Stormwater Associated with Construction Activities and/or the city's Stormwater Management Ordinance. Because there would be limited or no new runoff containing additional pollutants, and the revised project would be required to comply with applicable wastewater and water quality requirements, the potential for violations of water quality standards or degradation of water quality as a result of activities at the project sites would be negligible. Therefore, the revised project would not cause any violations of water quality standards or waste discharge requirements, or otherwise degrade water quality, and this impact would be less than significant.

Regarding increases in stormwater runoff, the revised project is limited to interior tenant improvements and exterior construction activities such as removing or changing signage and minor renovations, which would not substantially change the amount of impervious surfaces at any of the project sites. Therefore, the revised project would not generate additional stormwater flows. The revised project would not substantially alter the existing drainage pattern of the site or area or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on site or off site, or create or contribute runoff water that would exceed the capacity of existing or planned storm sewer systems or provide substantial additional sources of polluted runoff, and this impact would be less than significant.

None of the project sites evaluated in this addendum are within a potential flood hazard area and only 2801 Leavenworth Street could be susceptible to sea level rise by end-of-century (2100) according to BCDC forecast scenarios for sea level rise, although no housing is proposed at this location. Therefore, the revised project would not place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other authoritative flood hazard delineation map, or place within a 100-year flood hazard area structures that would impede or redirect flood flows, and no impact would occur.

The only site evaluated in this addendum with the potential to expose people or structures to inundation by tsunami is 2801 Leavenworth Street; all other sites have no potential for impact. 2801 Leavenworth Street could be susceptible to tsunami run-up of up to approximately 10 feet. The building could be susceptible to damage, which could pose a safety risk to occupants and visitors. Under the revised project, AAU would modify the application to retain retail or other active ground floor uses that would be physically accessible to members of the public during the normal retail hours of operation customary in the neighborhood. This change would not involve modifications to the building's structural components. As such, the revised project would not change how the building could perform if a tsunami were to reach the building. However, if a tsunami were to occur, this could expose building occupants or visitors to risk of injury or death. The city has developed tsunami response procedures through its Emergency Response Plan: Tsunami Annex and its Emergency Operations Plan, which would be implemented in the event of a tsunami to help minimize losses. In addition, AAU has a campus safety plan that addresses emergency evacuation procedures and is intended to reduce the possibility of death and injury to members of the campus community, which would cover all AAU campus property including 2801 Leavenworth Street. Therefore, the revised project at 2801 Leavenworth Street would not expose people or structures to inundation by tsunami, and this impact would be less than significant.

Therefore, as with the original project, all impacts related to hydrology and water quality would be either no impact or less than significant. No mitigation measures are necessary. There would be no new significant impacts related to hydrology and water quality at any of the project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding hydrology and water quality, and no new mitigation is required.

4.16 Hazards and Hazardous Materials

The Final EIR concluded that the original project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, would not expose the public or the environment to unacceptable levels of known or newly discovered hazardous materials as a result of a site being located on a hazardous materials list site, and would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan, resulting in less-than-significant impacts within the study areas and at the project sites. The Final EIR determined that the original project could create a potentially significant hazard to the public or the environment within the study areas and at the project sites through reasonably foreseeable upset and accident conditions involving the release of hazardous building materials into the environment, including within 0.25 mile of a school. However, with implementation of Mitigation Measure M-HZ-2.1 (Testing and Removal of Hazardous Building Materials), this impact would be less than significant. The revised project would not change any of these findings, as further discussed below.

1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street

Under the revised project, AAU would vacate these properties. Any future changes of use, tenant improvements, or building occupancy would be subject to separate CEQA review. Therefore, there would be no impacts related to hazards and hazardous materials at 1055 Pine Street, 1069 Pine Street, 700 Montgomery Street, 2295 Taylor Street, 2340 Stockton Street, 168 Bluxome Street, 150 Hayes Street, 460 Townsend Street and 121 Wisconsin Street and no mitigation measures are necessary. There would be no new significant impacts related to hazards and hazardous materials at these project sites. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding hazards and hazardous materials, and no new mitigation is required.

1946 Van Ness Avenue (the Bakery)

Routine Transport, Use, or Disposal of Hazardous Materials

As part of the revised project, AAU proposes to convert 1946 Van Ness Avenue to a post-secondary educational institutional use. Tenant improvements could use materials such as drywall, paint and related finish work materials, and welding products, some of which contain products that are considered hazardous materials. Due to the limited types and amounts of products that would be used during tenant improvements, and given that such use would be temporary and required to comply with applicable law, renovation activities would not pose a substantial hazard, such that a significant impact would occur.

1946 Van Ness Avenue would also use common types of hazardous materials, such as cleaners, water-based paint, disinfectants, and chemical agents required to maintain the sanitation of the site. AAU proposes to utilize 1946 Van Ness Avenue for its auto restoration and industrial design programs, which may involve the use of materials such as paints, lacquers and solvents, plasters, photographic chemicals,

and ceramic materials, some of which would be regulated as hazardous materials, and would generate hazardous waste. These commercial products are labeled to inform users of potential risks and to instruct them in appropriate handling and disposal procedures. Hazardous waste is hauled away by licensed hazardous waste haulers.

1946 Van Ness Avenue would be required to receive a Hazardous Materials Unified Program Agency (HMUPA) certificate of registration. Hazardous materials use at 1946 Van Ness Avenue would be subject to the certification and Hazardous Materials Business Plan (HMBP) requirements under San Francisco Health Code Article 21. Hazardous waste management would also be regulated by San Francisco Health Code Article 22. As described above, tenant improvements would involve limited and temporary use of hazardous materials that would also be required to comply with applicable law. Therefore, the revised project at 1946 Van Ness Avenue would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, and this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to the routine transport, use, or disposal of hazardous materials. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding the routine transport, use, or disposal of hazardous materials, and no new mitigation is required.

Reasonably Foreseeable Upset and Accident Conditions

Interior and exterior tenant improvements could involve handling or removing nonstructural elements such as insulation, flooring, ceilings, paint, lighting fixtures, and electrical equipment. Some of these nonstructural features could contain ACMs (e.g., old fireproofing and flooring materials), lead-based paint (LBP), or PCBs (e.g., in electrical equipment and lighting fixtures), particularly if the work is being done in older buildings, unless previous renovations have removed those materials or other protective measures have been implemented. A potential upset and accident condition involving the release of hazardous materials into the environment could occur if renovation debris contains those materials at levels that require special handling and their removal and disposal is not properly managed.

The removal of any ACM and LBP would be managed through compliance with air quality district and DBI permitting procedures, which would require testing and, if necessary, abatement. Abatement, if necessary, would occur in conjunction with issuance of building permits for tenant improvements and compliance with the established regulatory framework would reduce the impacts on less than significant. However, if fixtures containing PCBs, DEHP, or mercury are present and are removed and improperly disposed, this could result in upset or accident conditions, including to schools within 0.25 mile of the revised project, which would be a significant impact. Implementation of Mitigation Measure M-HZ-2.1 – Testing and Removal of Hazardous Building Materials, would reduce the impact of the revised project at 1946 Van Ness Avenue to a less-than-significant level. There would be no new significant impacts related to upset or accident conditions. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding upset or accident conditions, and no new mitigation is required.

Hazardous Materials List Site

1946 Van Ness Avenue is not included on the Cortese List; however, it is located within an area subject to Article 22A, the Maher Ordinance, indicating it is known or suspected to contain contaminated soils and/or groundwater. Minor interior and exterior tenant improvements to the base building core and shell to bring the building into compliance with current life safety codes and exterior rehabilitation of the building would

be required at the site. The revised project is not proposing work that would result in ground disturbance that could disturb soil or groundwater contamination. Thus, the revised project at 1946 Van Ness Avenue would not result in a significant hazard to the public or environment from contaminated soil or groundwater, and the revised project would result in a less-than-significant impact. No mitigation is required. There would be no new significant impacts related to significant hazards to the public or environment. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding significant hazard to the public or environment, and no new mitigation is required.

Emergency Response Plan or Emergency Evacuation Plan

AAU interior and exterior tenant improvements at 1946 Van Ness Avenue would generally be within building interiors or to install exterior improvements such as signage or rehabilitation of the building, which would not require detours for vehicles or pedestrians. Therefore, construction of AAU tenant improvements would neither impair implementation of nor physically interfere with an adopted emergency response or evacuation plan.

The revised project at 1946 Van Ness Avenue would not cause intersection levels of service to deteriorate or cause increased delays (see Section 4.5, Transportation and Circulation). Therefore, the revised project at 1946 Van Ness Avenue would not increase congestion such that implementation of the city's emergency response plan would be affected and impacts on emergency response would be less than significant. No mitigation is required. There would be no new significant impacts on emergency response. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding impacts on emergency response, and no new mitigation is required.

1142 Van Ness Avenue (the Concordia Club)

Routine Transport, Use, or Disposal of Hazardous Materials

As part of the revised project, AAU proposes to convert 1142 Van Ness to a post-secondary educational institutional use. No interior improvements are proposed, as the current configuration supports educational, office, and as-needed event hosting space. 1142 Van Ness Avenue would use common types of hazardous materials, such as cleaners, water-based paint, disinfectants, and chemical agents required to maintain the sanitation of the site. AAU proposes to utilize 1142 Van Ness Avenue for its fashion program, which may involve the use of materials such as paints, lacquers and solvents, plasters, photographic chemicals, and ceramic materials, some of which would be regulated as hazardous materials, and would generate hazardous waste. These commercial products are labeled to inform users of potential risks and to instruct them in appropriate handling and disposal procedures. Hazardous waste is hauled away by licensed hazardous waste haulers.

1142 Van Ness Avenue would be required to receive an HMUPA certificate of registration. Hazardous materials use at 1142 Van Ness Avenue would be subject to the certification and HMBP requirements under SFHC Article 21. Hazardous waste management would also be regulated by SFHC Article 22. As described above, tenant improvements would involve limited and temporary use of hazardous materials that would also be required to comply with applicable law. Therefore, the revised project at 1142 Van Ness Avenue would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, and this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to the routine transport, use, or disposal of hazardous materials. Therefore, the revised project would not change the conclusions reached in the

Final EIR regarding the routine transport, use, or disposal of hazardous materials, and no new mitigation is required.

Reasonably Foreseeable Upset and Accident Conditions

Because no tenant improvements would occur at 1142 Van Ness Avenue, no potential upset and accident condition involving the release of hazardous materials into the environment could occur. No mitigation measures are necessary. There would be no new significant impacts related to upset or accident conditions. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding upset or accident conditions, and no new mitigation is required.

Hazardous Materials List Site

1142 Van Ness Avenue is not included on the Cortese List; however, it is partially located within an area subject to Article 22A, the Maher Ordinance, indicating it is known or suspected to contain contaminated soils and/or groundwater. However, no physical improvements are proposed at 1142 Van Ness Avenue for the change of use, as the current configuration supports educational, office, and as-needed event hosting space. The revised project is not proposing work that would result in ground disturbance that could disturb soil or groundwater contamination. Thus, the revised project at 1142 Van Ness Avenue would not result in a significant hazard to the public or environment from contaminated soil or groundwater, and the revised project would result in a less-than-significant impact. No mitigation is required. There would be no new significant impacts related to significant hazards to the public or environment. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding significant hazard to the public or environment, and no new mitigation is required.

Emergency Response Plan or Emergency Evacuation Plan

There would be no tenant improvements at 1142 Van Ness Avenue, avoiding the need for detours for vehicles or pedestrians. Therefore, the change of use at 1142 Van Ness Avenue would neither impair implementation of nor physically interfere with an adopted emergency response or evacuation plan.

The revised project at 1142 Van Ness Avenue would not cause intersection levels of service to deteriorate or cause increased delays (see Section 4.5, Transportation and Circulation). Therefore, the revised project at 1142 Van Ness Avenue would not increase congestion such that implementation of the city's emergency response plan would be affected, and impacts on emergency response would be less than significant. No mitigation is required. There would be no new significant impacts on emergency response. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding impacts on emergency response, and no new mitigation is required.

2550 Van Ness Avenue (the Da Vinci Hotel)

Routine Transport, Use, or Disposal of Hazardous Materials

Under the revised project, AAU proposes to use all 136 of the hotel rooms (approximately 306 beds) as student housing, including replacement housing for students vacated from the 155 beds at 1055 Pine Street. The only interior changes at the property would be replacing hotel furnishings with student dormitory furnishings. The project site would use common types of hazardous materials, such as cleaners, disinfectants, and chemical agents required to maintain the sanitation of the site. These commercial products are labeled to inform users of potential risks and to instruct them in appropriate handling and

disposal procedures. In addition, hazardous waste such as light bulbs would be collected at this site, and hauled away regularly by licensed hazardous waste haulers.

The proposed uses would not require an HMUPA certificate for the project site. If there is an increase in the quantities of hazardous materials stored that would exceed the quantities triggering HMBP requirements, AAU would be required to obtain an HMUPA certificate, as required by SFHC Article 21. Even if the project site does not require a HMBP, under SFHC Article 22, if hazardous waste would be generated, AAU would be required to obtain any necessary registrations, which would be determined in consultation with the San Francisco Department of Public Health. There would be no changes to the existing above ground storage tank (AST) and the AST would be maintained in compliance with SFHC Article 21. Therefore, the revised project at 2550 Van Ness Avenue would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, and this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to the routine transport, use, or disposal of hazardous materials. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding the routine transport, use, or disposal of hazardous materials, and no new mitigation is required.

Reasonably Foreseeable Upset and Accident Conditions

Because only minor tenant improvements associated with replacing hotel furnishings with student dormitory furnishings would occur at 2550 Van Ness Avenue, no potential upset and accident condition involving the release of hazardous materials into the environment could occur. No mitigation measures are necessary. There would be no new significant impacts related to upset or accident conditions. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding upset or accident conditions, and no new mitigation is required.

Hazardous Materials List Site

2550 Van Ness Avenue is not included on the Cortese List; however, it is located within an area subject to Article 22A, the Maher Ordinance. Only minor interior improvements associated with replacing hotel furnishings with student dormitory furnishings would occur at the site. The revised project is not proposing work that would result in ground disturbance that could disturb soil or groundwater contamination. Thus, the revised project at 2550 Van Ness Avenue would not result in a significant hazard to the public or environment from contaminated soil or groundwater, and the revised project would result in a less-than-significant impact. No mitigation is required. There would be no new significant impacts related to significant hazards to the public or environment. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding significant hazard to the public or environment, and no new mitigation is required.

Emergency Response Plan or Emergency Evacuation Plan

Only minor tenant improvements associated with replacing hotel furnishings with student dormitory furnishings would occur at 2550 Van Ness Avenue, avoiding the need for detours for vehicles or pedestrians. Therefore, the change of use at 2550 Van Ness Avenue would neither impair implementation of nor physically interfere with an adopted emergency response or evacuation plan.

The revised project at 2550 Van Ness Avenue would not cause intersection levels of service to deteriorate or cause increased delays (see Section 4.5, Transportation and Circulation). Therefore, the revised project

at 2550 Van Ness Avenue would not increase congestion such that implementation of the city's emergency response plan would be affected, and impacts on emergency response would be less than significant. No mitigation is required. There would be no new significant impacts on emergency response. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding impacts on emergency response, and no new mitigation is required.

2801 Leavenworth Street (the Cannery) and 2225 Jerrold Avenue

Routine Transport, Use, or Disposal of Hazardous Materials

As part of the revised project, AAU would modify the application for 2801 Leavenworth Street to retain retail or other active ground floor uses that would be physically accessible to members of the public during the normal retail hours of operation customary in the neighborhood. Uses may include AAU galleries, and limiting other uses to the mezzanine, second and third floors of the building. The project site would use common types of hazardous materials, such as cleaners, water-based paint, disinfectants, and chemical agents required to maintain the sanitation of the site. These commercial products are labeled to inform users of potential risks and to instruct them in appropriate handling and disposal procedures. Hazardous waste is hauled away by licensed hazardous waste haulers.

As part of the revised project, AAU would modify the application for 2225 Jerrold Avenue to replace the initially proposed AAU recreational facilities with an approximately 15,084 square foot community facility, including a multi-purpose recreation room and indoor and outdoor community facility lounge spaces. AAU would be permitted to use the facility on an accessory basis, subject to regulation under the Development Agreement. The revised project includes modifications to the Jerrold frontage of the property to enhance pedestrian and bicycle access and amenities for the community facility uses in the building. The project site would use common types of hazardous materials such as cleaners, disinfectants, and chemical agents required to maintain the sanitation of the site.

The Final EIR concluded that 2801 Leavenworth Street and 2225 Jerrold Avenue would be required to receive respective HMUPA certificates of registration and will be subject to the certification and HMBP requirements under SFHC Article 21, and SFHC Article 22. These regulations would still apply under the revised project. Therefore, the revised project at 2801 Leavenworth Street and 2225 Jerrold Avenue would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, and this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to the routine transport, use, or disposal of hazardous materials. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding the routine transport, use, or disposal of hazardous materials, and no new mitigation is required.

Reasonably Foreseeable Upset and Accident Conditions

Minor interior improvements associated with modifying the permit application could cause upset and accident conditions because ACM and LBP are present at the project site. The removal of any ACM and LBP would be managed through compliance with air quality district and DBI permitting procedures, which would require testing and, if necessary, abatement. Abatement, if necessary, would occur in conjunction with issuance of building permits for tenant improvements and compliance with the established regulatory framework would reduce the impacts to less than significant. However, if fixtures containing PCBs, DEHP, or mercury are present and are removed and improperly disposed, this could result in upset or accident

conditions, including to schools within 0.25 mile of the project site, which would be a significant impact. Implementation of Final EIR Mitigation Measure M-HZ-2.1 – Testing and Removal of Hazardous Building Materials, would reduce the impact of the revised project at 2801 Leavenworth Street and 2225 Jerrold Avenue to a less-than-significant level. There would be no new significant impacts related to upset or accident conditions. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding upset or accident conditions, and no new mitigation is required.

Hazardous Materials List Site

2801 Leavenworth Street and 2225 Jerrold Avenue are not included on the Cortese List; however, both project sites are located within an area subject to Article 22A, the Maher Ordinance. At 2801 Leavenworth Street, only minor interior improvements associated with modifying the permit application would occur at the site. The revised project at 2801 Leavenworth Street is not proposing work that would result in ground disturbance that could disturb soil or groundwater contamination. At 2225 Jerrold Avenue, the revised project consists of interior work and ground-level enhancements on the Jerrold property frontage. The revised project would not include work that would result in ground disturbance that could disturb soil or groundwater contamination; however, if work would be required prior to receiving a change of use permit that would result in ground disturbance, that work would be subject to Article 22A, the Maher Ordinance.

Thus, the revised project at 2801 Leavenworth Street and 2225 Jerrold Avenue would not result in a significant hazard to the public or environment from contaminated soil or groundwater, and the revised project would result in a less-than-significant impact. No mitigation is required. There would be no new significant impacts related to significant hazards to the public or environment. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding significant hazard to the public or environment, and no new mitigation is required.

Emergency Response Plan or Emergency Evacuation Plan

AAU tenant improvements at 2801 Leavenworth Street and 2225 Jerrold Avenue would generally be within building interiors or to install exterior improvements such as signage, which would not require detours for vehicles or pedestrians. Therefore, construction of AAU tenant improvements would neither impair implementation of nor physically interfere with an adopted emergency response or evacuation plan.

The revised project at 2801 Leavenworth Street and 2225 Jerrold Avenue would not cause intersection levels of service to deteriorate or cause increased delays (see Section 4.5, Transportation and Circulation). Therefore, the revised project at 2801 Leavenworth Street and 2225 Jerrold Avenue would not increase congestion such that implementation of the city's emergency response plan would be affected, and impacts on emergency response would be less than significant. No mitigation is required. There would be no new significant impacts on emergency response. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding impacts on emergency response, and no new mitigation is required.

Conclusion

The revised project would not change any of the Final EIR's findings with respect to hazards and hazardous materials impacts. There is no new information of substantial importance, such as new regulations, a change of circumstances (e.g., physical changes to the environment as compared to 2016), or changes to the project that would give rise to new significant environmental effects or a substantial increase in the severity

of previously identified significant effects. This analysis does not result in any different conclusions than those reached in the EIR related to hazards and hazardous materials, either on a project-related or cumulative basis. No mitigation measures are required.

4.17 Mineral and Energy Resources

The Final EIR found that the original project would not encourage activities within the study areas or at the project sites that would result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner. As with the original project, the revised project would have no impact on mineral resources because the sites are not a designated area of significant mineral deposits or locally important mineral resource recovery sites. There would be no new significant impacts related to mineral resources under the revised project.

The revised project involves the vacation of use at nine properties, three new properties, and changes of use of two properties. As discussed previously, under the revised project AAU would vacate the six-story building at 1055 Pine Street and the one-story building at 1069 Pine Street. The 155 beds currently provided at 1055 Pine Street would be relocated to the Da Vinci Hotel at 2550 Van Ness Avenue (see discussion below). The 1069 Pine Street building contains a small gymnasium, the use of which would be relocated to an existing, similarly-sized gymnasium at 1142 Van Ness Avenue (the site of the former Concordia Club). Vacation of these two properties would not involve activities that would use large amounts of fuel, water, or energy, or use these in a wasteful manner. Future uses at 1055 Pine Street and 1069 Pine Street are unknown at this time; however, changes of use and/or physical modifications at both buildings would be subject to all applicable planning and building codes and, if required, appropriate California Environmental Quality Act (CEQA) review at the time such changes (if any) are proposed.

AAU's use of existing buildings would result in an increase in water, fuel, and energy use under the assumption that the buildings were vacant prior to AAU's occupancy. However, AAU's compliance with the city's Commuter Benefits Ordinance, Emergency Ride Home Program, Energy Performance Ordinance, Light Pollution Reduction Ordinance, and other requirements would reduce fuel and energy consumption associated with AAU uses. Additionally, the revised project would make use of existing shuttles along Van Ness Avenue to serve 1946 Van Ness Avenue, 1142 Van Ness Avenue, and 2550 Van Ness Avenue, avoiding a substantial increase in transit trips and fuel.

Therefore, similar to the original project, the revised project would not result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner, and this impact would be less than significant. No mitigation measures are necessary. There would be no new significant impacts related to energy resources. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding mineral and energy resources, and no new mitigation is required.

4.18 Agricultural and Forest Resources

Similar to the original project, the revised project would have no impact on agriculture and forest resources, because the project sites are located in various urban, developed locations of San Francisco and are not zoned for agriculture, nor are they zoned as forest or timberland. There would be no new significant impacts related to agriculture and forest resources. Therefore, the revised project would not change the conclusions reached in the Final EIR regarding agriculture and forest resources, and no new mitigation is required.

5.0 MITIGATION MEASURES

Mitigation measures established in the Final EIR that would still apply to the revised project are presented below.

Noise

Mitigation Measure M-NO-2.1c – Siting of Noise-Generating Equipment. If AAU proposes, as part of a change of use new (as opposed to replacement) mechanical equipment or ventilation units that would be expected, to increase ambient to noise levels by 5 dBA or more, either short-term, at nighttime, or as 24-hour average, in the proposed Project site vicinity, the San Francisco Planning Department shall require the preparation of an analysis that includes, at a minimum, a site survey to identify potential noise-sensitive uses (primarily, residences, and also including schools and child care, religious, and convalescent facilities and the like) within 900 feet of, and that have a direct line-of-sight to, the project site, and at least one 24-hour noise measurement (with average and maximum noise level readings taken so as to be able to accurately describe maximum levels reached during nighttime hours), prior to the first project approval action. The analysis shall be conducted prior to issuance of a building permit. The analysis shall be prepared by persons qualified in acoustical analysis and/or engineering and shall demonstrate with reasonable certainty that the proposed equipment would not cause a conflict with the use compatibility requirements in the *San Francisco General Plan* and would not violate Noise Ordinance Section 2909. If necessary to meet these standards, the proposed equipment shall be replaced with quieter equipment, deleted entirely, or mitigated through implementation of site-specific noise reduction features or strategies.

Air Quality

Mitigation Measure M-AQ-2.1 – Construction Emissions Minimization within an Air Pollution Exposure Zone. This mitigation measure is applicable to renovation activities occurring within an Air Pollution Exposure Zone and where off-road diesel-powered equipment is required and would operate for more than 20 total hours over the duration of construction at any one site.

- A. *Construction Emissions Minimization Plan.* Prior to issuance of a construction permit, the project sponsor shall submit a Construction Emissions Minimization Plan (Plan) to the Environmental Review Officer (ERO) for review and approval by an Environmental Planning Air Quality Specialist. The Plan shall detail project compliance with the following requirements:
1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall meet the following requirements:
 - a) Where access to alternative sources of power is available, portable diesel engines shall be prohibited.
 - b) All off-road equipment shall have:
 - i. Engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and

- ii. Engines that are retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy (VDECS).³²
- c) Exceptions:
 - i. Exceptions to A(1)(a) may be granted if the project sponsor has submitted information providing evidence to the satisfaction of the ERO that an alternative source of power is limited or infeasible at the project site and that the requirements of this exception provision apply. Under this circumstance, the sponsor shall submit documentation of compliance with A(1)(b) for on-site power generation.
 - ii. Exceptions to A(1)(b)(ii) may be granted if the project sponsor has submitted information providing evidence to the satisfaction of the ERO that a particular piece of off-road equipment with an ARB Level 3 VDECS is (1) technically not feasible, (2) would not produce desired emissions reductions due to expected operating modes, (3) installing the control device would create a safety hazard or impaired visibility for the operator, or (4) there is a compelling emergency need to use off-road equipment that are not retrofitted with an ARB Level 3 VDECS and the sponsor has submitted documentation to the ERO that the requirements of this exception provision apply. If granted an exception to A(1)(b)(ii), the project sponsor must comply with the requirements of A(1)(c)(iii).
 - iii. If an exception is granted pursuant to A(1)(c)(ii), the project sponsor shall provide the next cleanest piece of off-road equipment as provided by the step down schedules in Table 5-1, Off-Road Equipment Compliance Step-Down Schedule.

<i>Compliance Alternative</i>	<i>Engine Emission Standard</i>	<i>Emissions Control</i>
1	Tier 2	ARB Level 2 VDECS
2	Tier 2	ARB Level 1 VDECS
3	Tier 2	Alternative Fuel*

How to use the table: If the requirements of (A)(1)(b) cannot be met, then the project sponsor would need to meet Compliance Alternative 1. Should the project sponsor not be able to supply off-road equipment meeting Compliance Alternative 1, then Compliance Alternative 2 would need to be met. Should the project sponsor not be able to supply off-road equipment meeting Compliance Alternative 2, then Compliance Alternative 3 would need to be met.

* Alternative fuels are not a VDECS.

³² Equipment with engines meeting Tier 4 Interim or Tier 4 Final emission standards automatically meet this requirement, therefore a VDECS would not be required.

2. The project sponsor shall require the idling time for off-road and on-road equipment be limited to no more than two minutes, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment. Legible and visible signs shall be posted in multiple languages (English, Spanish, and Chinese) in designated queuing areas and at the construction site to remind operators of the two minute idling limit.
 3. The project sponsor shall require that construction operators properly maintain and tune equipment in accordance with manufacturer specifications.
 4. The Plan shall include estimates of the construction timeline by phase with a description of each piece of off-road equipment required for every construction phase. Off-road equipment descriptions and information may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, reporting shall indicate the type of alternative fuel being used.
 5. The Plan shall be kept on-site and available for review by any persons requesting it and a legible sign shall be posted at the perimeter of the construction site indicating to the public the basic requirements of the Plan and a way to request a copy of the Plan. The project sponsor shall provide copies of Plan to members of the public as requested.
- B. *Reporting.* Monthly reports shall be submitted to the ERO indicating the construction phase and off-road equipment information used during each phase including the information required in A(4). In addition, for off-road equipment using alternative fuels, reporting shall include the actual amount of alternative fuel used.

Within six months of the completion of construction activities, the project sponsor shall submit to the ERO a final report summarizing construction activities. The final report shall indicate the start and end dates and duration of each construction phase. For each phase, the report shall include detailed information required in A(4). In addition, for off-road equipment using alternative fuels, reporting shall include the actual amount of alternative fuel used.

- C. *Certification Statement and On-Site Requirements.* Prior to the commencement of construction activities, the project sponsor must certify (1) compliance with the Plan and (2) all applicable requirements of the Plan have been incorporated into contract specifications.

Mitigation Measure M-AQ-3.3 – Maximum Daily Construction Activities. Construction activities shall be limited to the renovation (including architectural coating) of a maximum of 100,000 square feet of building space at a time.

Mitigation Measure M-AQ-4.1a – Best Available Control Technology for Diesel Generators. All new (i.e., not replacement) diesel generators shall have engines that (1) meet Tier 4 Final or Tier 4

Interim emission standards, or (2) meet Tier 2 emission standards and are equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS).

Mitigation Measure M-AQ-4.1b – Best Available Control Technology for Boilers. All new (i.e., not replacement) boilers shall be natural gas operated. If infeasible, all boilers shall be equipped with Best Available Control Technologies, such as fuel gas filters, or baghouse or electrostatic precipitators. BACTs shall be approved by BAAQMD through the permitting process.

Hazards and Hazardous Materials

Mitigation Measure M-HZ-2.1 – Testing and Removal of Hazardous Building Materials. AAU shall ensure that for any existing building where tenant improvements are planned, the building is surveyed for hazardous building materials including PCB-containing electrical equipment, fluorescent light ballasts containing PCBs or DEHP, and fluorescent light tubes containing mercury vapors. The results of testing shall be provided to DBI. The materials not meeting regulatory standards shall be removed and properly disposed of prior to the start of tenant improvements for buildings in the study areas. Old light ballasts that are removed during renovation shall be evaluated for the presence of PCBs. In the case where the presence of PCBs in the light ballast cannot be verified, the light ballast shall be assumed to contain PCBs and handled and disposed of as such, according to applicable laws and regulations. Any other hazardous building materials identified either before or during demolition or renovation shall be abated according to federal, state, and local laws and regulations.

6.0 CONCLUSION

Based on the foregoing, it is concluded that the analyses conducted and the conclusions reached in the Final EIR certified on July 28, 2016 remain valid. The proposed revisions to the project would not cause new significant impacts not identified in the Final EIR, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the revised project that would cause significant environmental impacts to which the project would contribute considerably, and no new information has become available that shows that the revised project would cause significant environmental impacts. Therefore, no additional environmental review is required beyond this addendum.

Date of Determination:

October 9, 2019

Date

Lisa Gibson

Lisa Gibson

Environmental Review Officer

cc: Kristen Jensen, Deputy City Attorney
Nicholas Roosevelt, J, Abrams Law, P.C.

Appendices

Appendix A: Existing Sites Technical Memorandum Sites

Appendix B: Transportation Memorandum

Appendix A
AAU's Existing Institutional and Residential Sites

Appendix B
Transportation Memorandum

RECORDING REQUESTED BY
CLERK OF THE BOARD OF SUPERVISORS
OF THE CITY AND COUNTY OF SAN FRANCISCO

(Exempt from Recording Fees
Under Government Code
Section 27383)

AND WHEN RECORDED MAIL TO:

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

DEVELOPMENT AGREEMENT

BY AND AMONG

THE CITY AND COUNTY OF SAN FRANCISCO,

AND

**THE STEPHENS INSTITUTE,
dba ACADEMY OF ART UNIVERSITY**

AND

THE LLC PARTIES

**with respect to various properties in San Francisco,
affordable housing and other public benefits, and future uses**

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**DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO**

AND

**the STEPHENS INSTITUTE,
dba ACADEMY OF ART UNIVERSITY**

AND

THE LLC PARTIES

This DEVELOPMENT AGREEMENT (this “**Agreement**”) dated for reference purposes only as of _____, 2019 (the “**Reference Date**”), is among the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (the “**City**”), acting by and through its Planning Commission (the “**Planning Commission**”) and including the City Attorney acting on behalf of the People of the State of California and the City, on the one hand, and the STEPHENS INSTITUTE, a California corporation, dba Academy of Art University (the “**Stephens Institute**”), and the affiliated limited liability companies listed on Exhibit A, which own real property described below (each an “**LLC Party**” and collectively the “**LLC Parties**” and, together with the Stephens Institute, jointly and severally with respect to all obligations other than the Settlement Payment and the Affordable Housing Payment, which are the obligations of the LLC Parties, the “**Academy**”), on the other hand, , and is made under the authority of Section 65864 *et seq.* of the California Government Code and Chapter 56 of the San Francisco Administrative Code (the “**Administrative Code**”). The City and the Academy are also sometimes referred to individually as a “**Party**” and together as the “**Parties.**” Capitalized terms not defined when introduced shall have the meanings given in Article 1.

RECITALS

This Agreement is made with reference to the following facts:

A. On May 6, 2016, the City Attorney of the City and County of San Francisco (the “**City Attorney**”), on behalf of the People of the State of California and the City, commenced litigation against the Stephens Institute and the LLC Parties in *People v. Stephens Institute, et. al*, San Francisco Superior Court Number CGC-16-551-832 (the “**Lawsuit**”). In the Lawsuit, the People and the City alleged violations of the City’s Administrative Code, Planning Code, Building Code and the State Unfair Competition Law, Business and Professions Code Section 17200 *et seq.* (the “**UCL**”).

B. The Academy has expressed its commitment to the City Attorney and the Planning Department, as well as to the San Francisco Superior Court (the “**Court**”) in the settlement discussions referenced below, to: bring the Academy’s existing uses into compliance with the Planning Code; relocate existing Academy uses or change Academy uses in buildings in accordance with applicable Laws in those specific instances where the Planning Department has determined that legalization is not appropriate or the Academy has agreed to withdraw use by the

Stephens Institute; compensate the City for past violations, including providing affordable housing public benefits to the City; and work cooperatively with the City in planning for future Stephens Institute growth in a manner that accounts for the urban nature of the Stephens Institute's campus, without adversely impacting the City's affordable or rent-controlled housing stock, or burdening its transportation system, including, as a part of that plan, building new housing, or converting existing buildings, for its students on property that is zoned for such student housing use, as permitted by this Agreement. The Parties entered into court ordered and judicially supervised settlement discussions.

C. As a result of those settlement discussions, and under the auspices of the Court, the Academy and the City entered into a non-binding Term Sheet for Global Resolution, dated November 15, 2016, (the "**Initial Term Sheet**") as amended by that certain Supplement to Term Sheet for Global Resolution, dated July 10, 2019 (the "**Supplement**") (the Initial Term Sheet and the Supplement are referred to collectively as the "**Term Sheet**"). The Term Sheet was intended to provide a basis to resolve all of the outstanding issues relating to the Lawsuit and other land use matters and to establish appropriate principles and processes for land use compliance by the Academy. The Parties made the Term Sheet public, each time with the consent of the Court.

D. As contemplated by the Term Sheet, the City and the Academy have entered into a comprehensive consent judgment that they will file with the Court seeking the Court's approval and entry of judgment (the "**Consent Judgment**"). The Consent Judgment contains three main parts: (1) a Settlement Agreement dated as of _____ (the "**Settlement Agreement**"), which includes obligations of the LLC Parties to make payments to the City (including the Affordable Housing Public Benefit); (2) a Stipulated Injunction (the "**Injunction**"), which is an exhibit to the Settlement Agreement and provides a mechanism for judicial enforcement of the Academy's obligations under the Settlement Agreement and this Agreement, and (3) this Agreement, which is also an exhibit to the Settlement Agreement and which sets forth the matters generally described in Recital G below. Also critical to the global resolution that the Consent Judgment would achieve is the instrument securing the LLC Parties' financial obligations under the Settlement Agreement and this Agreement, the obligations of the LLC Parties to make the full settlement payments under the Settlement Agreement will be secured by a Guaranty (the "**Guaranty**") from the Stephens Family Revocable Trust, the Elisa Stephens Revocable Trust, the Scott Stephens Revocable Trust, Elisa Stephens, Scott Stephens, and Susanne Stephens.

E. To strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development, the Legislature of the State of California adopted Government Code Section 65864 *et seq.* (the "**Development Agreement Statute**"), which authorizes the City to enter into a development agreement with any Person having a legal or equitable interest in real property regarding the development of such property. Under Government Code Section 65865, the City adopted Chapter 56 of the Administrative Code ("**Chapter 56**") establishing procedures and requirements for entering into a development agreement under the Development Agreement Statute. The Parties are entering into this Agreement in accordance with the Development Agreement Statute and Chapter 56 except as for certain portions of Chapter 56 as provided in the Enacting Ordinance approving this Agreement.

F. As contemplated by the Term Sheet, the Parties propose to withdraw from, and cease any Stephens Institute operation at, nine (9) of the Academy's current properties (the "**Non-Academy Properties**", as more particularly described in Exhibit B-2, attached hereto), and bring the properties owned by the LLC Parties and used by the Stephens Institute or intended for future Stephens Institute use, which consists of thirty-four (34) properties and associated improvements located throughout San Francisco (the "**Academy Properties**", as more particularly described in the attached Exhibit B-1), into compliance with the Planning Code. Compliance of the Academy Properties with the Planning Code requires the City's approval of a variety of permits and authorizations, including (i) approval of a conditional use authorization by the Planning Commission to reflect the approval of the use of thirty-four (34) buildings and to grant certain exceptions to the Planning Code, (ii) the approval of permits to alter, and certificates of appropriateness, by the Historic Preservation Commission, (iii) amendment of the Planning Code to permit uses that are currently not permitted at certain properties, and (iv) a variety of other building alterations and street improvements including without limitation the removal and installation of signage, removal and repair of nonconforming awnings and exterior alterations, the installation Class 1 and Class 2 bike racks, the removal of curb cuts, and the replacement of certain windows (collectively, the "**Project**").

G. In furtherance of the Development Agreement Statute and Chapter 56, and with the Settlement Agreement, the Parties are entering into this Agreement to set forth the (1) content and process for agreed upon entitlements, conditions of approval and mitigation and improvement measures for the Project; (2) process for approval of future uses and expansion of Stephens Institute facilities and/or enrollment; and (3) payment of funds by the LLC Parties to the City as set forth in this Agreement and the Settlement Agreement. The public benefits that the City will receive under this Agreement include: (i) an Affordable Housing Public Benefit, consisting of a cash payment of \$37,600,000 to the City to be used by the City solely for affordable housing purposes, with a first priority for uses related to the creation or preservation of single room occupancy (SRO) units in those Board of Supervisor's districts in which the City alleges the Academy unlawfully converted SRO buildings to student housing including District 3, as the City may determine in its sole discretion, and as further provided in this Agreement; (ii) a cash payment to the City's Small Sites Fund estimated to exceed \$8,400,000 as further provided in the Settlement Agreement; (iii) an agreement by the Stephens Institute to meet all future housing needs for its students through new construction on property that is zoned for such use, or conversion of existing non-residential, non-PDR structures to student housing use, as further provided in this Agreement, and an agreement to not promise new students more housing units than the number of lawful units that are at their disposal, to not temporarily house its students in non-Academy facilities (except as expressly permitted in this Agreement), and to provide housing to increase the percentage of housing it provides to On Campus Students under a "Housing Metering" formula set forth in this Agreement; (iv) payment by the LLC Parties to the City of Planning Code penalties totaling \$1,000,000; and (v) payment by the LLC Parties to the City of Unfair Competition Law penalties totaling \$6,000,000. Also, the LLC Parties will pay Impact Fees as part of the Settlement Payment, and in addition the Academy will pay to the City all required City Processing Fees (including time and materials) when due (at the time of permit application or issuance, as applicable), and at the rates then in effect, including but not limited to, Planning and DBI fees associated with the Approvals for the Project, as well as all costs owing to the City to process this Agreement under Section 56.20 of the Administrative Code as further provided in the Settlement Agreement.

H. It is the intent of the Parties that all acts referred to in this Agreement shall be accomplished in a way as to fully comply with the California Environmental Quality Act (California Public Resources Code Section 21000 *et seq.*) (“CEQA”), the CEQA Guidelines (Title 14, California Code of Regulations, Section 15000 *et seq.*), (the “CEQA Guidelines”), the Development Agreement Statute, Chapter 56, the Planning Code, the Enacting Ordinance and all other Laws in effect as of the Effective Date. This Agreement does not limit the City’s obligation to comply with applicable environmental Laws, including CEQA, before taking any discretionary action regarding the Project, or the Academy’s obligation to comply with the Approvals.

I. The Final Environmental Impact Report (the “FEIR”) prepared for the Academy of Art University Project and certified by the Planning Commission on July 28, 2016, and an Addendum to the FEIR dated _____, 2019 and considered by the Planning Commission on _____, 2019, together with the CEQA findings (the “CEQA Findings”) and the Mitigation Measures (defined below) adopted concurrently and set forth in the Mitigation Monitoring and Reporting Program (the “MMRP”) attached as Exhibit C, comply with CEQA, the CEQA Guidelines, and Chapter 31 of the Administrative Code. The FEIR and Addendum thoroughly analyze the Project and Project alternatives, and the Mitigation Measures were designed to mitigate significant impacts to the extent they are susceptible to feasible mitigation. The City considered the information in the FEIR, the Addendum and the CEQA Findings in connection with approval of this Agreement and the Settlement Agreement and related agreements.

J. On November 20, 2019, the Historic Preservation Commission held a public hearing on the Project. Following the public hearing, the Historic Preservation Commission made the findings required by CEQA and approved permits to alter, and certificates of appropriateness, applicable to the historic resources as proposed by the Project.

K. On November 21, 2019, the Planning Commission held a public hearing on this Agreement and the Project. Following the public hearing, the Planning Commission adopted the CEQA findings and determined, among other things, that the FEIR and Addendum thoroughly analyze the Project, and the Mitigation Measures are designed to mitigate significant impacts to the extent they are susceptible to a feasible mitigation, and further determined that the Project and this Agreement will, as a whole, and taken in their entirety, continue to be consistent with the objectives, policies, general land uses and programs specified in the General Plan, as amended, including the eight priority policies set forth in Section 101.1 of the Planning Code (together the “General Plan Consistency Findings”). The City considered the information in the FEIR, the Addendum and the CEQA Findings in connection with this Agreement.

L. On December __, 2019, the Board of Supervisors, having received the Planning Commission’s recommendations, held a public hearing on this Agreement. Following the public hearing, on December __, 2019, the Board upheld the Planning Commission’s approval of the Environmental Impact Report, adopted as its own the Planning Commission’s CEQA findings, and approved this Agreement, incorporating by reference the General Plan Consistency Findings.

M. On _____, 2020, the Board adopted Ordinance No. _____, approving this Agreement (File No. _____), authorizing the Planning Director to execute this Agreement on behalf of the City, granting certain waivers, findings of consistency

and exemptions from the Planning and Administrative Codes and adopting amendments to the Planning Code (the “Enacting Ordinance”). The Enacting Ordinance became operative and effective on _____, 2020.

NOW, THEREFORE, in consideration of the foregoing and the promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

**AGREEMENT
ARTICLE 1
DEFINITIONS**

In addition to the definitions set forth above and elsewhere in this Agreement, the following definitions shall apply to this Agreement:

“Academy” is defined in the opening paragraph of this Agreement and includes jointly and severally except for certain monetary obligations as described in that paragraph, the Stephens Institute and the LLC Parties.

“Academy Properties” is defined in Recital F.

“Administrative Code” means the San Francisco Administrative Code as described in the opening paragraph, as such code may be amended from time to time.

“Affordable Housing Public Benefit” means the cash payment defined in Section 3.1. It is also sometimes referred to as the Affordable Housing Payment in this Agreement, as it is in the Settlement Agreement.

“Agreement” means this Development Agreement, the Exhibits and Schedules which have been expressly incorporated herein.

“Annual Review Date” is defined in Section 7.1.

“Approvals” means the approvals, entitlements, and permits listed on Exhibit D required in connection with the Project, including all applicable conditions of approval and mitigation and improvement measures contained in that exhibit.

“Authorized Signatory” means with respect to (a) the Stephen’s Institute, its President, or her duly authorized designee; (b) the LLC Parties, any authorized signatory under the respective LLC Party’s limited liability company agreement or its duly authorized designee; and (c) the City, its Director of Planning or his or her duly authorized designee.

“Board of Supervisors” or “Board” means the City’s Board of Supervisors.

“CEQA” is defined in Recital H.

“CEQA Findings” is defined in Recital I.

“CEQA Guidelines” is defined in Recital H.

“Chapter 56” is defined in Recital E.

“City” means the City as defined in the opening paragraph of this Agreement. Except as otherwise expressly set forth in this Agreement, references to the City means the City acting by and through the Planning Director or, as necessary, the Planning Commission, the Board of Supervisors or the City’s Board of Appeals.

“City Administrator” means the City Administrator of the City.

“City Agency” or “City Agencies” means, individually or collectively as the context requires, all City departments, agencies, boards, commissions, and bureaus, including the City Administrator, the City Attorney’s Office, Planning Department, MOHCD, RPD, SFPUC, OEWD, SFMTA, Public Works, and DBI, including any successor to any City departments, agencies, boards, commissions and bureaus. The City actions and proceedings subject to this Agreement shall be through the Planning Department, as well as affected City Agencies (and when required by Law, the Board of Supervisors).

“City Attorney” means the Office of the City Attorney of the City and County of San Francisco.

“City Costs” means the actual and reasonable costs incurred by a City Agency in preparing, adopting or amending this Agreement and in performing its obligations or defending its actions under this Agreement or otherwise contemplated by this Agreement, as determined on a reasonable and customary time and materials basis, including reasonable attorneys’ fees and costs but excluding work, hearings, costs or other activities contemplated or covered by Processing Fees. City Costs do not include any fees or costs incurred by a City Agency in connection with a City Default or which are payable by the City under Section 8.6 when the Stephens Institute or an LLC Party is the prevailing party.

“City Parties” is defined in Section 4.7.1.

“City Report” is defined in Section 7.2.2.

“City-Wide” means all real property within the territorial limits of the City and County of San Francisco, excluding any real property that is not subject to City regulation because it is owned or controlled by the United States or by the State of California.

“Combined Occupancy Rate” the occupancy rate for On Campus Students for housing units made available by the Stephens Institute among all of the Stephens Institute’s campus housing buildings in San Francisco.

“Consent Judgment” is defined in Recital D.

“Control” means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the day to day management, policies or activities of such Person, whether through ownership of voting securities, by contract or otherwise (excluding limited partner or non-managing member approval rights). “Controlled”, “Controlling” and “Common Control” have correlative meanings.

“Court” has the meaning given in Recital A.

“DBI” means the San Francisco Department of Building Inspection.

“Default” is defined in Section 8.3.

“Development Agreement Statute” is defined in in Recital E and means only the Development Agreement Statute that is in effect as of the Effective Date.

“Effective Date” is defined in Section 2.1.

“Enacting Ordinance” is defined in Recital M.

“Excusable Delay” is defined in Section 9.5.

“Existing Standards” means the Approvals, the General Plan, the laws of the City, and any codes, statutes, rules, regulations, or executive mandates under those laws, as each of the foregoing is in effect on the Effective Date.

“Fair Share Fee” is defined in Section 3.2.5

“Federal or State Law Exception” is defined in Section 5.5.

“FEIR” is defined in Recital I.

“Future Projects” is defined in Section 3.2.6(b).

“General Plan Consistency Findings” is defined in in Recital K.

“Guarantors” means the persons and entities who are parties to the Guaranty in favor of the City as described in Recital D.

“Guaranty” is defined in Recital D.

“Impact Fees and Exactions” means any fees, contributions, special taxes, exactions, impositions and dedications charged by the City or any City Agency, whether as of the Reference Date or at any time thereafter during the Term, including but not limited to transportation and transit fees, child care fee or in-lieu fees, SFPUC Capacity Charges, housing (including affordable housing) fees, dedications or reservation requirements, and obligations for on-or off-site improvements, Fair Share Fee, and in lieu Class I bike parking fees. Impact Fees and Exactions shall not include the Mitigation Measures, Processing Fees, taxes, special assessments, school district fees or any fees, taxes, assessments impositions imposed by Non-City Agencies.

“Impact Fees and Exactions Schedule” means the schedule attached to this Agreement as Schedule 1.

“Injunction” is defined in Recital D.

“Later Approvals” means any land use approvals, entitlements or permits from the City or any City Agency that are approved by the City after the Effective Date and are necessary or advisable for the implementation of the Project or any portion thereof, including all approvals as set forth in the Municipal Code, demolition permits, building permits, sewer and water connection permits, major and minor encroachment permits, street and sidewalk modifications, street improvement permits, permits to alter, certificates of appropriateness, certificates of occupancy, transit stop relocation permits, street dedication approvals and ordinances, subdivision maps, improvement plans, lot mergers, lot line adjustments and re-subdivisions and any amendment to the foregoing or to any Approval, in any case that are sought by the Academy and issued by the City in accordance with this Agreement.

“Law(s)” means, individually or collectively as the context requires, the Constitution and laws of the United States, the Constitution and laws of the State, the laws of the City, any codes, statutes, rules, regulations, or executive mandates under any of the foregoing, and any State or Federal court decision (including any order, injunction or writ) with respect to any of the foregoing, in each case to the extent applicable to the matter presented.

“Litigation Extension” is defined in Section 9.4.

“LLC Party(ies)” means collectively and individually the entities listed on Exhibit A to this Agreement, each of which has authorized Elisa Stephens, acting solely in her capacity as manager of each respective LLC Party and not as an individual, to execute this Agreement on its behalf as well as all other agreements and documents necessary for the implementation and execution of this Agreement.

“Losses” is defined in Section 4.7.1.

“Master Approvals” is defined in Section 5.3.1.

“Master CU” is defined in Section 3.2.1.

“Material Change” means any modification that (i) extends the Term, (ii) changes the permitted uses of Academy Properties, (iii) materially changes the Approvals needed for any aspect of the Project, or (iv) materially changes the Impact Fees and Exactions.

“Mitigation Measures” means the mitigation measures (as defined by CEQA) applicable to a portion of the Project as set forth in the MMRP.

“MMRP” means that certain mitigation monitoring and reporting program attached hereto as Exhibit C.

“MOHCD” means the San Francisco Mayor’s Office of Housing and Community Development, or successor agency.

“Municipal Code” means the San Francisco Municipal Code, as it may be amended from time to time.

“Non-Affiliate” means any Person not directly or indirectly Controlled by, or not under Common Control, with the other Person in question.

“Non-Academy Properties” means each of the properties identified on Exhibit B-2 to this Agreement.

“Non-City Agency” means a Federal, State or local governmental agency that is not a City Agency.

“Non-City Approval” means any permits, agreements, or entitlements from Non-City Agencies as may be necessary for any portion of the Project.

“Non-PDR” means businesses that do not engage in production, distribution, and repair use activities, as defined in Section 102 of the Planning Code.

“OEWD” means the San Francisco Office of Economic and Workforce Development, or successor agency.

“Official Records” means the official real estate records of the City and County of San Francisco, as maintained by the City’s Assessor-Recorder’s Office.

“On Campus Students” means on-site, full-time undergraduate and graduate students as described in Section 3.2.4.

“Party” and **“Parties”** are defined in the opening paragraph of this Agreement.

“Person” means any natural person or a corporation, partnership, trust, limited liability company, limited liability partnership or other entity.

“Planning Code” means the San Francisco Planning Code, as it may be amended from time to time.

“Planning Code Exemption Ordinance” is defined in Section 3.2.1.

“Planning Commission” means the Planning Commission of the City and County of San Francisco.

“Planning Department” means the Planning Department of the City and County of San Francisco.

“Planning Director” means the Director of the Planning Department.

“Processing Fees” means the standard fee imposed by the City upon the submission of an application for a permit or approval, which is not an Impact Fee or Exaction, in accordance with City practice on a City-Wide basis.

“Project” is defined in Recital F.

“Public Benefits” has the meaning given in Section 4.1.

“**Public Health and Safety Exception**” is defined in Section 5.2.

“**PW**” means the Public Works Department of the City and County of San Francisco.

“**Reference Date**” means the date for convenience of reference of this Agreement as provided in the opening paragraph.

“**RPD**” means the San Francisco Recreation and Park Department.

“**San Francisco**” means the territorial boundaries of the City and County of San Francisco.

“**Settlement Agreement**” is defined in Recital D.

“**Settlement Payment**” means the settlement payment required by the LLC Parties under the Settlement Agreement and guaranteed by the Guarantors under the Guaranty.

“**SFMTA**” means the San Francisco Municipal Transportation Agency.

“**SFPUC**” means the San Francisco Public Utilities Commission.

“**SFPUC Capacity Charges**” means all water and sewer capacity and connection fees and charges payable to the SFPUC, as and when due in accordance with the applicable City requirements.

“**Term**” is defined in Section 2.2.

“**Third-Party Challenge**” means any administrative, legal or equitable action or proceeding instituted by any party other than the City or the Academy against the City or any City Agency challenging the validity or performance of any provision of this Agreement, the Project, the Approvals, the adoption or certification of the FEIR or other actions taken under CEQA, or other approvals under Laws relating to the Project, any action taken by the City or the Academy in furtherance of this Agreement, or any combination relating to the Project or any portion of the Project.

“**Transfer**” is defined in Section 8.4.1(f).

ARTICLE 2 EFFECTIVE DATE; TERM

Section 2.1 Effective Date. This Agreement shall take effect upon the later to occur of (i) the full execution and delivery of this Agreement by the Parties and (ii) the date the Enacting Ordinance is effective (the “**Effective Date**”). The City may record this Agreement in the Official Records on or after the Effective Date. If this Agreement terminates in accordance with its terms, then the City will, upon request by the Academy, record a memorandum of termination, within thirty (30) days of receipt of a written request by the Academy.

Section 2.2 Term. The term of this Agreement (the “**Term**”) shall commence upon the Effective Date and shall continue in full force and effect for twenty five (25) years after, unless

earlier terminated as provided in this Agreement, provided that the Term shall be extended for each day of a Litigation Extension.

ARTICLE 3 GENERAL RIGHTS AND OBLIGATIONS

Section 3.1 Affordable Housing Public Benefit.

3.1.1 Provision of Affordable Housing Public Benefit. The LLC Parties shall provide the “**Affordable Housing Public Benefit**” to the City, which Affordable Housing Public Benefit is defined as the cash payment of \$37,600,000 to the City. The City will use the cash payment solely for affordable housing purposes, with a first priority for uses related to the creation or preservation of single room occupancy (SRO) units in those districts of the Board of Supervisors in which the City alleges the Academy unlawfully converted SRO buildings to student housing including District 3, as the City may determine in its sole discretion. The LLC Parties shall provide the Affordable Housing Public Benefit by the date specified in the Settlement Agreement. This cash payment is in lieu of the LLC Parties providing, at no cost to the City, 160 new and rehabilitated units of affordable housing at 1055 Pine Street and 1069 Pine Street. Also, as part of the Settlement Agreement the LLC Parties will pay a Settlement Payment, a portion of which will be allocated to the City’s Small Sites Program as provided in that agreement.

3.1.2 Escrow Account. As further provided in the Settlement Agreement, if before the date on which the Affordable Housing Public Benefit is due (i) a Third Party Challenge is filed and such litigation is not finally resolved, (ii) a referendum petition is filed protesting the passage of the ordinance approving this Agreement or (iii) the relevant statutes of limitations to file a lawsuit under CEQA challenging such approvals, to file a writ of mandate challenging this Agreement, or to submit a petition protesting the adoption of the ordinance approving this Agreement under the referendum provisions of the City’s Charter, have not expired, the LLC Parties will, on or before the due date, deposit the Affordable Housing Public Benefit into an escrow account with a bank selected by the City from among the banks that the City regularly does business with. Monies in the account will be invested and reinvested in an interest-bearing account or certificate of deposit as designated by the City. All interest will accrue and be deposited in the account and any gain or loss will be borne by the account. The principal including any interest or other gains ultimately will be payable out of escrow to (1) the City once there is a final court judgment dismissing any Third-Party Challenge or upholding the validity of this Agreement or other Approvals, and the Enacting Ordinance becomes effective (including, without limitation, any failure of a referendum petition to qualify for the ballot or the adoption by the voters of an ordinance approving this Agreement following a qualifying referendum petition), in which event the City may expend those sums for purposes provided under this Agreement; or (2) the LLC Parties in the event there is a final court judgment that upholds the Third-Party Challenge and invalidates this Agreement or other Approvals or the Enacting Ordinance approving the this Agreement does not become effective (including, without limitation, any repeal of the Enacting Ordinance by the Board of Supervisors or failure of the voters to approve an ordinance approving this Agreement following submittal of a referendum petition that qualifies for the ballot. The LLC Parties will pay all escrow fees. The LLC Parties and the City shall agree on appropriate escrow instructions to the bank as provided in the Settlement Agreement consistent with this Section 3.1.

Section 3.2 Use and Operation of the Academy Properties.

3.2.1 Approvals

(a) Approval of Certain Existing Uses. As of the Effective Date, and as a condition precedent to this Agreement and the Parties' obligations under this Agreement, the Project has been approved by Historic Preservation Commission (Historic Preservation Commission Resolutions _____ and _____ on _____), the Planning Commission (Planning Commission Motion _____ on _____), and the Board of Supervisors (Ordinance No. _____ on _____), all of which are part of the Approvals. As further discussed in Article 5, certain Later Approvals (including building permits) are required to commence construction of the Project, the processing and approval of which are subject to the provisions of this Agreement. Planning Commission Motion _____ is the approval of a conditional use authorization for all proposed uses required for the Project (the "**Master CU**"). Board of Supervisors Ordinance No. _____ includes the approval of all Planning and Administrative Code waivers, exceptions and consistency findings and Planning Code amendments required for the Project (the "**Planning Code Exemption Ordinance**"). If Later Approvals are required to commence construction of the Project or authorize the changes in use to the Project as contemplated by this Agreement (such as the approval of a building permit to effectuate a change of use), the Academy shall discontinue all uses not authorized or contemplated by such Later Approval within ninety (90) days of issuance of each such Later Approval. The Academy shall discontinue the use of any Non-Academy Properties by the date shown on the Schedule of Performance.

(b) Scope of Approvals. The City agrees that all elements shown on the architectural plan sets submitted by the Academy to the City in conjunction with the Approvals and Later Approvals, are deemed approved and legally existing under the Municipal Code, provided, however, all such elements shall be subject to any newly adopted provision of the Municipal Code (subject to Section 5.2 below). For avoidance of doubt, elements shown on the architectural plan sets may include, but not be limited to, narrative descriptions, visual architectural drawing elements, and those found in pictorial depictions. For further avoidance of doubt, such elements may include, but not be limited to, signs, awnings, security gates, appendages, murals, doors, fenestration, building paint, security cameras, conduits, and the methods of attachment of the same.

(c) Prohibition on Academy Submittals Not Contemplated by the Project.

1. Neither the Stephens Institute, nor the LLC Parties, shall submit change of use or building permit applications for any of the Academy Properties not contemplated by the Project or Approvals, or deemed reasonably necessary or advisable by the City, to effectuate the Project, for one (1) year after the Effective Date, provided, however, the Academy may submit such applications for any of the Academy Properties solely for (i) the repair, maintenance, correction of a public nuisance; (ii) compliance with any legislation or requirement that protects persons or property from conditions creating a health, safety or physical risk, or (iii) compliance with a governmental directive, and in any such instance the Academy's submittal and processing of such land use entitlements shall not be subject to the prohibition in this section and this

Agreement does not otherwise prohibit or affect the Academy's rights to seek approval of such land use entitlements. The City understands and acknowledges that the Academy may seek future land use entitlements for the use of 701 Chestnut Street by the Stephens Institute for post-secondary institutional or other uses, which shall not be subject to the prohibition in this section and this Agreement does not otherwise prohibit or affect the Academy's rights to seek approval of such land use entitlements outside of this Agreement. Regardless of timing of any submittal for approval of 701 Chestnut Street, the Academy must comply with all applicable City codes, including without limitation the "Institutional Master Plan" requirements of Planning Code section 304.1. The Academy shall not occupy or use 701 Chestnut Street for the Stephens Institute's purposes until it has obtained all required permits and approvals required for such use.

2. Neither the Stephens Institute, nor the LLC Parties, shall submit any application to any City Agency for new or different signage, or changes in copy on existing signage, on any of the Academy Properties not contemplated by the Approvals, or as reasonably determined by the City reasonably necessary or advisable to effectuate the Project, until twenty-four (24) months after the completion of all work contemplated in the Schedule of Performance. However, the Academy may submit applications required for repair, maintenance, or to comply with a governmental directive, in relation to any existing signage or signage that is allowed by the Approvals.

3.2.2 Withdrawal of Certain Applications. In accordance with the Schedule of Performance, the Academy will irrevocably withdraw the building permits and conditional use applications listed in Schedule 2 attached to this Agreement.

3.2.3 Transition of Certain Existing Uses to Alternate Locations. In accordance with the Schedule of Performance, the Stephens Institute and/or the LLC Parties will implement the transition or conversion of: (a) the tourist hotel at 2550 Van Ness Avenue, known as the Da Vinci Villa Hotel, to 136 bedrooms (and approximately 306 beds) of Group Housing (with Student Housing use characteristics), including replacement housing for students vacated from the existing building at 1055 Pine Street, conditioned on the complete prior vacation of 1055 Pine Street as student housing before students may occupy 2550 Van Ness; (b) the conversion of 1142 Van Ness Avenue to post-secondary educational institutional use; and (c) the conversion of 1946 Van Ness Avenue to post-secondary educational institutional use.

(a) Da Vinci Villa Hotel. The City agrees that upon (i) the payment by the LLC Parties of the first installment of the Settlement Payment and (ii) the execution of the settlement documents (i.e., Settlement Agreement, Consent Judgment, Injunction, and the Guaranty) and (iii) delivery of a declaration, under oath, executed by the President of the Stephens Institute that the Stephens Institute and applicable LLC Party has vacated the property commonly known as 1055 Pine Street, then the City shall approve, within one (1) week of the Mayor's signature to the Enacting Ordinance, a complete and properly submitted building permit ("Da Vinci Permit"), approving a change of use of the property commonly known as 2550 Van Ness Avenue from Tourist Hotel with Ground Floor Restaurant to Group Housing (with Student Housing use characteristics) with Ground Floor Restaurant. Such approval shall be issued in time to, and permit the Academy the right to occupy, 2550 Van Ness for use as Group Housing (with Student Housing use characteristics) and Ground Floor Restaurant by January 14, 2020. All work necessary for

DBI to close out the De Vinci Permit shall be completed by the Stephens Institute, or applicable LLC Party, within one (1) year from the issuance of the permit.

3.2.4 Student Housing Metering.

(a) The Stephens Institute covenants and agrees to meet all future housing needs for its students, not otherwise entitled under this Agreement or the Approvals, through new construction on property that is zoned for such use, or conversion of existing non-residential, non-PDR structures to student housing use, as further provided below. The Stephens Institute agrees that it will undertake any such new construction or conversion only in accordance with then applicable Laws and after first obtaining required permits or approvals.

(b) The Stephens Institute covenants and agrees to not promise new students more housing units than the number of lawful units that are at its disposal. Further, the Stephens Institute covenants and agrees to not temporarily house its students in non-Stephens Institute facilities, including temporarily housing students in hotels, group housing or other dwelling units. Notwithstanding the foregoing, the Stephens Institute may, upon 30 days prior written notice to the City, occasionally and temporarily house students in hotels for fewer than thirty (30) consecutive days, provided, however, the Academy may give written notice as soon as possible in emergency situations such as fire, earthquake, extreme student distress, or other act of god, terrorism, or similar calamity entirely outside the control of the Academy. For the purposes of this Section 3.2.4(b), the over subscription of the Academy's available student housing stock by students of the Stephens Institute shall not constitute an emergency. Other than such temporary housing, the Stephens Institute will provide housing to students only in properties that have been approved in advance by the City for student housing use and all other applicable governmental regulatory authorities for student housing use.

(c) As of December 2016, the Stephens Institute provided housing in San Francisco for about 28% of all of its on-site, full-time undergraduate and graduate students taking no more than one course online per semester ("**On Campus Students**"). The Stephens Institute defines "full-time" as undergraduate students who take 12 or more credits per semester, and graduate students who take nine or more credits per semester. The Stephens Institute shall increase the percentage of housing it provides to On Campus Students as follows, subject to the process described below for deferring these otherwise required increases if occupancy rates do not support them:

1. By July 1, 2019, the Stephens Institute will house in San Francisco at least 32% of its On Campus Students; and

2. By July 1, 2022, the Stephens Institute will house in San Francisco at least 36% of its On Campus Students.

3. By July 1, 2023, the Stephens Institute will house in San Francisco at least 38% of its On Campus Students. After July 1, 2023, the Stephens Institute will use good faith efforts to have beds available in San Francisco for at least 45% of its On Campus Students, provided that the enforcement mechanisms described in this Section 3.2.4 will not apply to the 45% goal.

(d) Within fifteen (15) calendar days of each July 1st, the Stephens Institute must submit to the City's Planning Director an annual report of campus housing occupancy rates, on a form mutually agreed to by the Planning Director and the Stephens Institute. The report must specify the combined occupancy rate for On Campus Students for housing units made available to them among all of the Stephens Institute's campus housing buildings in San Francisco (the "Combined Occupancy Rate") for the immediately prior two academic years. The Combined Occupancy Rate will exclude housing units used for or made available to Stephens Institute faculty, staff or part-time students. The annual report shall include a description of how the Stephens Institute plans to meet the next applicable benchmark. Upon request by the Planning Director, the Stephens Institute must provide any additional information to verify the reported Combined Occupancy Rate. If in any year before any benchmark increase in housing as designated above is scheduled to occur, the verified Combined Occupancy Rate falls below an average of 90% for those two prior academic years, then the Stephens Institute may defer that benchmark increase in housing (and any later benchmark increase), for one year, subject again to the same annual process, on a continuing basis. That is, in any particular year the Stephens Institute will not have to satisfy its next housing benchmark unless the verified Combined Occupancy Rate for the reporting period of the immediately prior two academic years is an average of 90% or more. After a housing benchmark has been satisfied, if the verified Combined Occupancy Rate falls below 90% in the subsequent academic semester, the benchmark previously reached will again be deferred such that the Stephens Institute will not be required to maintain surplus housing units for which there is no longer demand. But under no circumstances will any deferral in a benchmark allow the Stephens Institute to reduce its housing below its current percentage of 28%. In no event may more than one-half of any additional housing for On Campus Students provided to meet these benchmarks be located in converted tourist hotels, provided that the Stephens Institute may satisfy the first benchmark through the conversion of one or more tourist hotels as contemplated in the Approvals.

(e) The City will provide the Stephens Institute with written notice of any non-compliance with the requirements described in subparagraph 3.2.4 (d) above within sixty (60) days of the City's discovery of the alleged violation. The Stephens Institute and the City will then meet and confer for up to thirty (30) days and attempt to resolve in good faith any disagreement about whether the Stephens Institute is in compliance and attempt to develop a mutually acceptable plan to cure any non-compliance. The Stephens Institute will cure any event of non-compliance within ninety (90) days from the end of the meet and confer period by doing one or more of the following: (a) acquiring the right to use units to house On Campus Students in an existing student housing building; (b) filing one or more applications with the City for the required permits and approvals to acquire or convert an existing building for campus housing and making that housing available within a reasonable period as approved by the Planning Director but no longer than 18 months, subject to unavoidable delays outside of the Stephens Institute's reasonable control; (c) filing one or more applications with the City for the required permits and approvals to build a campus housing project, and completing the project within a reasonable period as approved by the Planning Director but no longer than five years, subject to unavoidable delays outside of the Stephens Institute's reasonable control; or (d) limiting the number of incoming On Campus Students in the subsequent two academic semesters, and providing the City with a report of the Combined Occupancy Rate that shows occupancy of no more than 90% for both of those two semesters.

(f) The Stephens Institute provides housing in San Francisco only to On Campus Students who are full time (as described in subparagraph 3.2.4 (e) above), not part time, and the Stephens Institute does not anticipate changing its policy or practice to provide housing to part time students. If the Stephens Institute either changes its policy or practice to provide housing to part time students, or redefines full time students to encompass a significantly broader class of students (e.g., by lowering the minimum required credits per semester or allowing them to take more than one course on-line), then the Stephens Institute must give written notice of any such changes to the City in the next annual report of campus housing occupancy rates, and the Stephens Institute and the City shall mutually agree to make appropriate readjustments to the metering benchmarks and percentages set forth in subparagraph 3.2.4 (d) above. But the Stephens Institute may, upon written notice to the Planning Director, fill any unoccupied housing units designated for full time students, with part time students, on a temporary, semester-by-semester basis. The Stephens Institute will describe any such temporary use for part time students in its annual reports to the City's Planning Director.

3.2.5 Transportation. As required by the FEIR (Mitigation Measure C-M-TR-2.1a-AAU Fair Share Contribution to Cumulative Transit Impact), the LLC Parties must pay to the City a fair share contribution (a "Fair Share Fee") to mitigate the cumulative transit demand in transit ridership on the Kearny/Stockton and Geary corridors due to the Stephens Institute's growth. The Fair Share Fee is as shown on the attached Impact Fees and Exactions Schedule, which amount will become due in accordance with the Schedule of Performance. The City will deposit all payments of the Fair Share Fee into its Transportation Sustainability Fund and use the proceeds to maintain and expand the City's transportation system, including funding for projects that help reduce crowding on buses and trains and create safer streets, all consistent with the uses required of the monies in that fund.

3.2.6 Future Expansion.

(a) Institutional Master Plan. The Stephens Institute prepared its Institutional Master Plan in 2011 and updated it in 2013 and 2015. On July 5, 2019, the Stephens Institute prepared and filed a new Institutional Master Plan ("IMP") consistent with this Agreement and Planning Code section 304.5; and the Planning Commission accepted the 2019 IMP on July 25, 2019. The Stephens Institute covenants and agrees to at all times maintain an IMP accepted by the City, as required by Planning Code section 304.5, including required updates. The Stephens Institute must further update its IMP within 90 days of acquiring or leasing new property within San Francisco (i) where the Stephens Institute plans to use such property to construct new facilities that were not previously discussed in the IMP, (ii) when the Stephens Institute plans to demolish existing facilities within San Francisco that were not discussed in the Stephens Institute's most recent IMP or update, or (iii) where use of a facility will increase the Stephens Institute's size by 10,000 square feet or 25% of the Stephens Institute's total square footage (whichever is less), or result in significant changes in use of existing Stephens Institute facilities within San Francisco that were not discussed in the IMP. The Stephens Institute and the City will work together on an appropriate form for future IMP updates. The City will timely review any IMP or IMP update filed by the Stephens Institute in accordance with the requirements of the Planning Code.

(b) Future Projects; Compliance with All Then Applicable Laws. The following provisions apply to future construction, alterations and changes in use to all properties that the Academy may own, control, operate or use in San Francisco not contemplated by the Project or the Approvals, or necessary or advisable to effectuate the Project (collectively, “Future Projects”).

1. The Academy will ensure that all Future Projects will timely comply with all Laws, including, but not limited to, the City’s Planning and Building Codes.

2. The Academy will not occupy or use any property in San Francisco without first obtaining all required permits and approvals from the City and any other regulatory authority with jurisdiction, after completion of any required environmental review under CEQA. The Academy and the City will cooperate with each other in good faith in timely preparing any additional such environmental review that may be required under CEQA.

(c) No Conversion of Existing Housing. The Academy will not convert for any purpose any structure in San Francisco that is used or occupied as housing as of December 16, 2016, or for which the last legal use was residential. The Academy must notify in writing and consult with the Planning Director at least thirty (30) days before it intends to submit an application for any Future Project. The Planning Department will timely respond to requests by the Academy or an Affiliate for information about the required City land use permits, process and fees, consistent with its general practices in responding to information requests from other developers, which may include the provision of a Zoning Administrator’s determination letter within a reasonable period after the Academy or an Affiliate makes a request, so long as the Academy provides sufficient information to allow for such a determination. The 30-day requirement for the Academy and any Affiliate will not apply to building permits required to address imminent threats to public health, safety or the environment, provided that the Academy and/or Affiliate will notify the Planning Department as soon as practicable of any such emergency needs.

Section 3.3 Enforcement. All of the Academy’s obligations described in this Article 3 will be subject to enforcement by the City through the Consent Judgment, including the Injunction.

ARTICLE 4

PUBLIC BENEFITS; STEPHENS INSTITUTE/LLC PARTIES OBLIGATIONS AND CONDITIONS TO STEPHENS INSTITUTE/LLC PARTIES PERFORMANCE

Section 4.1 Public Benefits. The Parties acknowledge and agree that the development of the Project in accordance with this Agreement provides a number of public benefits (the “Public Benefits”) to the City beyond those achievable through existing Laws, including, but not limited to the Affordable Housing Public Benefit as further described Section 3.1 and the Schedule of Performance and as otherwise described in Recital G. The Academy must complete each of the Public Benefits for which each Party is responsible as provided in this Agreement in accordance with the Schedule of Performance.

Section 4.2 No Additional CEQA Review and General Plan Consistency. The Parties acknowledge that the FEIR and Addendum prepared for the Project comply with CEQA. The Parties further acknowledge that (a) the FEIR and Addendum contain a thorough analysis of the

Project and possible alternatives, (b) the Mitigation Measures have been adopted to eliminate or reduce to an acceptable level certain adverse environmental impacts of the Project, and (c) the Board of Supervisors adopted CEQA Findings, including a statement of overriding considerations in connection with the Approvals, under CEQA Guidelines Section 15093, for those significant impacts that could not be mitigated to a less than significant level. Accordingly, the City does not intend to conduct any further environmental review or mitigation under CEQA for any aspect of the Project described under this Agreement. The City shall rely on the FEIR, and Addendum to the greatest extent possible in accordance with applicable Laws, in all future discretionary actions required for the approval of the Project; provided, however, that nothing shall prevent or limit the discretion of the City to conduct additional environmental review to the extent that such additional environmental review is required by applicable Laws, including CEQA.

Section 4.3 Compliance with CEQA Mitigation Measures. The Academy shall comply with all Mitigation Measures imposed as applicable to the Project, as set forth in Exhibit C to this Agreement. Without limiting the foregoing, the Academy shall be responsible for compliance with all Mitigation Measures identified in the MMRP as the responsibility of the “project sponsor”. Nothing in this Agreement limits the ability of the City to impose conditions on any new, discretionary permit resulting from Material Changes as such conditions are determined by the City to be necessary to mitigate adverse environmental impacts identified through the CEQA process and associated with the Material Changes or otherwise to address significant environmental impacts as defined by CEQA created by an approval or permit; provided, however, any such conditions must be in accordance with applicable Law.

Section 4.4 Nondiscrimination. In the performance of this Agreement, the Academy agrees not to discriminate against any employee, City employee working with the Academy’s contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person’s race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

Section 4.5 City Cost Recovery.

4.5.1 The LLC Parties shall timely pay to the City all applicable Impact Fees and Exactions in accordance with the schedule in the Settlement Agreement and this Agreement.

4.5.2 The Academy shall timely pay to the City all Processing Fees applicable to the processing and issuing any of Approvals.

4.5.3 The LLC Parties shall pay to the City all City Costs incurred in connection with the drafting and negotiation of this Agreement, defending the Approvals, and in administering this Agreement (except for the costs that are covered by Processing Fees), within sixty (60) days following receipt of a written invoice complying with Section 4.5.4 from the City.

4.5.4 The Planning Department shall provide the Academy on a quarterly basis (or such alternative period as agreed to by the Parties) a reasonably detailed statement showing costs incurred by the Planning Department; the City Agencies and the City Attorney's Office, including the hourly rates for each City staff member at that time, the total number of hours spent by each City staff member during the invoice period, any additional costs incurred by the City Agencies and a brief non-confidential description of the work completed (provided, for the City Attorney's Office, the billing statement will be reviewed and approved by Planning Department but the cover invoice forwarded to the Academy will not include a description of the work). The Planning Department will use reasonable efforts to provide an accounting of time and costs from the City Attorney's Office and each City Agency in each invoice; provided, however, if the Planning Department is unable to provide an accounting from one or more of such parties the Planning Department may send an invoice to the Academy that does not include the charges of such party or parties without losing any right to include such charges in a future or supplemental invoice. The Academy's respective obligations to pay the City Costs as provided in this Section 4.5 shall survive the termination of this Agreement. The Academy shall have no obligation to reimburse the City for any City Cost that is not invoiced to the Academy within 18 months from the date the City Cost was incurred. The City will maintain records, in reasonable detail, with respect to any City Costs and upon written request of the Academy, and to the extent not confidential, shall make such records available for inspection by the Academy.

4.5.5 If the Academy in good faith disputes any portion of an invoice, then within sixty (60) days following receipt of the invoice the Academy, as applicable, shall provide notice of the amount disputed and the reason for the dispute, and the Parties shall use good faith efforts to reconcile the dispute as soon as practicable. The Academy shall have no right to withhold the disputed amount. If any dispute is not resolved within ninety (90) days following the Academy's notice to the City of the dispute, the Academy may pursue all remedies at law or in equity to recover the disputed amount.

Section 4.6 Prevailing Wages and Working Conditions. The Academy agrees that all Persons performing labor in the construction of any public improvements as defined in the Administrative Code, or otherwise as required by California law, on any site connected to the Project or portion of the Project shall be paid not less than the highest prevailing rate of wages for the labor so performed consistent with the requirements of Section 6.22(E) of the Administrative Code, shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco, California, and the Academy shall include this requirement in any construction contract entered into by the Academy for any such public improvements. The Office of Labor Standards Enforcement of the City and County of San Francisco ("OLSE") shall enforce the requirements of this Section 4.6 and the Academy and its contractors will provide to OLSE any workforce payroll records as needed to confirm compliance with this section. The Academy shall also comply with any applicable first source hiring requirements under the Municipal Code.

Section 4.7 Indemnification. The LLC Parties shall Indemnify the City and its officers, agents and employees (collectively, the "City Parties") from and against any and all loss, cost, damage, injury, liability, and claims (collectively, "Losses") arising or resulting directly or indirectly from any third party claim against any City Party arising from (i) a Default by the Academy under this

Agreement, (ii) the Academy's failure to comply with the conditions of any Approval or Non-City Approval, (iii) the failure of any improvements constructed under this Agreement to comply with any local, Federal or State Law, (iv) any accident, bodily injury, death, personal injury, or loss of or damage to property occurring on such portion of the Academy Properties in connection with the construction by the Academy or its agents or contractors of any improvements under this Agreement, (v) a Third-Party Challenge, (vi) any dispute between the Academy, on the one hand, and their contractors or subcontractors, on the other hand, relating to the construction of any part of the Project, and (vii) any dispute between or among the Academy relating to any assignment of this Agreement or the obligations that run with the portion of the transferred portion of the Project, including any dispute relating to which such Person is responsible for performing certain obligations under this Agreement, in any case except to the extent that any of the foregoing Indemnification obligations is void or otherwise unenforceable under Law or is caused, contributed to or exacerbated by the negligence or willful misconduct of any of the City Parties, breach of this Agreement by the City or breach of any agreement in connection with this Agreement by any of the City Parties.

ARTICLE 5 LIMITED TEMPORARY VESTING AND CITY OBLIGATIONS

Section 5.1 Construction of the Project. This Agreement implements a mutually agreed approach by the Parties to bringing the Academy Properties into compliance with the Planning Code and that furthers sound urban planning principles. The Academy agrees to use and improve the Project in accordance with the Approvals, including the conditions of approval and the mitigation measures for the Project as adopted by the City, except to the extent that the Academy sells an Academy Property as permitted in this Agreement, or the City disapproves, waives, or disallows implementation of specific aspects of the Approvals or the Later Approvals (such as the installation of bike racks on sidewalks or the modification of curb cuts), in which case the Academy shall have no obligation to improve such portion of the Project. The Academy is obligated to comply with the terms and conditions of the Approvals and this Agreement at those times specified in the Approvals and this Agreement (including the Schedule of Performance).

The "performance period" for each Approval or Later Approval will be the period of time described on the Schedule of Performance, as long as the Academy has timely submitted a complete application to the City for approval. If the City disapproves or waives its implementation of a Later Approval, and such disapproval, or waiver prevents or makes infeasible the Academy's performance of a separate Approval or Later Approval, then the performance period for such separate Approval or Later Approval will be tolled on a day for day basis until such time that the Academy and the City has mutually agreed upon an alternate method of performance of the disapproved or waived Approval or Later Approval.

Section 5.2 Law Applicable to Future Projects. The Academy will ensure that all future construction, alterations and changes in use to all properties it may own, control, operate or use will timely comply with all then applicable Laws. This Agreement will not freeze any generally applicable City code requirements, fees or exactions that may apply to the Project, except as described in this section, or to any other future land uses by the Stephens Institute or the LLC Parties for the Stephens Institute's use, including, without limitation, the Stephens Institute's future expansion or operation, and requirements to provide for student housing or to prepare or update

an IMP. Beginning with the submittal of the building permit applications necessary to effectuate the Approvals (provided such building permits applications are submitted within 60 days after the Effective Date) and extending to the completion of the work as described in, and on the timeline provided in, the Schedule of Performance, the Project shall not be subject to any legislation that the City adopts that either (1) imposes new development impact fees or exactions for the Project that are not identified in this Agreement, (2) prevents or conflicts with the land use designations, permitted or conditionally permitted uses proposed by the Approvals, or (3) otherwise frustrates the implementation of the Approvals or the Later Approvals; provided, however, the Project is subject to any voter referendum that specifically overturns any of the Approvals or to the City's adoption of any amendments to the San Francisco Building Code, Fire Code or Housing Code that are of General Application (as defined below) or other legislation that protects persons or property from conditions creating a health, safety or physical risk (collectively, the "Public Health and Safety Exception").

For purposes of this section, legislation of "General Application" means a City ordinance that affects substantially all privately-owned property within the territorial limits of the City or any designated use classification or use district of the City, so long as any such ordinance affects more than an insubstantial amount of private property other than the property that is subject to the Approvals. Also, for avoidance of doubt, the authority reserved to the City under the Public Health and Safety Exception is more limited than the City's police power authority under state and federal law to regulate land uses, and is limited solely to addressing a specific and identifiable issue in each case required to address an actual and clear physical danger to the public and applies on a citywide basis to the same or similarly situated uses and applied in an equitable and non-discriminatory manner.

Section 5.3 Fees and Exactions. During the Term, the Academy shall pay all applicable Impact Fees and Exactions as described in the Settlement Agreement. All such Impact Fees and Exactions shall be calculated at the time payable in accordance with the City requirements on that date in the fee amount payable, as well as new types of Impact Fees and Exactions after the Effective Date to the extent permitted by Section 5.2 of this Agreement. The Planning Department has provided the Academy with its estimate of the applicable development impact fees for the Project, as shown in Schedule I, and the Academy has agreed with the estimate of those fees. The Parties acknowledge and agree that all such fees shall be adjusted by the City by index as determined by the City.

5.3.1 Processing Fees. The Academy shall pay all required City Processing Fees (including time and materials) when due (at the time of permit application or issuance, as applicable), and at the rates then in effect, including, but not limited to, Planning Department and DBI fees associated with the Project. The amount of the City Processing Fees for the Master CU, Master Permit to Alter and Master Certificate of Appropriateness (collectively "Master Approvals") shall be based solely on time and materials, and no separate application fee shall be assessed for Master Approvals. Where building permit fees are calculated, based on construction costs, those fees will be calculated based on the value of those portions of the Project requiring new expenditures by the Academy, and such calculations shall exclude the value of unpermitted work previously performed at Academy Properties that are set for legalization and which does not require further construction, repair or demolition by the Academy.

Section 5.4 Chapter 41 Replacements. Notwithstanding any provision of Administrative Code Chapter 41 to the contrary, as consistent with the Ordinance approving this Agreement, the 30 of "Residential Hotel Units" located at the properties commonly known as 1080 Bush Street and 1153 Bush Street shall be converted to Group Housing, as defined in the Planning Code, and Administrative Code Chapter 41 shall no longer apply to such units. As replacements for such converted units, thirty-nine (39) Tourist Hotel Units at the property commonly known as 860 Sutter Street will be converted to Residential Hotel Units by the date set forth in the Schedule of Performance, and Chapter 41 shall apply to those converted units. The Academy agrees to record in the City's Official Records, a Notice of Special Restrictions reflecting the conversion of the thirty-nine (39) units at 860 Sutter Street to Residential Hotel Units, in the form of Exhibit G against title to that property.

Section 5.5 Federal or State Laws.

5.5.1 City's Exceptions. Notwithstanding any provision in this Agreement to the contrary, each City Agency having jurisdiction over the Project shall exercise its discretion under this Agreement in a manner that is consistent with the Public Health and Safety Exception or reasonably calculated and narrowly drawn to comply with applicable changes in Federal or State Law affecting the physical environment (the "**Federal or State Law Exception**").

5.5.2 Changes in Federal or State Laws. If Federal or State Laws issued, enacted, promulgated, adopted, passed, approved, made, implemented, amended or interpreted after the Reference Date have gone into effect and (i) preclude or prevent compliance with one or more provisions of the Approvals or this Agreement, or (ii) materially and adversely affect the Academy, or the City's rights, benefits, or obligations under this Agreement, then such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such Federal or State Law. In such event, this Agreement shall be modified only to the extent necessary or required to comply with such Law.

5.5.3 Changes to Development Agreement Statute. This Agreement has been entered into in reliance upon the provisions of the Development Agreement Statute. No amendment of or addition to the Development Agreement Statute that would affect the interpretation or enforceability of this Agreement, increase the obligations or diminish the rights of the Academy under this Agreement or increase the obligations of or diminish the benefits to the City under this Agreement shall be applicable to this Agreement unless such amendment or addition is specifically required by Law or is mandated by a court of competent jurisdiction. If such amendment or change is permissive rather than mandatory, this Agreement shall not be affected.

5.5.4 Effect on Agreement. If any of the modifications, amendments or additions described in this Section 5.5 would materially and adversely affect the construction, development, use, operation, or occupancy of the Project or its cost, or any material portion, such that the Project, or the applicable portion thereof (a "**Law Adverse to Academy**"), then Academy shall notify the City and propose amendments or solutions that would maintain the benefit of this Agreement for both Parties. Upon receipt of a notice under this Section 5.5.4, the Parties agree to meet and confer in good faith for a period of not less than sixty (60) days, unless resolution is sooner reached, in an attempt to resolve the issue. If the Parties cannot resolve the issue in sixty (60) days or such longer period as may be agreed to by the Parties, then the Parties shall attempt to resolve their

dispute before Judge Harold E. Kahn of the Court, or if he is not available another mutually acceptable Judge of the Court or a mediator at JAMS in San Francisco for nonbinding mediation for a period of not less than thirty (30) days. If the Parties remain unable to resolve the issue following such mediation, then either Party shall have the right to seek available remedies at law or in equity to maintain the benefit of this Agreement or alternatively to seek termination of this Agreement if the benefit of this Agreement cannot be maintained in light of the Law Adverse to Academy.

Section 5.6 No Action to Impede Approvals. Except and only as required under Section 5.5, the City shall take no action under this Agreement nor impose any condition on the Project that could conflict with the terms and conditions of any of the Approvals. An action taken or condition imposed shall be deemed to be in conflict with the terms and conditions of any of the Approvals as set forth in Section 5.5.1.

Section 5.7 Estoppel Certificates. The Academy may, at any time, and from time to time, deliver notice to the Planning Director requesting that the Planning Director certify to the Academy, a potential Transferee, a Mortgagee and/or a potential Mortgagee: (i) that this Agreement is in full force and effect and a binding obligation of the Parties; (ii) that this Agreement has not been amended or modified, or if so amended or modified, identifying the amendments or modifications and stating their date and providing a copy or referring to the recording information; (iii) that, to the best of the Planning Director's knowledge after due inquiry, the Academy is not in breach of its obligations under this Agreement, or describing the nature and amount of any such breach; and (iv) the findings of the City as to the most recent annual review performed under Section 7.1. The Planning Director, acting on behalf of the City, shall execute and return such certificate within ten (10) Business Days following receipt of the request. At such Person's request, the City shall provide an estoppel certificate in recordable form, which such Person may record in the Official Records at its own expense.

Section 5.8 Taxes. Nothing in this Agreement limits the City's ability to impose new or increased taxes or special assessments, or any equivalent or substitute tax or assessment, provided no tax or assessment shall be targeted or directed at the Project, including any tax or assessment targeted or directed solely at all or any part of the Academy Properties. Nothing in the foregoing prevents the City from imposing any tax or assessment against the Academy Properties, or any portion of the Academy Properties, that is enacted in accordance with Law and applies to all similarly-situated property on a City-Wide basis.

ARTICLE 6 MUTUAL OBLIGATIONS

Section 6.1. General Cooperation; Agreement to Cooperate. The Parties agree to cooperate with one another and use diligent efforts to expeditiously implement the Project in accordance with the Approvals and this Agreement, and to undertake and complete all actions or proceedings reasonably necessary or appropriate to ensure that the objectives of this Agreement and the Approvals are implemented and as authorized to execute, with acknowledgment or affidavit if required, any and all documents and writings that may be necessary or proper to achieve the objectives of this Agreement and the Approvals. Except for ordinary administrative costs of the City, nothing in this Agreement obligates the City to spend any sums of money or incur any costs other than City Costs or costs that the Academy reimburses through the payment of Processing

Fees. The Parties agree that the Planning Department will act as the City's lead agency to facilitate coordinated City review of applications for the Project.

Section 6.2. Notice of Completion, Revocation or Termination. Within thirty (30) days after any termination of this Agreement in accordance with its terms, the Parties agree to execute a written statement acknowledging such revocation or termination, signed by the appropriate agents of the Parties, and record such instrument in the Official Records.

Section 6.3 Schedule of Performance. The Parties shall comply with all of their respective obligations set forth in the Schedule of Performance. The Parties acknowledges that failure to perform any obligation on the date due under the Schedule of Performance (and recognizing that every due date in the Schedule of Performance is one for which time is of the essence, but each such date is subject to Schedule of Performance's extension provisions) may result in the either Party declaring an Event of Default.

Section 6.4 Joint Defense. The Parties agree that they have a common interest with respect to environmental review under CEQA and other analysis of the Project and development of the Project as contemplated by this Agreement, including in responding to and defending against any Third-Party Challenges that are filed or reasonably anticipated. In furtherance of such interests, the Parties, their respective affiliates and/or their respective counsel may choose to share and exchange confidential and privileged information relevant to any Third-Party Challenges that are filed or reasonably anticipated. The Parties intend that all such information shall be fully protected from disclosure by the attorney-client privilege, and/or any other applicable privilege or Law, and/or by the attorney-work product doctrine, and that such information shall remain as fully protected by the attorney-client privilege, any other applicable privilege or Law, and the work product doctrine as though the sharing and exchange had not occurred. The Parties intend that the sharing and exchange of such information, as between and among themselves and their respective affiliates, does not constitute a waiver of any privilege or other protection and shall be protected under the joint defense and common interest doctrine. Such information so shared or exchanged shall therefore remain secret and protected from disclosure to third parties to the maximum extent permitted by Law.

Section 6.5 Third-Party Challenges. The Academy shall assist and cooperate with the City at the Academy's own expense in connection with any Third-Party Challenge to this Agreement or any of the Approvals. The City Attorney's Office may use its own legal staff or outside counsel in connection with defense of the Third-Party Challenge. The LLC Parties shall reimburse the City for its actual costs in defense of the action or proceeding, including but not limited to the time and expenses of the City Attorney's Office (at the non-discounted rates then charged by the City Attorney's Office) and any consultants. Upon request the LLC Parties shall receive monthly invoices for all such costs.

Section 6.6 Agreement to Cooperate in the Event of a Judgment. To the extent that a judgment is entered in a Third-Party Challenge limiting the scope of the Project (or a portion) or an Approved Use, including the City's actions taken under CEQA, the Parties agree to cooperate with each other to expeditiously develop, seek governmental approvals for, and implement a modified Project and any required CEQA review. In the event the Parties do not reach agreement to implement a modified Project and complete any required CEQA review and approval within forty-five (45)

days after a final judgment, the City may elect, by 10 days prior written notice to the Academy, to terminate this Agreement as to the Project (or portion) or Approved Use.

Section 6.7 No Delay Absent Court Order. The filing of any Third-Party Challenge shall not delay or stop the development, use, processing or construction of the Project, including the processing of any Approvals or Later Approvals, unless the third party obtains a court order preventing such development, use, processing, or construction.

Section 6.8 Other Necessary Acts. Each Party shall use good faith efforts to take such further actions as may be reasonably necessary to carry out this Agreement and the Approvals in accordance with the terms and conditions of this Agreement (and subject to all Laws) to provide and secure to each Party the full and complete enjoyment of its rights and privileges under this Agreement. In their course of performance under this Agreement, the Parties shall cooperate and shall undertake such actions as may be reasonably necessary to implement the Project as contemplated by this Agreement.

ARTICLE 7 PERIODIC REVIEW OF ACADEMY'S COMPLIANCE

Section 7.1 Annual Review. Under Section 65865.1 of the Development Agreement Statute and Section 56.17 of the Administrative Code (as of the Effective Date), at the beginning of the second week of each January following final adoption of this Agreement and for so long as this Agreement is in effect (the "Annual Review Date"), the Planning Director shall commence a review to ascertain whether the Academy has, in good faith, complied with the Agreement. The failure to commence such review in January shall not waive the Planning Director's right to do so later in the calendar year. The Planning Director may elect to forego an annual review if no significant construction work in connection with the Project has occurred during that year, or if such review is otherwise not deemed necessary, in which event the Academy shall be deemed to be in compliance with this Agreement for purposes of this review requirement.

Section 7.2. Review Procedure. In conducting the initial and the annual reviews of Academy's compliance with this Agreement as described in Section 7.1, the Planning Director shall follow the process set forth in this Section 7.2.

7.2.1 Required Information from the Academy. On or before the end of January each year, the Academy shall provide a letter to the Planning Director explaining, with appropriate backup documentation, the Academy's compliance with this Agreement for the preceding calendar year. The burden of proof, by substantial evidence, of compliance is upon the Academy. The Planning Director shall post a copy of the Academy's submittals on the Planning Department's website.

7.2.2 City Report. Within sixty (60) days after the Academy submit such letter, the Planning Director shall review the information submitted by the Academy and all other available evidence regarding the Academy's compliance with this Agreement and shall consult with applicable City Agencies as appropriate. All such available evidence, including final staff reports, shall, upon receipt by the City, be made available as soon as possible to the Academy. The Planning Director, with a copy to the City Attorney, shall notify the Academy in writing whether the Academy has complied with the terms of this Agreement (the "City Report"), and

post the City Report on the Planning Department's website in accordance with the requirements of Chapter 56. If the Planning Director finds the Academy not in compliance with this Agreement, then, without limiting the City's rights under the Consent Judgment and Injunction, the City may pursue available rights and remedies in accordance with this Agreement and Chapter 56. The City's failure to initiate or to timely complete the annual review shall not be a Default and shall not be deemed to be a waiver of the right to do so at a later date. All costs incurred by the City under this section shall be included in the City Costs.

Section 7.3. Default. The rights and powers of the City under this Section 7.3 are in addition to, and shall not limit, the rights of the City to terminate or take other action under this Agreement or the Consent Judgment or Injunction, on account of a Default by the Academy.

ARTICLE 8 ENFORCEMENT OF AGREEMENT; DEFAULT; REMEDIES

Section 8.1. Enforcement. As of the Reference Date, the only Parties to this Agreement are the City, the Stephens Institute, and the LLC Parties. Except as expressly set forth in this Agreement (for successors and Transferees), this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other Person whatsoever.

Section 8.2. Consent Judgment; Injunction. As set forth in the Consent Judgment and the Injunction, the Court has reserved jurisdiction to enforce the provisions of this Agreement.

Section 8.3. Default. The following shall constitute a "Default" under this Agreement: (i) the failure to make any payment under this Agreement or the Settlement Agreement when due and such failure continues for more than ten (10) days following delivery of notice that such payment was not made when due and demand for compliance; and (ii) the failure to perform or fulfill any other material term, provision, obligation or covenant of this Agreement when required and such failure continues for more than sixty (60) days following notice of such failure and demand for payment. Notwithstanding the foregoing, if a failure can be cured but the cure cannot reasonably be completed within sixty (60) days, then it shall not be considered a Default if a cure is commenced within such sixty (60) day period and diligently prosecuted to completion. Any such notice given by a Party shall specify the nature of the alleged failure and, where appropriate, the manner in which such failure satisfactorily may be cured. If before the end of the applicable cure period the failure that was the subject of such notice has been cured to the reasonable satisfaction of the Party that delivered such notice, such Party shall issue a written acknowledgement to the other Party of the cure of such failure. Notwithstanding any other provision in this Agreement to the contrary, if the LLC Parties convey or transfer some but not all of the Academy Properties to a Party that is not affiliated with the Academy (a "Non-Affiliate"), and such conveyance or transfer is permitted under this Agreement, there shall be no cross-default between the Academy on one hand, and the Non-Affiliate. Accordingly, if a Non-Affiliate Defaults, it shall not be a Default by any other Transferee or Party that owns a different portion of the Academy Properties.

8.3.1 Material Breach. "Material Breach" means:

(a) The LLC Parties fail to make any payment required under this Agreement or the Settlement Agreement within ten (10) days after the date when due.

(b) Only until such time as the first installment of the Settlement Payment and the full Affordable Housing Payment is paid by the LLC Parties, any lien or other instrument is recorded against all or any part of the Academy Properties, prior to the Effective Date, and is (i) without the City's prior written consent, (ii) not otherwise permitted by this Agreement, or (iii) not necessary to effectuate the Project, and the said lien is not removed from title or otherwise remedied to the City's satisfaction within thirty (30) days after the Academy's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, the Academy Parties will have sixty (60) days to cure the default, or any longer period of time reasonably deemed necessary by the City, *provided that* the Academy commences to cure the default within the 30-day period and diligently pursues the cure to completion.

(c) The Academy fails to perform or observe any other term, covenant or agreement contained in any this Agreement, including, but not limited to, as set forth in the Schedule of Performance, and the failure continues for thirty (30) days after the Academy's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, the Academy will have sixty (60) days to cure the default, or any longer period of time deemed reasonably necessary by the City, *provided that* the Academy commence to cure the default within the 30-day period and diligently pursues the cure to completion.

(d) Any representation or warranty made by the Academy in this Agreement proves to have been incorrect in any material respect when made.

(e) Only until such time as the City receives the first installment of the Settlement Payment and the Affordable Housing Payment in full and the work contemplated in the Schedule of Performance has been completed, the Stephens Institute or the LLC Parties is dissolved or liquidated or merged with or into any other entity; or, if that entity is a corporation, partnership, limited liability company or trust, the Stephens Institute or an LLC Party ceases to exist in its present form and (where applicable) in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days; or, if an entity is an individual, such individual dies or becomes incapacitated; or all or substantially all of the assets of the Stephens Institute or any LLC Party are sold or otherwise transferred, provided, however, this Section 8.3.1(e) shall not apply to any LLC Party whose sole asset constitutes a single Academy Property that is withdrawn after the Effective Date from use by the Stephens Institute as long as the Academy provides the City with information appropriate for the City to reasonably determine that the remaining LLC Parties have the capacity to satisfy their financial obligations under the Settlement Agreement and this Agreement. The Stephens Institute shall have the right to reorganize as, or into, a non-profit entity, as defined under an applicable state's business code, if the resultant entity assumes all of the obligations under this Agreement by a written assignment and assumption agreement in form and substance reasonably acceptable to the City.

(f) Unless otherwise expressly permitted by this Agreement, until such time as the first installment of the Settlement Payment and the full Affordable Housing Payment

is paid by the LLC Parties, the Stephens Institute or any LLC Party sells, leases, assigns, encumbers or otherwise transfers all or any portion of its interests in the Academy or of its right, title or interest in the Academy Properties (a "Transfer") without the City's prior consent. This provision shall not be deemed to prohibit or otherwise restrict the Stephens Institute and the LLC Parties from (i) granting easements, leases, subleases, licenses or permits to facilitate the development, operation and use of the Academy Properties in whole or in part consistent with the Approvals, any Future Approvals and this Agreement, (ii) encumbering the Academy Properties or any portion of the improvements by any Mortgage (provided that the Academy gives the City advance written notice of such Mortgage), or (iii) granting an occupancy leasehold interest in portions of the Academy Properties, and no such action shall constitute a Transfer under this Agreement or require an assignment and assumption agreement or any consent of the City and the transferee, beneficiary or other applicable Person under any such instrument shall not be deemed a successor to Stephens Institute and the LLC Parties or a Transferee.

(g) Without the City's prior written consent, the Stephens Institute or any LLC Party assigns or attempts to assign any rights or interest under this Agreement, whether voluntarily or involuntarily.

(h) The Stephens Institute or any of the LLC Parties is subject to an order for relief by the bankruptcy court, or is unable or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors; or the Stephens Institute or any LLC Party or consents to the appointment of any receiver, trustee or similar official for the Academy or for all or any part of its property (or an appointment is made without its consent and the appointment continues undischarged and unstayed for sixty (60) days); or the Stephens Institute or any LLC Party institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceeding relating to the Academy or to all or any part of its property or relating to an LLC Party or any part of its property under the laws of any jurisdiction (or a proceeding is instituted without its consent and continues undismissed and unstayed for more than sixty (60) days); or any judgment, writ, warrant of attachment or execution or similar process is issued or levied against any other portion of the Academy Properties and is not released, vacated or fully bonded within sixty (60) days after its issue or levy.

(i) The Academy or any of the Guarantors is in default of its obligations under the Settlement Agreement or the Guaranty as applicable, and the default remains uncured following the expiration of any applicable cure periods.

Section 8.4. Remedies.

8.4.1 Specific Performance. Without limiting the remedies available under the Consent Judgment and Injunction, in the event of a Default, the remedies available to a Party shall include specific performance of this Agreement in addition to any other remedy available at law or in equity.

8.4.2 Termination. Until the payment of the first installment of Settlement Payment, as provided for in the Settlement Agreement and payment in full of the Affordable Housing Payment, as provided for on the Schedule of Performance, in the event of a Material

Breach, the non-Defaulting Party may elect to terminate this Agreement by sending a notice of termination to the Defaulting Party, which notice of termination shall describe in reasonable detail the Material Breach. Any such termination shall be effective upon the date set forth in the notice of termination, which shall in no event be earlier than sixty (60) days following delivery of the notice.

8.4.3 City Processing/Certificates of Occupancy. The City shall not be required to process any requests for approval or take other actions under this Agreement during any period in which the Academy is in material Default.

8.4.4 Receivership. The City may apply to any court of competent jurisdiction for specific performance, or an injunction against any violation, of this Agreement or for any other remedies or actions to correct the Academy's material noncompliance with this Agreement.

8.4.5 Certain Immaterial Violations of the Planning Code. If the City determines that any of the Academy Properties do not comply with the Planning Code, and those violations are not material (as the term "material" is defined in the Injunction), then such violation shall not be a Default under this Agreement, and the City shall, if the City determines to seek a remedy, proceed to seek remedies against the Academy consistent with how it would pursue enforcement against any other private property owner in San Francisco, i.e. not pursuant to this Section 8.4. If the City determines that the Academy has committed a material violation of the Planning Code (as the term "material" is defined in the Injunction) for any Academy Property or Properties or a pattern of violations even if immaterial involving multiple Academy Properties, or if such violation involves any failure by the Academy to materially comply with its obligations in the Approvals for any Academy Property or Non-Academy Property, then the City may proceed to seek a remedy as provided for in this Agreement and in the Consent Judgment and the Injunction.

Section 8.5 Time Limits; Waiver; Remedies Cumulative. Failure by a Party to insist upon the strict or timely performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of any condition or failure of performance, including a default, shall be effective or binding upon such Party unless made in writing by such Party, and no such waiver shall be implied from any omission by a Party to take any action with respect to such failure. No express written waiver shall affect any other condition, action, or inaction or cover any other period of time other than any condition, action, or inaction and/or period of time specified in such express waiver. One or more written waivers under any provision of this Agreement shall not be deemed to be a waiver of any subsequent condition, action, or inaction or any other term or provision contained in this Agreement. Nothing in this Agreement shall limit or waive any other right or remedy available to a Party to seek injunctive relief or other expedited judicial and/or administrative relief permitted under this Agreement to prevent irreparable harm.

Section 8.6 Attorneys' Fees. Should legal action be brought by either Party against the other for a Default under this Agreement or to enforce any provision in this Agreement, the prevailing Party in such action shall be entitled to recover its reasonable attorneys' fees and costs. For purposes of this Agreement, "reasonable attorneys' fees and costs" means the reasonable fees and expenses of counsel to the Party, which may include printing, duplicating and other expenses, air

freight charges, hiring of experts and consultants and fees billed for law clerks, paralegals, librarians and others not admitted to the bar but performing services under the supervision of an attorney, and shall include all such reasonable fees and expenses incurred with respect to appeals, mediation, arbitrations and bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees and costs were incurred. For the purposes of this Section 8.6, the reasonable fees of attorneys of the City Attorney's Office shall be based on the fees regularly charged by the attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's Office services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office.

ARTICLE 9

AMENDMENT; TERMINATION; EXTENSION OF TERM

Section 9.1 Amendment. This Agreement may only be amended with the mutual written consent of the Parties. Other than upon the expiration of the Term and except as expressly provided in Sections 2.2, and Section 8.4.2, this Agreement may only be terminated with the mutual written consent of the Parties. Any amendment to this Agreement that does not constitute a Material Change may be agreed to by the Planning Director (and, to the extent it affects any rights or obligations of a City department, with the approval of that City Department), subject to approval as to form by the City Attorney. Any amendment that is a Material Change will require the approval of the Planning Director, the Planning Commission, the Director of MOHCD and the Board of Supervisors (and, to the extent it affects any rights or obligations of a City department, after consultation with that City department), as well as approval as to form by the City Attorney.

Section 9.2 Termination and Vesting. At the election of the City, any termination of this Agreement shall concurrently effect a termination of the Approvals, except as to any Approval that has vested under Existing Standards or in accordance with this Agreement.

Section 9.3 Amendment Exemptions. No issuance of an Approval or an amendment of an Approval shall by itself require an amendment to this Agreement. Upon issuance of any Approval or upon the making of any such change, such Approval or change shall be deemed to be incorporated automatically into the Project and vested under this Agreement (subject to any conditions set forth in such Later Approval). Notwithstanding the foregoing, if there is any direct conflict between the terms of this Agreement, on the one hand, and an Approval, on the other hand, then the Parties shall concurrently amend this Agreement (subject to all necessary approvals in accordance with this Agreement) to ensure the terms of this Agreement are consistent with such Later Approval. The Planning Department shall have the right to approve on behalf of the City changes and updates to the Project, in each keeping with the Planning Department's customary practices, and any such changes and updates shall not be deemed to conflict with or require an amendment to this Agreement or the Approvals so long as they do not constitute a Material Change (and, for the avoidance of doubt, are approved by the Academy to the extent required under this Agreement). If the Parties fail to amend this Agreement as set forth above when required (*i.e.*, when there is a Material Change), then the terms of this Agreement shall prevail over any Approval or any amendment to an Approval that conflicts with this Agreement until so amended.

Section 9.4. Litigation and Referendum Extension. If any Third-Party Challenge is filed challenging this Agreement or an Approval having the direct or indirect effect of delaying this

Agreement or any Approval (including but not limited to any CEQA determinations), including any challenge to the validity of this Agreement or any of its provisions, or if this Agreement or an Approval is suspended pending the outcome of an electoral vote on a referendum, then the Term of this Agreement (including the milestone dates set forth in the Schedule of Performance) and all Approvals shall be extended for the number of days equal to the period starting from the commencement of the litigation or the suspension (or as to Approvals, the date of the initial grant of such Approval) to the end of such litigation or suspension (a "**Litigation Extension**"). The Parties shall document the start and end of a Litigation Extension in writing within thirty (30) days from the applicable dates.

Section 9.5. Excusable Delay. An Excusable Delay means the occurrence of an event beyond a Party's reasonable control that causes such Party's performance of an obligation to be delayed, interrupted or prevented, including, but not limited to: changes in Federal or State Laws; strikes or the substantial interruption of work because of labor disputes; inability to obtain materials; freight embargoes; civil commotion, war or acts of terrorism; inclement weather, fire, floods, earthquakes, or other acts of God; epidemics or quarantine restrictions; litigation; unforeseen site conditions (including archaeological resources or the presence of hazardous materials); or the failure of any governmental agency, public utility or communication service provider to issue a permit, authorization, consent or approval required to permit construction within the standard or customary time period for such issuing authority following the Academy's submittal of a complete application for such permit, authorization, consent or approval, together with any required materials. Excusable Delay shall not include delays resulting from failure to obtain financing or have adequate funds, changes in market conditions, or the rejection of permit, authorization or approval requests based upon the Academy's failure to satisfy the procedural or substantive requirements for the permit, authorization or approval request. In the event of Excusable Delay, the Parties agree that (i) the time periods for performance of the delayed Party's obligations impacted by the Excusable Delay shall be strictly limited to the period of such delay, interruption or prevention and the delayed Party shall, to the extent commercially reasonable, act diligently and in good faith to remove the cause of the Excusable Delay or otherwise complete the delayed obligation, and (ii) following the Excusable Delay, a Party shall have all rights and remedies available under this Agreement, if the obligation is not completed within the time period as extended by the Excusable Delay. If an event which may lead to an Excusable Delay occurs, the delayed Party shall notify the other Party in writing of such occurrence as soon as possible after becoming aware that such event may result in an Excusable Delay, and the manner in which such occurrence is likely to substantially interfere with the ability of the delayed Party to perform under this Agreement.

ARTICLE 10

TRANSFER OR ASSIGNMENT; RELEASE; CONSTRUCTIVE NOTICE

Section 10.1 Permitted Transfer of this Agreement. Except as expressly provided in Section 10.2, the Academy shall have the right to convey, assign or otherwise Transfer any of its right, title and interest in and to this Agreement to a party (a "**Transferee**") with the City's prior written consent, which shall not be unreasonably delayed, conditioned or withheld. For the purposes of this Section 10.1 the City shall respond to any written request by the Academy for the City's consent to a Transfer within thirty (30) days. If the City fails to respond to such request within thirty (30) days, the City shall be deemed to have approved the Academy's request.

Section 10.2 Rights of the Academy. After such time the first installment of the Settlement Payment and the full Affordable Housing Payment are paid by the LLC Parties, the Stephens Institute and the LLC Parties shall have the right to convey assign or otherwise Transfer any of its rights, title and interests in the Academy Properties without the City's prior consent, provided that it contemporaneously transfers to the Transferee and Transferee, and the same assumes, all of the obligations under this Agreement under the Schedule of Performance for that property, as evidenced by a written agreement in form and substance reasonably approved by the City. Further, after such time as the first installment of the Settlement Payment and the full Affordable Housing Payment are paid, the Academy shall have the right to convey assign or otherwise Transfer any of its rights, title and interests in an Academy Property, without the City's prior consent, before the completion of the work in the Schedule of Performance, provided that the Academy proves to the City's reasonable satisfaction the LLC Parties remaining after such Transfer maintain enough equity interests in the remaining Academy Properties sufficient to meet their obligations under both the Settlement Agreement and this Agreement. The Academy shall have the right to convey assign or otherwise Transfer any of its rights, title and interests, without restriction including the City's prior consent, in Non-Academy Properties at any time, and in Academy Properties after the LLC Parties both (a) pay the first installment of the Settlement Payment and pay in full the Affordable Housing Payment and (b) all the work contemplated under the Schedule of Performance is completed. Upon the Transfer of an Academy Property as permitted by this Agreement, such Academy Property shall no longer be considered an 'Academy Property' under this Agreement, nor shall such property be subject any provision under this Agreement relating to Academy Properties. The provisions in this Article 10 shall not be deemed to prohibit or otherwise restrict the Stephens Institute and the LLC Parties from (i) granting easements, leases, subleases, licenses or permits to facilitate the development, operation and use of the Academy Properties in whole or in part consistent with the Approvals, any Future Approvals and this Agreement, (ii) encumbering the Academy Properties or any portion of the improvements by any Mortgage, or (iii) granting an occupancy leasehold interest in portions of the Academy Properties, and no such action shall constitute a Transfer under this Agreement or require an Assignment and Assumption Agreement or any consent of the City and the transferee, beneficiary or other applicable Person under any such instrument shall not be deemed a successor to Stephens Institute and the LLC Parties or a Transferee. But until the Affordable Housing Payment and the Settlement are paid in full and all the work is completed under the Schedule of Performance, the Academy will give the City prior written notice of any new or increased Mortgage on any of the Academy Properties.

ARTICLE 11

THE ACADEMY'S REPRESENTATIONS AND WARRANTIES

Section 11.1 Interest of the Stephens Institute; Due Organization and Standing. The Stephens Institute is a California corporation, in good standing under the Laws of the State of California, with the right and authority to enter into this Agreement. The Stephens Institute has all requisite power to own or lease the Academy Properties and authority to conduct its business and to enter into and to carry out and consummate the transactions contemplated by this Agreement.

Section 11.2 Interests of the LLC Parties. Each of the LLC Parties are in good standing under the Laws of the State of California and under laws of the state in which it was formed, with the right and authority to enter into this Agreement. Each LLC Party has all requisite power to own

or lease the Academy Properties and authority to conduct its business and to enter into and to carry out and consummate the transactions contemplated by this Agreement.

Section 11.3 No Inability to Perform; Valid Execution. The Stephens Institute and each of the LLC Parties represents and warrants that it is not a party to any other agreement that would conflict with its obligations under this Agreement and the Stephens Institute and the LLC Parties have no knowledge of any inability to perform its respective obligations under this Agreement. The execution and delivery of this Agreement and the agreements it contemplates by the Stephens Institute and the LLC Parties have been duly and validly authorized by all necessary action. This Agreement is be a legal, valid and binding obligation of the Academy, enforceable against the Stephens Institute and the LLC Parties in accordance with its terms.

Section 11.4 Conflict of Interest. Through its execution of this Agreement, the Stephens Institute and the LLC Parties acknowledge that each of them is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 *et seq.* and Section 1090 *et seq.* of the California Government Code, and certifies that it does not know of any facts that constitute a violation of such provisions and agrees that it will promptly notify the City if it becomes aware of any such fact during the Term.

Section 11.5 Notification of Limitations on Contributions. By executing this Agreement, the Academy acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of the Academy's board of directors; the Academy's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in the Academy; any sub-contractor listed in the bid or contract; and any committee that is sponsored or controlled by the Academy. The Academy certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

Section 11.6 Other Documents. No document furnished by the Academy including, without limitation, any LLC Party to the City with its application for this Agreement nor this Agreement contains any untrue statement of material fact or omits a material fact necessary to make the statements contained in that document or the application, or in this Agreement, not misleading under the circumstances under which any such statement shall have been made.

Section 11.7 No Bankruptcy. The Academy represents and warrants to the City that the neither Stephens Institute nor any LLC Party has filed nor is the subject of any filing of a petition under the federal bankruptcy law or any federal or state insolvency laws or Laws for composition of indebtedness or for the reorganization of debtors, and no such filing is threatened.

Section 11.8 Due Execution and Delivery. By all necessary action, the Academy has duly authorized and approved the execution and delivery of the Agreement and the performance of its obligations contemplated by this Agreement.

ARTICLE 12 MISCELLANEOUS PROVISIONS

Section 12.1 Entire Agreement. This Agreement, including the Exhibits, and the agreements between the Parties specifically referenced in this Agreement, including referenced provisions of the Settlement Agreement, constitutes the entire agreement between the Parties with respect to the subject matter.

Section 12.2 Incorporation of Exhibits. Except for the Approvals, which are listed solely for the convenience of the Parties, each Exhibit to this Agreement is incorporated in and made a part of this Agreement as if set forth in full. Each reference to an Exhibit in this Agreement shall mean that Exhibit as it may be updated or amended from time to time in accordance with the terms of this Agreement.

Section 12.3 Binding Covenants; Run With the Land. Under Section 65868 of the Development Agreement Statute, from and after recordation of this Agreement in the Official Records, all of the provisions, agreements, rights, powers, standards, terms, covenants, and obligations contained in this Agreement shall be binding upon the Parties and, subject to the provisions of this Agreement, including Article 12, their respective heirs, successors (by merger, consolidation, or otherwise) and assigns and all Persons acquiring the Academy Properties, any lot, parcel or any portion of the Academy Properties, or any interest in the Academy Properties, whether by sale, operation of Law or in any manner whatsoever, and shall inure to the benefit of the Parties and such heirs, successors, assigns and Persons. Subject to the provisions of this Agreement, including Article 12, all provisions of this Agreement shall be enforceable during the Term as equitable servitudes and constitute covenants and benefits running with the land under Law, including California Civil Code Section 1468.

Section 12.4 Applicable Law and Venue. This Agreement has been executed and delivered in and shall be interpreted, construed, and enforced in accordance with the Laws of the State of California. Venue for any proceeding related to this Agreement shall be solely in the courts for the State of California located in the City and County of San Francisco. Each Party consents to the jurisdiction of the State or Federal courts located in the City. Each Party expressly waives any and all rights that it may have to make any objections based on jurisdiction or venue to any suit brought to enforce this Agreement in accordance with the foregoing provisions.

Section 12.5 Construction of Agreement: The Parties have mutually negotiated the terms and conditions of this Agreement, and its terms and provisions have been reviewed and revised by legal counsel for the City, the Stephens Institute, and the LLC Parties. Accordingly, no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the

interpretation or enforcement of this Agreement. Therefore, each Party waives the effect of Section 1654 of the California Civil Code, which interprets uncertainties in a contract against the party that drafted the contract. Language in this Agreement shall be construed as a whole and in accordance with its true meaning. Each reference in this Agreement to this Agreement or any of the Approvals shall be deemed to refer to this Agreement or the Approvals as amended from time to time under the provisions of this Agreement, whether or not the particular reference refers to such possible amendment. In the event of a conflict between the provisions of this Agreement and Chapter 56, the provisions of this Agreement shall govern and control.

Section 12.6 Recordation. Under the Development Agreement Statute and Chapter 56, the Clerk of the Board of Supervisors shall have a copy of this Agreement and any amendment recorded in the Official Records within ten (10) days after the Effective Date or the effective date of such amendment, as applicable, with recording fees (if any) to be borne by the Academy.

Section 12.7 Obligations Not Dischargeable in Bankruptcy. Neither the Stephens Institute's obligations nor any LLC Parties obligation under this Agreement are dischargeable in bankruptcy.

Section 12.8 Survival. Following expiration of the Term, this Agreement shall be deemed terminated and of no further force and effect, except for any provision that, by its express terms, survives the expiration or termination of this Agreement.

Section 12.9 Signature in Counterparts. This Agreement may be executed in duplicate counterpart originals, each of which is deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

Section 12.10 Notices. Whenever any notice or any other communication is required or permitted to be given under any provision of this Agreement (as, for example, where a Party is permitted or required to "notify" the other Party, but not including communications made in any meet and confer or similar oral communication contemplated under this Agreement), such notice or other communication shall be in writing and shall be deemed to have been given on the earliest to occur of (i) the date of the actual delivery, (ii) if mailed, three (3) Business Days after the date mailed by certified or registered mail, return receipt requested, with postage prepaid, (iii) if sent with a reputable air or ground courier service, fees prepaid, the date on which such courier represents such notice will be available for delivery, or (iv) if by electronic mail, on the day of sending such electronic mail if sent before 5:00 p.m. California time on a Business Day (and, otherwise, on the next Business Day), in each case to the respective address(es) (or email address(es)) of the Party to whom such notice is to be given as set forth below, or at such other address(es) (or email address(es)) of which such Party shall have given notice to the other Party as provided in this Section 12.10. To be deemed given under this Agreement, any such notice or other communication sent by electronic mail must also be confirmed within two (2) Business Days by delivering such notice or other communication by one of the other means of delivery set forth in this Section 12.10. Legal counsel for a Party may give notice on behalf of such Party. The Parties intend that the requirements of this Section 12.10 cannot be waived or varied by course of conduct. Any reference in this section to the date of receipt, delivery, giving or effective date, as the case may be, of any notice or communication shall refer to the date such communication is deemed to have been given under the terms of this Section 12.10. Rejection or other refusal to accept or the

inability to deliver because of changed address of which no notice was given under this Section 12.10 shall be deemed to constitute receipt of notice or other communication sent.

To the City:

John Rahaim
Director of Planning
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, California 94102
Email: john.rahaim@sfgov.org

with a copy to:

Dennis J. Herrera
City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Chief Deputy City Attorney, Academy of Art Development
Agreement
Email: ronald.flynn@sfcityatty.org

and to:

Attn: Chief Assistant City Attorney (Academy)
email: jesse.smith@sfcityatty.org

and to:

Attn: Deputy City Attorney, Land Use Team (Academy)
email: kristen.jensen@sfcityatty.org

To the Stephens Institute:

Academy of Art University
79 New Montgomery Street
San Francisco, CA 94105
Attn: Office of the President
Email: Estephens@Academyart.edu

with a copy to:

J. Abrams Law, P.C.
One Maritime Plaza
Suite 1900
San Francisco, CA 94111
Attn: Jim Abrams, Esq.
Email: jabrams@jabramslaw.com

To the LLC Parties:

79 New Montgomery Street
San Francisco, CA 94105
Attn: Dr. Elisa Stephens
Email: Estephens@academyart.edu

with a copy to:

J. Abrams Law, P.C.
One Maritime Plaza
Suite 1900
San Francisco, CA 94111
Attn: Jim Abrams, Esq.
Email: jabrams@jabramslaw.com

Section 12.11 Severability. Except as is otherwise specifically provided for in Section 5.5, if any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect, except to the extent that enforcement of the remaining provisions of this Agreement would be unreasonable or grossly inequitable under all the circumstances or would frustrate the fundamental purpose of this Agreement.

Section 12.12 Non-Liability of City Officials and Others. Notwithstanding anything to the contrary in this Agreement, no individual board member, director, commissioner, officer, employee, official or agent of City or any City Agency shall be personally liable to or its successors and assigns in the event of any Default by the City or for any obligation under this Agreement, including any amount that may become due to the Stephens Institute or the LLC Parties, or their successors and assigns under this Agreement.

Section 12.13 Time. Time is of the essence with respect to each provision of this Agreement in which time is a factor, including, but not limited, all deadlines in the Schedule of Performance and all dates on which payments are due under this Agreement and the Settlement Agreement. References to time shall be to the local time in the City on the applicable day. References in this Agreement to days, months and quarters shall be to calendar days, months and quarters, respectively, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice, meet a deadline or to undertake any other action occurs on a day that is not a Business Day, then the last day for giving the notice, replying to the notice, meeting the deadline or undertake the action shall be the next succeeding Business Day, or if such requirement is to give notice before a certain date, then the last day shall be the next succeeding Business Day. Where a date for performance is referred to as a month without reference to a specific day in such month, or a year without reference to a specific month in such year, then such date shall be deemed to be the last Business Day in such month or year, as applicable.

Section 12.14 Approvals and Consents. As used in this Agreement, the words "approve", "consent" and words of similar import and any variations thereof refer to the prior written consent of the applicable Party or other Person, including the approval of applications by City Agencies.

Whenever any approval or consent is required or permitted to be given by a Party under this Agreement, it shall not be unreasonably withheld, conditioned or delayed unless the approval or consent is explicitly stated in this Agreement to be within the "sole discretion" (or words of similar import) of such Party. The reasons for failing to grant approval or consent, or for giving a conditional approval or consent, shall be stated in reasonable detail in writing. Approval or consent by a Party to or of any act or request by the other Party shall not be deemed to waive or render unnecessary approval or consent to or of any similar or subsequent acts or requests.

Section 12.15 Project Is a Private Undertaking; No Joint Venture or Partnership. The Project, proposed to be undertaken by the Stephens Institute and the LLC Parties, as applicable, is a private development. The City has no interest in, responsibility for, or duty to third persons concerning any of those improvements. The Stephens Institute and the LLC Parties, as applicable, shall exercise full dominion and control over all the Academy Properties, subject only to the limitations and obligations of the Stephens Institute and the LLC Parties contained in this Agreement. Nothing contained in this Agreement, or in any document executed in connection with this Agreement, shall be construed as creating a joint venture or partnership between the City and the Stephens Institute or the LLC Parties. Neither Party is acting as the agent of the other Party in any respect under this Agreement. The Stephens Institute and the LLC Parties are not a state or governmental actor with respect to any activity conducted by the Stephens Institute or the LLC Parties under this Agreement.

Section 12.16 No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Rahaim
Director of Planning

Approved on _____, 2020
Board of Supervisors Ordinance No.

Approved as to form:

DENNIS J. HERRERA, City Attorney

By: _____
Michelle Sexton
Deputy City Attorney

STEPHENS INSTITUTE:

STEPHENS INSTITUTE,
a California corporation

By: _____
Dr. Elisa Stephens
President

[Signatures Continue]

[Signature Page to the Development Agreement]

LLC PARTIES:

2300 STOCKTON STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1916 OCTAVIA STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1153 BUSH STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

2209 VAN NESS AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1835 VAN NESS AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures Continue]

[Signature Page to the Development Agreement]

1080 BUSH STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1069 PINE STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1055 PINE STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

60 FEDERAL STREET, LLC,
a Delaware limited liability company;

By: _____
Dr. Elisa Stephens
Manager

491 POST STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures Continue]

[Signature Page to the Development Agreement]

701 CHESTNUT STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

860 SUTTER STREET, LLC,
a Delaware limited liability company;

By: _____
Dr. Elisa Stephens
Manager

S/F 466 TOWNSD, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

620 RSSE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

2151 VAN NESS AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures Continue]

[Signature Page to the Development Agreement]

2211 VAN NESS AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

825 SUTTER STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

601 BRANNAN STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1727 LOMBARD II, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

2225 JERROLD AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures Continue]

[Signature Page to the Development Agreement]

460 TOWNSEND STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

950 VAN NESS AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

2801 LEAVENWORTH-CANNERY, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

79 NEW MONTGOMERY STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

625 POLK STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures Continue]

[Signature Page to the Development Agreement]

625 SUTTER STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

740 TAYLOR STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1946 VAN NESS AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

1142 VAN NESS AVENUE, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

575 HARRISON, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures Continue]

[Signature Page to the Development Agreement]

1900 JACKSON STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

736 JONES STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

560 POWELL STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

655 SUTTER STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

680/688 SUTTER STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures Continue]

[Signature Page to the Development Agreement]

2550 VNPOOL, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

700 MONTGOMERY STREET, LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

150 HAYES LLC,
a Delaware limited liability company

By: _____
Dr. Elisa Stephens
Manager

[Signatures End]

[Signature Page to the Development Agreement]

Exhibit A

List of the LLC Parties

1. 601 Brannan Street, LLC, a Delaware limited liability company
2. 60 Federal Street, LLC, a Delaware limited liability company
3. 2801 Leavenworth-Cannery, LLC, a Delaware limited liability company
4. 79 New Montgomery Street, LLC, a Delaware limited liability company
5. 625 Polk Street, LLC, a Delaware limited liability company
6. 491 Post Street, LLC, a Delaware limited liability company
7. 625 Sutter Street, LLC, a Delaware limited liability company
8. 740 Taylor Street, LLC, a Delaware limited liability company
9. S/F 466 Townsd, LLC, a Delaware limited liability company
10. 1835 Van Ness Avenue LLC, a Delaware limited liability company
11. 2151 Van Ness Avenue, LLC, a Delaware limited liability company
12. 1946 Van Ness Avenue, LLC, a Delaware limited liability company
13. 1142 Van Ness Avenue, LLC, a Delaware limited liability company
14. 1080 Bush Street, LLC, a Delaware limited liability company
15. 1153 Bush Street, LLC, a Delaware limited liability company
16. 575 Harrison, LLC, a Delaware limited liability company
17. 1900 Jackson Street, LLC, a Delaware limited liability company
18. 736 Jones Street, LLC, a Delaware limited liability company
19. 1727 Lombard II, LLC, a Delaware limited liability company
20. 1916 Octavia Street, LLC, a Delaware limited liability company
21. 560 Powell Street, LLC, a Delaware limited liability company
22. 620 RSSE, LLC, a Delaware limited liability company
23. 655 Sutter Street, LLC, a Delaware limited liability company
24. 680/688 Sutter Street, LLC, a Delaware limited liability company
25. 825 Sutter Street, LLC, a Delaware limited liability company
26. 860 Sutter Street, LLC, a Delaware limited liability company
27. 2209 Van Ness Avenue, LLC, a Delaware limited liability company
28. 2211 Van Ness Avenue, LLC, a Delaware limited liability company
29. 2550 VNPool, LLC, a Delaware limited liability company
30. 2225 Jerrold Avenue, LLC, a Delaware limited liability company
31. 950 Van Ness Avenue, LLC, a Delaware limited liability company
32. 150 Hayes LLC, a Delaware limited liability company
33. 700 Montgomery Street, LLC, a Delaware limited liability company
34. 1069 Pine Street, LLC, a Delaware limited liability company
35. 701 Chestnut Street, LLC, a Delaware limited liability company
36. 2300 Stockton Street, LLC, a Delaware limited liability company
37. 460 Townsend, LLC, a Delaware limited liability company
38. 1055 Pine Street, LLC, a Delaware limited liability company

Exhibit B-1

Legal Descriptions of Academy Properties

601 Brannan St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Commencing at the point of intersection of the Southeasterly line of Brannan Street and the Southwesterly line of 5th Street; running thence Southwesterly and along said line of Brannan Street 275 feet; thence at a right angle Southeasterly 250 feet to the Northwesterly line of Bluxome Street; thence at a right angle Northeasterly along said line of Bluxome Street 275 feet to the Southwesterly line of 5th Street; thence at a right angle Northwesterly along said line of 5th Street 250 feet to the point of commencement.

Being a part of South Beach Block No. 18
Assessor's Lot 132; Block 3785

410 Bush St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Northerly line of Bush Street with the Westerly line of St. George Alley; running thence Westerly and along said line of Bush Street 48 feet; running thence at a right angle Northerly 275 feet to the Southerly line of Pine Street; running thence at a right angle Easterly and along said line of Pine Street 48 feet to the Westerly line of St. George Alley; running thence Southerly and along said line of St. George Alley 275 feet to the Northerly line of Bush Street and the point of beginning.

Being a portion of 50 Vara Block No. 94
Assessor's Lot 007, Block 0270

58-60 Federal St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL I:

Beginning at a point on the Northwesterly line of Federal Street, distant thereon 275 feet Northeasterly from the Northeasterly line of 2nd Street; running thence Northeasterly along said line of Federal Street, if extended Northeasterly 137 feet 6 inches to a point on the Northwesterly line of Federal Street, distant thereon 412 feet 6 inches Southwesterly from the Southwesterly line of 1st Street; thence at a right angle Southeasterly 115 feet; thence at a right angle Southwesterly 117 feet 6 inches; thence at a right angle Northwesterly 115 feet to the Northwesterly line of Federal Street and the point of beginning.

BEING a portion of 100 Vara Block No. 351.

PARCEL II:

Beginning at a point on the Southeasterly line of Federal Street, distant thereon 275 feet Northeasterly from the Northeasterly line of 2nd Street; running thence Southeasterly and parallel with said Northeasterly line of 2nd Street 94 feet; thence running Southwesterly at a right angle 25 feet parallel with the said Southeasterly line of Federal Street to a point 250 feet distant from said Northeasterly line of 2nd Street; thence at a right angle Northwesterly 95 feet to the Southeasterly line of Federal Street; thence at a right angle Northeasterly and along said Southeasterly line of Federal Street to the point of beginning.

Assessor's Lot 074; Block 3774

2801 Leavenworth St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL ONE:

Beginning at the point of intersection of the Westerly line of Leavenworth Street and the Southerly line of Jefferson Street; running thence Westerly along said line of Jefferson Street 209.666 feet; thence deflecting $90^{\circ} 04' 30''$ to the left and running Southerly 141.370 feet; thence Southerly and Southeasterly along a curve to the left tangent to the preceding course which curve has a radius of 301.90 feet; a central angle of $26^{\circ} 16' 49.43''$ and an arc distance of 138.475 feet to a point on the Northerly line of Beach Street; thence deflecting $63^{\circ} 38' 40.57''$ to the left from the tangent of the preceding curve, at last said point and running Easterly along said line of Beach Street 178.100 feet to the Westerly line of Leavenworth Street; thence Northerly along said line of Leavenworth Street 275.00 feet to the point of beginning.

Being a portion of 50 Vara Block No. 259.

Assessor's Lot 001; Block 0010

PARCEL TWO:

The easements, rights and restrictions which benefit the Cannery Owner (as defined in the Declaration [as hereinafter defined]) as contained in Declaration of Covenants, Conditions, Restrictions and Agreements (Parking Lot) recorded January 8, 1973, in Book B716 of Official Records, Page 900, as amended by "Notice of Amendment to Covenants, Conditions, Restrictions and Agreements" dated October 13, 1976, recorded October 18, 1976 in Liber C248, Page 253 of Official Records and Exhibits thereto. (collectively the "Declaration").

77-79 New Montgomery St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Northwesterly line of Mission Street, distant thereon seventy (70) feet Southwesterly from the Southwesterly line of Second Street; running thence Southwesterly and along said line of Mission Street one hundred forty-three (143) feet and ten and one-half (10-1/2) inches to the Northeasterly line of New Montgomery Street; thence Northwesterly and along said line of New Montgomery Street one hundred sixty (160) feet, more or less, to the Southeasterly line of Jessie Street; thence Northeasterly and along said line of Jessie Street one hundred thirty-eight (138) feet, more or less, to a point distant thereon seventy (70) feet Southwesterly from the Southwesterly line of Second Street; thence at a right angle Southeasterly and parallel to the Southwesterly line of Second Street one hundred sixty (160) feet to the point of beginning.

Being a portion of 100 Vara Block No. 354
Assessor's Lot 014; Block 3707

180 New Montgomery St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Parcel 1:

Commencing at the point of the intersection of the Northwesterly line of Howard Street with the Southwesterly line of New Montgomery Street; running thence Northwesterly along the Southwesterly line of New Montgomery Street 160 feet to the Southeasterly line of Natoma Street; thence Southwesterly along the Southeasterly line of Natoma Street 142 feet and 6 inches; thence at a right angle Southeasterly 70 feet; thence at a right angle Northeasterly 15 feet and 4 inches; thence at a right angle Southeasterly 90 feet to the Northwesterly line of Howard Street; thence Northeasterly along the Northwesterly line of Howard Street 127 feet and 2 inches to the point of commencement.

Being a portion of 100 Vara Block No. 355.
Lot 22 Block 3722

Parcel 2:

Commencing at a point on the Southeasterly line of Natoma Street, distant thereon 142 feet 6 inches Southwesterly from the Southwesterly line of New Montgomery Street; thence at a right angle Southeasterly 70 feet to the true point of commencement; thence at a right angle Southwesterly 9 feet 8 inches; thence at a right angle Southeasterly 90 feet to the Northwesterly line of Howard Street; thence Northeasterly along the Northwesterly line of Howard Street 25 feet; thence at a right angle Northwesterly 90 feet; thence at a right angle Southwesterly 15 feet 4 inches to the true point of commencement.

Being a portion of 100 Vara Block No. 355.
Lot 23 Block 3722

625 Polk St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

BEGINNING at the corner formed by the intersection of the Northerly line of Turk Street with the Westerly line of Polk Street; and running thence Northerly along the Westerly line of Polk Street 137 feet, 6 inches; thence at a right angle Westerly 137 feet, 6 inches; thence at a right angle Southerly 137 feet, 6 inches to the Northerly line of Turk Street; and thence at a right angle Easterly along said line of Turk Street 137 feet, 6 inches to the point of beginning.

BEING a part of Western Addition Block No. 63.
BEING Assessors Lot 002; Block 0742

491 Post St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the intersection of the Southerly line of Post Street with the Easterly line of Mason Street; running thence Southerly along the said Easterly line of Mason Street 137 feet, 6 inches; thence at right angles Easterly 110 feet; Thence at right angles Northerly 137 feet, 6 inches to the said Southerly line of Post Street; and Thence Westerly along the said Southerly line of Post Street 110 feet to the said Easterly line of Mason Street and the point of beginning.

Being a portion of 50 Vara Lot No. 970.
Assessor's Lot 009; Block 0307

540 Powell St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Easterly line of Powell Street, distant thereon 87 feet and 6 inches Southerly from the Southerly line of Bush Street; running thence Southerly along said line of Powell Street 50 feet; thence at a right angle Easterly 137 feet and 8 5/8 inches to a point perpendicularly distant 275 feet and 10 inches Westerly from the Westerly line of Stockton Street; thence at a right angle Northerly and parallel with the Easterly line of Powell Street 23 feet; thence at a right angle Westerly 2 5/8 inches to a point perpendicularly distant 137 feet and 6 inches Easterly from the Easterly line of Powell Street; thence at a right angle Northerly and parallel with the Easterly line of Powell Street 27 feet to the Southerly line of Anson Place; thence at a right angle Westerly along said line of Anson Place 137 feet and 6 inches to the point of beginning.

Being a portion of 50 Vara Block No. 141.
Lot 009 Block 0285

625-629 Sutter St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL I:

COMMENCING at a point on the southerly line of Sutter Street, distant thereon 70 feet and 6 inches westerly from the westerly line of Mason Street; running thence westerly along said line of Sutter Street 67 feet; thence at a right angle southerly 127 feet and 6 inches; thence at a right angle easterly 20 feet; thence at a right angle northerly 40 feet; thence at a right angle easterly 47 feet; and thence at a right angle northerly 87 feet and 6 inches to the point of commencement.

PARCEL II:

ALSO, as appurtenant to the westerly 20 feet of said premises, an easement of right of way over the following described parcel of land, to-wit:

COMMENCING at a point on the westerly line of Mason Street, distant thereon 127 feet and 6 inches southerly from the southerly line of Sutter Street; running thence southerly along said line of Mason Street 10 feet; thence at a right angle westerly 137 feet and 6 inches; thence at a right angle northerly 10 feet; thence at a right angle easterly 137 feet and 6 inches to the point of commencement, as granted by Edward B. Hindes and Dorothy V. Hindes, his wife to Herman W. Newbauer, by Deed recorded January 2, 1903, in Book 1983 of Deeds, Page 70, at all times to be used as appurtenant to the land conveyed for the purpose of passing to and from between the rear of said lot and said Mason Street, nothing in the Grant contained to be construed as an agreement that said alley-way shall be dedicated or used by the public.

APN: Lot 014; Block 0297

740 Taylor St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Easterly line of Taylor Street, distant thereon 80 feet Southerly from the Southerly line of Bush Street; running thence Southerly along said Easterly line of Taylor Street 57 feet and 6 inches; thence at a right angle Easterly 62 feet and 6 inches; thence at a right angle Northerly 57 feet and 6 inches; thence at a right angle Westerly 62 feet and 6 inches to the point of beginning.

Being a portion of 50 Vara Block No. 193,
Assessor's Lot 012; Block 0283

466 Townsend St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Commencing at the point of intersection of the Northeasterly line of 6th Street and the Northwesterly line of Townsend Street; running thence Northwesterly along said Northeasterly line of 6th Street 137 feet 6 inches; thence at a right angle Northeasterly 275 feet; thence at a right angle Southeasterly 137 feet 6 inches to the Northwesterly line of Townsend Street; thence at a right angle Southwesterly along said Northwesterly line of Townsend Street 275 feet to the point of beginning.

BEING part of 100-Vara Block No. 386
Being Assessor's Lot 005; Block 3785

1849 Van Ness Ave.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL I:

Commencing at the point of intersection of the Southerly line of Washington Street and the Westerly line of Van Ness Avenue; running thence Southerly along said line of Van Ness Avenue 72 feet; thence at a right angle Westerly 190 feet; thence at a right angle Northerly 72 feet to the Southerly line of Washington Street; thence at a right angle Easterly along said line of Washington Street 190 feet to the point of commencement.

Being a portion of Western Addition Block No. 90.
Assessor's Lot 001; Block 0618

PARCEL II:

Commencing at a point on the Westerly line of Van Ness Avenue, distant thereon 72 feet Southerly from the Southerly line of Washington Street; running thence Westerly parallel with said line of Washington Street 190 feet; thence at right angle Northerly 72 feet to the Southerly line of Washington Street; thence at a right angle Westerly along said line of Washington Street 21 feet 9 inches; thence at a right angle Southerly 127 feet, 8-1/4 inches; thence at a right angle Easterly 102 feet; thence at a right angle Northerly 5 feet, 8-1/4 inches; thence at a right angle Easterly 109 feet, 9 inches to the Westerly line of Van Ness Avenue; thence at a right angle Northerly along said line of Van Ness Avenue 50 feet to the point of commencement.

Being a portion of Western Addition Block No. 90.
Assessor's Lot 001B; Block 0618

2151 Van Ness Ave.

The land referred to herein is situated In the State of California, County of San Francisco, City of San Francisco, and is described as follows:

BEGINNING AT THE CORNER FORMED BY THE INTERSECTION OF THE SOUTHERLY LINE OF BROADWAY WITH THE WESTERLY LINE OF VAN NESS A VENUE, AND RUNNING THENCE WESTERLY ALONG THE SAID LINE OF BROADWAY TWO HUNDRED AND FORTYSEVEN (247) FEET, THREE (3) INCHES MORE OR LESS TO THE NORTHEAST CORNER OF LOT NUMBER 4 OF THE SAME BLOCK, THE SAID NORTHEAST CORNER BEING ONE HUNDRED AND THIRTY-SEVEN (137) FEET SIX (6) INCHES EASTERLY FROM THE SOUTHEAST CORNER OF FRANKLIN STREET AND BROADWAY; THENCE AT A RIGHT ANGLE SOUTHERLY ALONG SAID EASTERLY SIDE OF SAID LOT NUMBER "4" ONE HUNDRED AND THIRTY-THREE (133) FEET, TWO AND ONE-FOURTH (2-1/4) INCHES MORE OR LESS TO A POINT MID-WAY BETWEEN THE SOUTHERLY LINE OF BROADWAY AND THE NORTHERLY LINE OF PACIFIC AVENUE; THENCE EASTERLY TWO HUNDRED AND FORTY-SEVEN (247) FEET, THREE (3) INCHES MORE OR LESS TO THE WESTERLY LINE OF VAN NESS A VENUE, AND INTERSECTING SAID LINE OF VAN NESS AVENUE ONE HUNDRED AND THIRTY-THREE (133) FEET TWO AND ONE-FOURTH (2-1/4) INCHES SOUTHERLY FROM THE SOUTHERLY LINE OF BROADWAY; THENCE NORTHERLY ALONG SAID WESTERLY LINE OF VAN NESS AVENUE ONE HUNDRED AND THIRTY-THREE (133) FEET TWO AND ONE-FOURTH (2-1/4) INCHES TO THE SOUTHERLY LINE OF BROADWAY AND THE POINT OF BEGINNING, BEING LOTS NUMBER FIVE (5) AND SIX (6) IN WESTERN ADDITION BLOCK NUMBER 93 AS LAID DOWN AND DESIGNATED ON THE OFFICIAL MAP OF THE CITY AND COUNTY OF SAN FRANCISCO. EXCEPTING THEREFROM, ALL THOSE PORTIONS OF SAID LAND CONVEYED TO THE ROMAN CATHOLIC WELFARE CORPORATION OF SAN FRANCISCO, A CALIFORNIA CORPORATION, BY DEED DATED FEBRUARY 25, 1953 AND RECORDED ON FEBRUARY 27, 1953 IN BOOK 6103 AT PAGE 365, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.

APN: Lot 015, Block 0575

1946 Van Ness Ave.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Commencing at the point of intersection of the Southerly line of Jackson Street and the Easterly line of Van Ness Avenue; running thence Southerly and along said line of Van Ness Avenue 65 feet; thence at a right angle Easterly 111 feet 6 inches; thence at a right angle Northerly 65 feet to the Southerly line of Jackson Street; thence at a right angle Westerly along said line of Jackson Street 111 feet 6 inches to the point of commencement.

Being part of Western Addition Block No. 51

B-1-7

Assessor's Lot 010A; Block 0598

1142 Van Ness Ave.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Southerly line of Post Street and the Easterly line of Van Ness Avenue; running thence Easterly along said line of Post Street 109 feet; thence at a right angle Southerly 120 feet to the Northerly line of Cedar Street; thence at a right angle Westerly along said line of Cedar Street 109 feet to the Easterly line of Van Ness Avenue; thence at a right angle Northerly along said line of Van Ness Avenue 120 feet to the point of beginning.

Being a portion of Western Addition Block No. 59.
Assessor's Lot 011; Block 0694

1080 Bush St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Commencing at a point on the northerly line of Bush Street, distant thereon 68 feet, 9 inches Easterly from the Easterly line of Leavenworth Street; running thence Easterly and along said line of Bush Street 45 feet, 10 inches; thence at a right angle Northerly 137 feet, 6 inches; thence at a right angle Westerly 45 feet, 10 inches; thence at a right angle Southerly 82 feet, 6 inches; thence at a right angle Easterly 1-1/2 inches; thence at a right angle Southerly 45 feet; thence at a right angle Westerly 1-1/2 inches; thence at a right angle Southerly 10 feet to the point of commencement.

Being part of 50 Vara Lot No. 1139, in Block No. 249.
Assessor's Lot 15; Block 0276

1153 Bush St.

The land referred to herein is situated in the State of California, City and County of San Francisco and is described as follows:

BEGINNING at a point on the southerly line of Bush Street, distant thereon 177 feet and 6 inches easterly from the easterly line of Hyde Street; running thence easterly and along said line of Bush Street 42 feet and 6 inches; thence at a right angle southerly 137 feet and 6 inches; thence at a right angle westerly 42 feet and 6 inches; thence at a right angle northerly 137 feet and 6 inches to the point of beginning.

BEING part of 50 Vara Block No. 279.
Assessor's Lot 26; Block 280

575 Harrison St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

All that certain real property, as shown on that certain Map entitled, "Parcel Map of 575 Harrison Street, a 33 Unit Live/Work Condominium Project," which Map was filed for record in the Office of the Recorder of the City and County of San Francisco, State of California on November 16, 2005 in Book 92 of Condominium Maps at Pages 107 to 108.

APN: Lots 198 thru 230 (formerly Lot 069); Block 3764

1900 Jackson St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Northerly line of Jackson Street with the Westerly line of Gough Street; running thence Westerly along said line of Jackson Street 34.50 feet; thence at a right angle Northerly 77.687 feet; thence at a right angle Easterly 34.50 feet to the Westerly line of Gough Street; thence at a right angle Southerly along said line of Gough Street 77.687 feet to the point of beginning.

Being a portion of Western Addition Block No. 163
Assessor's Lot 004A; Block 0592

736 Jones St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Easterly line of Jones Street, distant thereon 100 feet Southerly from the Southerly line of Sutter Street; running thence Southerly along said Easterly line of Jones Street 37 feet and 6 inches; thence at a right angle Easterly 107 feet and 6 inches; thence at a right angle Northerly 37 feet and 6 inches; and thence at a right angle Westerly 107 feet and 6 inches to the point of beginning.

Being a portion of 50 Vara Block No. 222.
APN: Lot 027; Block 0298

1727 Lombard St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL ONE:

Commencing at a point on the Northerly line of Greenwich Street, distant thereon 156 feet, 3 inches Easterly from the Easterly line of Laguna Street; running thence Easterly and along said line of Greenwich Street, 50 feet; thence at a right angle Northerly 137 feet, 6 inches; thence at a right angle Westerly 50 feet; thence at a right angle Southerly 137 feet, 6 inches to the point of commencement.

Being part of Western Addition, Block No. 187.

PARCEL TWO:

Commencing at a point on the Southerly line of Lombard Street, distant thereon 131 feet and 3 inches Easterly from the Easterly line of Laguna Street; running thence Easterly along said line of Lombard Street, 50 feet; thence at a right angle Southerly 106 feet and 3 inches; thence at a right angle Westerly 50 feet; thence at a right angle Northerly 106 feet and 3 inches to the point of commencement.

Being part of Western Addition, Block No. 187.

PARCEL THREE:

Commencing at point on the Southerly line of Lombard Street (as widened) distant thereon 181 feet 3 inches Easterly from the Easterly line of Laguna Street; running Easterly and along said line of Lombard Street, 25 feet; thence at a right angle Southerly 106 feet, 3 inches; thence at a right angle Westerly 25 feet; thence at a right angle Northerly 106 feet, 3 inches to the point of commencement.

Being part of Western Addition, Block No. 187.

PARCEL FOUR:

Beginning at a point on the Southerly line of Lombard Street (as widened) distant thereon 206 feet and 3 inches Easterly from the Easterly line of Laguna Street; running thence Easterly and along said line of Lombard Street, 25 feet; thence at a right angle Southerly 106 feet and 3 inches; thence at a right angle Westerly, 25 feet; thence at a right angle Northerly 106 feet and 3 inches to the point of beginning.

Being part of Western Addition, Block No. 187.

PARCEL FIVE:

Beginning at a point on the Southerly line of Lombard Street, as widened, distant thereon 106 feet, 3 inches Westerly from the Westerly line of Octavia Street; running thence Westerly and along said line of Lombard Street, 75 feet; thence at a right angle Southerly 106 feet, 3 inches; thence at a right angle Easterly 75 feet; thence at a right angle Northerly 106 feet, 3 inches to the point of beginning.

Being a portion of Western Addition, Block No. 187.

APN: Lot 036, Block 0506

1916 Octavia St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Easterly line of Octavia Street, distant thereon 137 feet 6 inches Northerly from the Northerly line of California Street; running thence Northerly and along said line of Octavia Street 75 feet; thence at a right angle Easterly 130 feet; thence at a right angle Southerly 75 feet; thence at a right angle Westerly 130 feet to the point of beginning.

APN: Lot: 011; Block: 0640

560 Powell St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Southerly line of Bush Street and the Easterly line of Powell Street; running thence Easterly along said line of Bush Street 45 feet; thence at a right angle Southerly 67 feet 6 inches; thence at a right angle Westerly 45 feet to the Easterly line of Powell Street; thence Northerly along said line of Powell Street 67 feet, 6 inches to the point of beginning.

Being a part of Vara Block No. 141.
Assessor's Lot 010; Block 0285

620 Sutter St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Northerly line of Sutter Street, distant thereon 45 feet Westerly from the point formed by the intersection of the said Northerly line of Sutter Street with the Westerly line of Mason Street; running thence Westerly along said Northerly line of Sutter Street 92 feet and 6 inches; thence at a right angle Northerly 137 feet and 6 inches; thence at a right angle Easterly 50 feet; thence at a right angle Southerly 1 foot 2 inches; thence at a right angle Easterly 42 feet and 6 inches; thence at a right angle Southerly 136 feet 4 inches to said Northerly line of Sutter Street at the point of beginning.

Being a portion of Vara Lot No. 591, as the same is laid down and numbered on the Official Map of the City and County of San Francisco, State of California.
Assessor's Lot 004A; Block 0283

655 Sutter St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL I:

Beginning at a point on the Southerly line of Sutter Street, distant thereon 187 feet, 6 inches Westerly from the Westerly line of Mason Street; running thence Westerly along said line of Sutter street 60 feet, 6 inches; thence at a right angle Southerly 137 feet, 6 inches; thence at a right angle Easterly 60 feet, 6 inches; thence at a right angle Northerly 137 feet, 6 inches to the point of beginning.

Being a portion of 50 Vara Block No. 194.

PARCEL II:

A Non-Exclusive Easement of right of way in, to and over the following described alleyway: Beginning at a point on the Westerly Line of Mason Street, distant thereon 127 feet and 6 inches Southerly from the Southerly line of Sutter Street; running thence Southerly along said line of Mason Street 10 feet; thence at a right angle Westerly 187 feet and 6 inches; thence at a right angle Northerly 10 feet; thence at a right angle Easterly 187 feet and 6 inches to the point of beginning.

Said Easement is as set forth in that certain Decree Establishing Title filed January 19th, 1911 in San Francisco County Superior Court Case No. 22542 (McInerney Series) and Recorded January 19th, 1911 in the office of the Recorder of the City and County of San Francisco, State of California Book 499 of Deeds, Page 1.

Assessor's Lot 012; Block 0297

680-688 Sutter St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL I:

Beginning at a point on the Northerly line of Sutter Street, distant thereon 41 feet, 9 1/2 inches Easterly line of Taylor Street, running thence Easterly along said line of Sutter Street 44 feet, 7 3/4 inches; thence Northerly to a point perpendicularly distant 41 feet, 1 inch Northerly from the Northerly line of Sutter Street and also perpendicularly distant 86 feet, 4 5/8 inches Easterly from the Easterly line of Taylor Street; thence Northerly to a point perpendicularly distant 65 feet, 7 inches Northerly from the Northerly line of Sutter Street and also perpendicularly distant 86 feet, 8 3/4 inches Easterly from the Easterly line of Taylor Street; thence Northerly to the Southerly line of a 10 foot alley at a point distant thereon 86 feet 10 1/4 inches Easterly from the Easterly line of Taylor Street; thence Westerly along said Southerly line of said Alley 45 feet, 0 1/4 of an inch to a point distant thereon 41 feet, 10 inches Easterly from the Easterly line of Taylor Street; thence Southerly 27 feet, more or less, to a point perpendicularly distant 54 feet, 8 inches Northerly from the Northerly line of Sutter Street, and also perpendicularly distant 41 feet, 9 7/8 inches Easterly from the Easterly line of Taylor Street; thence Southerly to a point perpendicularly distant 35 feet Northerly from the Northerly line of Sutter Street and also perpendicularly distant 41 feet, 9 inches Easterly from the Easterly line of Taylor Street; thence Southerly 35 feet, more or less, to the point of beginning.

Being a part of 50 Vara Block No. 193.

PARCEL 2:

An Easement of Right of Way for ingress and egress over all Alleyway hereinabove referred to and described as follows:

Beginning at a point on the Easterly line of Taylor Street, distant thereon 81 feet, 8 inches Northerly from the Northerly line of Sutter Street; running thence Northerly along said line of Taylor Street 10 feet; thence at a right angle Easterly 87 feet, 6 inches; thence at a right angle Southerly 10 feet; thence at a right angle Westerly 87 feet, 6 inches to the point of beginning.

Assessor's Lot 007; Block 0283

817-831 Sutter St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the southerly line of Sutter Street, distant thereon 57 feet 6 inches westerly from the westerly line of Jones Street, running thence westerly along said line of Sutter Street 80 feet; thence at a right angle southerly 110 feet; thence at a right angle easterly 55 feet; thence at a right angle northerly 9 feet and 6 inches; thence at a right angle easterly 25 feet; thence at a right angle northerly 100 feet 6 inches; to the point of beginning.

Being part of 50 Vara Lot No. 1087.
Assessor's Lot 021; Block 0299

860 Sutter St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Northerly line of Sutter Street, distant thereon 137 feet and 6 inches Easterly from the Easterly line of Leavenworth Street; running thence Easterly along said line of Sutter Street 46 feet and 17 1/2 inches; thence at a right angle Northerly 137 feet and 6 inches; thence at a right angle Westerly 46 feet and 7 1/2 inches; thence at a right angle Northerly 137 feet and 6 inches to the point of beginning.

Being a portion of 50 Vara Block No. 250.
Assessor's Lot 006; Block 0281

2209 Van Ness Ave.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL I:

Beginning at a point on the Westerly line of Van Ness Avenue, distant thereon 90 feet and 6 inches Northerly from the Northerly line of Broadway; running thence Northerly and along said

Westerly line of Van Ness Avenue 47 feet; thence at a right angle Westerly 135 feet and 3 inches; thence at a right angle Southerly 47 feet; thence at a right angle Easterly 135 feet and 3 inches to the point of beginning.

Being a portion of Western Addition Block No. 94

PARCEL II:

Beginning at a point perpendicularly distant Westerly 123 feet from the Westerly line of Van Ness Avenue and perpendicularly distant Southerly 136 feet and 6 inches from the Southerly line of Vallejo Street; running thence Southerly and parallel with the Westerly line of Van Ness Avenue 1 foot; thence at a right angle Westerly 12 feet and 3 inches; thence at a right angle Northerly 1 foot; thence at a right angle Easterly 12 feet and 3 inches to the point of beginning.

Being part of Western Addition Block No. 94

Assessor's Lot 029; Block 0570

BEING PART OF LOT NO 29, BLOCK NO. 570.

2211 Van Ness Ave.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Westerly line of Van Ness Avenue, distant thereon 107 feet, 6 inches Southerly from the Southerly line of Vallejo Street; running thence Southerly along said line of Van Ness Avenue 30 feet; thence at a right angle Westerly 123 feet; thence at a right angle Northerly 30 feet; and thence at a right angle Easterly 123 feet to the point of beginning.

Being a portion of Western Addition, Block No. 94

Assessor's Lot 005; Block 0570

2550 Van Ness Ave.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL 1:

Beginning at the point of intersection of the Easterly line of Van Ness Avenue with the Southerly line of Filbert Street; and running thence Easterly along said Southerly line of Filbert Street 223 feet 3 inches; thence at a right angle Southerly 137 feet 6 inches; thence at a right angle Westerly 223 feet 3 inches to the said Easterly line of Van Ness Avenue; thence Northerly along last named line 137 feet 6 inches to the point of beginning.

Being a portion of Western addition Block No. 45.

PARCEL 2:

An easement for driveway purposes over and along the following described parcel of land: Beginning at a point on the Southerly line of Filbert Street, distant thereon 223 feet 3 inches Easterly from the Easterly line of Van Ness Avenue; running thence Easterly along said line of Filbert Street 20 feet; thence at a right angle Southerly 137 feet 6 inches; thence at a right

angle Westerly 20 feet; and thence at right angle Northerly 137 feet 6 inches to the point of beginning.

The aforesaid easement is not to include any portion of the existing building now situated on said easement.

Assessor's Lot 021; Block 0526

2225 Jerrold Ave.

The land referred to hereinbelow is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL ONE: BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF UPTON STREET WITH THE SOUTHWESTERLY LINE OF JERROLD AVENUE; RUNNING THENCE NORTHWESTERLY ALONG SAID LINE OF JERROLD AVENUE 167.257 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 360 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 167.257 FEET, MORE OR LESS, TO THE NORTHWESTERLY LINE OF UPTON STREET; THENCE AT A RIGHT ANGLE NORTHEASTERLY ALONG SAID LINE OF UPTON STREET 360 FEET TO THE POINT OF BEGINNING.

PARCEL TWO:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF UPTON STREET WITH THE SOUTHWESTERLY LINE OF JERROLD AVENUE; RUNNING THENCE NORTHWESTERLY ALONG SAID LINE OF JERROLD AVENUE 167.257 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 360 FEET TO THE TRUE POINT OF COMMENCEMENT, SAID TRUE POINT OF COMMENCEMENT BEING THE MOST WESTERLY CORNER OF THE PARCEL OF LAND DESCRIBED IN THE DEED TO CALIFORNIA BODY & TRAILER MFRS., RECORDED SEPTEMBER 26, 1966 (B84 OR 812); THENCE CONTINUING SOUTHWESTERLY ALONG SAID LINE RUNNING AT A RIGHT ANGLE TO JERROLD AVENUE 160 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 0.667 FEET; THENCE AT A RIGHT ANGLE SOUTHWESTERLY 122.788 FEET; THENCE SOUTHERLY ALONG A CURVE TO THE LEFT TANGENT TO THE PRECEDING COURSE, WITH A RADIUS OF 279.439 FEET AND A CENTRAL ANGLE OF 24 48' 01" A DISTANCE OF 120.954 FEET TO A POINT ON THE NORTHEASTERLY LINE OF MCKINNON AVENUE, DISTANT THEREON 140.818 FEET NORTHWESTERLY FROM THE NORTHWESTERLY LINE OF UPTON STREET; THENCE SOUTHEASTERLY ALONG SAID LINE OF MCKINNON AVENUE 140.818 FEET TO THE NORTHWESTERLY LINE OF UPTON STREET; THENCE AT A RIGHT ANGLE NORTHEASTERLY ALONG SAID LINE OF UPTON STREET 400 FEET TO THE INTERSECTION THEREOF WITH THE SOUTHWESTERLY LINE OF THE ABOVE REFERRED TO PARCEL; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE 167.257 FEET TO THE TRUE POINT OF COMMENCEMENT.

950 Van Ness Ave.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL A:

Beginning at a point on the Southerly line of O'Farrell Street, distant thereon 109 feet Easterly from the Easterly line of Van Ness Avenue; and running thence Easterly along said line of O'Farrell Street 30 feet; thence at a right angle Southerly 120 feet; thence at a right angle Westerly 30 feet; and thence at a right angle Northerly 120 feet to the point of beginning. Being a portion of Western Addition Block No. 61.

PARCEL B:

Beginning at a point of intersection of the Southerly line of O'Farrell Street with the Easterly line of Van Ness Avenue; running thence Southerly along said line of Van Ness Avenue 60 feet; thence at a right angle Easterly 109 feet; thence at a right angle Northerly 60 feet to the Southerly line of O'Farrell Street; and thence at a right angle Westerly along said line of O'Farrell Street 109 feet to the point of beginning. Being a portion of Western Addition Block No. 61.

PARCEL C:

Beginning at a point on the Easterly line of Van Ness Avenue, distant thereon 60 feet Southerly from the Southerly line of O'Farrell Street; running thence Southerly along said line of Van Ness Avenue 60 feet to the Northerly line of Olive Street; thence at a right angle Easterly along said line of Olive Street 109 feet; thence at a right angle Northerly 60 feet; and thence at a right angle Westerly 109 feet to the point of beginning.

Being a portion of Western Addition Block No. 61.
APN: 0718-017 (Parcel A), 0718-021 (Parcels B and C)

Exhibit B-2

Legal Descriptions of Non-Academy Properties

700 Montgomery St.

The land referred to in this Report is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Parcel A, as said Parcel is shown on Parcel Map 1366 which Map filed October 23, 2006 in Book 47, Page 13,
of Parcel Maps, San Francisco County Records.
Being a part of 50 Vara Block No. 50
A portion of Assessor's Lot 028; Block 0196

1069 Pine St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Southerly line of Pine Street, distant thereon 87 feet and 6 inches Easterly from the Southeasterly corner of Pine and Jones Streets; and running thence Easterly along the Southerly line of Pine Street 50 feet; thence at a right angle Southerly 137 feet and 6 inches; thence at a right angle Westerly 137 feet and 6 inches; thence at a right angle Northerly 10 feet; thence at a right angle Easterly 87 feet and 6 inches; thence at a right angle Northerly 127 and 6 inches to the point of beginning.
Being a part of 50 Vara Block No. 1072
Assessor's Lot 8; Block 275

2295 Taylor St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Southerly line of Chestnut Street and Westerly line of Taylor Street; and running thence Westerly along said line of Chestnut Street 72 feet; thence at a right angle Southerly 145 feet; thence at a right angle Easterly 72 feet to the Westerly line of Taylor Street 145 feet to the point of beginning.
Being a part of 50 Vara Block No. 206
Assessor's Lot 1; Block 66

2340 Stockton St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Commencing at a point formed by the intersection of the easterly line of Stockton Street with the northerly line of North Point Street; running thence northerly along said easterly line of Stockton Street 275 feet to the southerly line of Beach Street; thence easterly along said southerly line of Beach Street 137 feet, 6 inches; thence at a right angle southerly and parallel with the easterly line of Stockton Street 275 feet to the northerly line of North Point Street 137 feet, 6 inches to the said easterly line of Stockton Street and the point of commencement.

Being a part of fifty Vara Block No. 99

Assessor's Lot 4; Block 18

460 Townsend St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Northwesterly line of Townsend Street distant thereon 275 feet Northeasterly from the Northeasterly line of 6th Street; running thence Northeasterly along said line of Townsend Street 84 feet; thence at a right angle Northwesterly 250 feet to the Southeasterly line of Bluxome Street; thence Southwesterly along said line of Bluxome Street 84 feet; thence at a right angle Southeasterly 250 feet to the point of beginning.

Being part of 100 Vara Block No. 386

EXCEPTING THEREFROM:

Commencing on the Northwesterly line of Townsend Street distant thereon 275 feet Northeasterly from the Northeasterly line of 6th Street; thence at a right angle Northwesterly to said Northwesterly line of Townsend Street 125 feet to a point, said point being the true point of beginning; running thence at a right angle Northwesterly 125 feet to the Southeasterly line of Bluxome Street; thence at a right angle Southwesterly along said line of Bluxome Street 84 feet; thence at a right angle Southeasterly 125 feet to the point of beginning.

Being part of 100 Vara Block No. 386

Assessor's Lot 023; Block 3785

150 Hayes St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL ONE:

Beginning at a point on the Northerly line of Hayes Street, distant thereon 110 feet Westerly from the Westerly line of Polk Street; running thence Westerly along said line of Hayes Street 25 feet; thence at a right angle Northerly 120 feet to the Southerly line of Ivy Avenue; thence Easterly along said Southerly line of Ivy Avenue 25 feet; and thence at a right angle Southerly 120 feet to the point of beginning.

Being portion of Western Addition Block No. 68.

PARCEL TWO:

Beginning at a point on the Northerly line of Hayes Street, distant thereon 135 feet Westerly from the Westerly line of Polk Street; running thence Westerly and along said Northerly line of Hayes Street 85 feet; thence at a right angle Northerly 120 feet to the Southerly line of Ivy

Street (formerly Ivy Avenue); thence at a right angle Easterly and along said Southerly line of Ivy Street 85 feet; and thence at a right angle Southerly 120 feet to the Northerly line of Hayes Street and the point of beginning.

Being portion of Western Addition Block No. 68.

PARCEL THREE:

Beginning at a point on the Northerly line of Hayes Street, distant thereon 109 feet Easterly from the point of intersection of the Easterly line of Van Ness Avenue with the said line of Hayes Street; running thence Easterly along said line of Hayes Street 55 feet; thence at a right angle Northerly 120 feet to the Southerly line of Ivy Street; thence at a right angle Westerly along said Southerly line of Ivy Street 55 feet; and thence at a right angle Southerly 120 feet to the Northerly line of Hayes Street and the point of beginning.

Being a portion of Western Addition Block No. 68.

Assessor's Lot 022; Block 0811

1055 Pine St.

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Parcel One: Beginning at a point on the Northwesterly line of Pine Street distant thereon 137 feet and 6 inches easterly from the Easterly line of Jones Street; running thence Easterly along said line of Pine Street 94 feet and 6 inches; thence at a right angle Southerly 137 feet and 6 inches; thence at a right angle Westerly 94 feet and 6 inches; thence at a right angle Northerly 137 feet and 6 inches to the point of beginning.

Being portion of 50 Vara Block No. 220

PARCEL TWO:

Together with and as an appurtenance thereto the right to construct and maintain a brick or pipe sewer through the following described property. Beginning at a point on the Northerly line of Bush Street, distant thereon 210 feet Westerly from the Westerly line of Taylor Street; running thence Northerly and parallel with said line of Taylor Street 110 feet; thence at a right angle Easterly 17 feet and 6 inches; thence at a right angle Northerly 27 feet and 6 inches; thence at a right angle Westerly 27 feet and 6 inches; thence at a right angle Southerly 137 feet and 6 inches to the Northerly line of Bush Street; thence Easterly along said line of Bush Street 10 feet to the point of beginning.

Exhibit C

Mitigation Monitoring and Reporting Program

[Attached]

EXHIBIT 2: MITIGATION MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM			
	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility

MITIGATION MEASURES AGREED TO BY PROJECT SPONSOR

CULTURAL AND PALEONTOLOGICAL RESOURCES

<p>Mitigation Measure M-CP-2.1 – Project-Specific Preliminary Archaeological Assessment. [Applies to growth in the 12 study areas: Impacts C-4.1 and CP-4.3] This archeological mitigation measure shall apply to any project involving any soils-disturbing or soils-improving activities including excavation, utilities installation, grading, soils remediation, compaction/chemical grouting to a depth of two feet below ground surface (bgs) or greater within the following study areas: SA-2, Lombard Street/Van Ness Avenue, SA-5, Mid Market Street; SA-6, Fourth Street/Howard Street; SA-7, Rincon Hill East; SA-8, Third Street/Bryant Street; SA-9, Second Street/Brannan Street; and SA-12, Ninth Street/Folsom Street; to a depth of four feet bgs or greater and located within properties within the remaining study areas (SA-1, Lombard Street/Divisadero Street; SA-3, Mid Van Ness Avenue; SA-4, Sutter Street/Mason Street; SA-10, Fifth Street/Brannan Street; and SA-11, Sixth Street/Folsom Street); or to the thresholds identified in the Area Plan EIR Archeological Mitigation Zones outlined in Table 4.5-2, Area Plan EIR Archeological Resources Mitigation Measures, p.4.5-59, for projects covered by those Zones.</p>	<p>Project sponsor; Planning Department archeologist or qualified archeological consultant; Environmental Review Officer (ERO)</p>	<p>Prior to any soil disturbing activities</p>	<p>Project-specific Preliminary Archeological Assessment</p>	<p>Project sponsor, archaeologist and Environmental Review Officer (ERO)</p>	<p>The project archeologist to consult with the ERO as indicated. Considered complete after review and approval of the Final Archeological Resources Report by the ERO.</p>
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Projects to which this mitigation measure applies shall be subject to Preliminary Archeology Review (PAR) by the San Francisco Planning Department archeologist, or a Preliminary Archeological Sensitivity Study (PASS) may be required in consultation with the San Francisco Planning Department archeologist. The PASS shall be prepared by an archeological consultant from the pool of qualified archeological consultants maintained by the Planning Department archeologist. The PASS shall contain the following:

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/ Reporting Responsibility	Monitoring Schedule
<ul style="list-style-type: none"> ■ Determine the historical uses of the project site based on any previous archeological documentation and Sanborn maps. ■ Determine types of archeological resources/properties that may have been located at the project site and whether the archeological resources/property types would potentially be eligible for listing on the California Register. ■ Determine if 19th- or 20th-century soils-disturbing activities may have adversely affected the identified potential archeological resources. ■ Assess potential project effects in relation to the depth of any identified potential archeological resource. ■ Provide a conclusion that assesses whether any California Register-eligible archeological resources could be adversely affected by the Proposed Project and recommends appropriate further action. 					

Based on the PAR or PASS, the Environmental Review Officer (ERO) shall determine if an Archeological Research Design Treatment Plan (ARDTP) shall be required to more definitively identify the potential for California Register-eligible archeological resources to be present at the project site and determine the appropriate action necessary to reduce the potential effect of the project on archeological resources to a less-than-significant level. The scope of the ARDTP shall be determined in consultation with the ERO and consistent with the standards for archeological documentation established by the Office of Historic Preservation (OHP) for purposes of compliance with CEQA (OHP Preservation Planning Bulletin No. 5). If the PAR or PASS adequately identifies the potential for California Register-eligible archeological resources to be present at the project site, the ERO shall determine the appropriate action necessary to reduce the potential effect of

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>the project on archeological resources to a less-than-significant level. Actions may include an archeological testing program, archeological monitoring program, archeological data recovery program, accidental discovery measures/worker training, final reporting, curation, consultation with descendant communities, and interpretation undertaken in consultation with the Planning Department archeologist by an archeological consultant from the pool of qualified archeological consultants maintained by the Planning Department archeologist.</p> <p><i>TRANSPORTATION AND CIRCULATION</i></p> <p>Mitigation Measure. M-TR-3.1 - Shuttle Demand, Service Monitoring, and Capacity Utilization Performance Standard. [Applies to growth in the 12 study areas and at the six project sites: Impacts TR-3.1, TR-3.2, TR-3.3, and C-TR-3] AAU shall develop, implement, and provide to the City a shuttle management plan to address meeting the peak hour shuttle demand needs of its growth. The shuttle management plan shall address the monitoring, analysis, and potential correction such that unmet shuttle demand would not impact the City's transit and transportation system. Analysis of shuttle bus demand and capacity utilization shall occur at least on an annual basis, or as needed to address shuttle demand. Specifically, analysis and adjustments shall be made on any AAU shuttle routes to reduce shuttle peak hour capacity utilization when the performance standard of 100 percent capacity utilization is regularly observed to be exceeded on any of the AAU shuttle routes.¹ Additionally, the shuttle management plan shall address how shuttle demand at the six project sites will be provided. As additional project sites are added the shuttle management plan would be adjusted to reflect up-to-date shuttle routes, stops and services, as well as a capacity</p>	Project sponsor	Submitted Annually	Development, submittal, and approval of shuttle management plan	ERO or designee; MTA	Annually
			Update shuttle management plan, as needed, to address capacity utilization performance standard and as additional project sites are added or prior		

¹ The 100 percent performance standard was derived from the local and regional transit operational performance standards. Since AAU's vehicles and operations vary from transit service (e.g., not all shuttle buses allow for standing passengers), AAU may propose alternate performance standards that could equivalently meet this goal while addressing the specific design of their fleet.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>utilization analysis, as needed to, indicate that the proposed demand for shuttle services could be met and avoid potential mode shifts to other travel modes. AAU shall report annually to the City on capacity utilization and alter its schedules and/or capacity, as necessary to avoid regular exceedances of the capacity utilization standard.</p>			<p>to issuance of a building permit.</p>		
<p>Mitigation Measure C-M-TR-2.1a - AAU Fair Share Contribution to Cumulative Transit Impact. [Applies to growth in the 12 study areas and at the six project sites: Impacts C-TR-2.1a, C-TR-2.2a, and C-TR-2.3a] AAU shall be required to make a fair share contribution to mitigate the cumulative transit demand impact related to AAU growth in transit ridership on the Kearny/Stockton corridor of the Northeast screenline and on the Geary corridor of the Northwest screenline to SFMTA.</p>	Project sponsor	Prior to issuance of a building permit	Payment of fair-share transit fee to SFMTA	Project Sponsor, ERO, and SFMTA	Ongoing
<p>AAU's fair share contribution shall be made in addition to the applicable Transportation Sustainability Fee (TSF) for Non-Residential, except Hospitals and Health Services, 800-99,999 GSF and Non-Residential, except Hospitals and Health Services, all GSF above 99,999 GSF and for Residential or any successor fee that supersedes this fee.</p>					
<p>AAU's fair share contribution fee will be calculated by determining the discount for existing uses that would otherwise be permitted by Section 411A.4, or any successor fee ordinance. Rather than discount such amounts, the amount of such discount will be paid as a fair share contribution fee ("Fair Share Fee"). The Fair Share Fee will be calculated based on the total square footage of use in the EIR for each project site and for the proposed square footage of use when a project in one of the study areas is proposed. Payment of the Fair Share Fee is due prior to the issuance of a building permit for the project or portion of the project. The City shall account for the expenditure of funds to support additional transit in the affected corridors. The payment</p>					

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
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of the Fair Share Fee shall satisfy the AAU's fair share contribution obligations for all projects where the mitigation measure applies.

AAU may apply to the ERO to reduce, adjust, or modify this fee prior to a project approval based on substantial evidence supporting the absence of any reasonable relationship between the impact of the AAU use on cumulative transit demand and the amount of fee charged.

NOISE

Mitigation Measure M-NO-2.1a – Interior Noise Levels for Residential Uses. [Applies to growth in the 12 study areas: Impacts NO-2.1a, NO-2.3, and C-NO-1] For new development including conversion of non-noise-sensitive to noise-sensitive uses located along streets with noise levels above 60 dBA (L_{dn}), where such development is not already subject to the California Noise Insulation Standards in California Code of Regulations Title 24, the project sponsor of future individual developments within the study areas shall conduct a detailed analysis of noise reduction requirements. Such analysis shall be conducted by person(s) qualified in acoustical analysis and/or engineering. Noise-insulation features identified and recommended by the analysis shall be included in the design, as specified in the *San Francisco General Plan Land Use Compatibility Guidelines for Community Noise* to reduce potential interior noise levels to the maximum extent feasible. Additional noise attenuation features may need to be incorporated into the building design where noise levels exceed 70 dBA (L_{dn}) to ensure that acceptable interior noise levels can be achieved.

Project sponsor; qualified acoustical consultant

During project design

Detailed analysis of noise reduction requirements

Planning Department; Department of Building Inspection

Considered complete upon approval of building permit plans

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MONITORING AND REPORTING PROGRAM					
Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
Mitigation Measure M-NO-2.1b – Siting of Noise-Sensitive Uses. [Applies to growth in the 12 study areas: Impacts NO-2.1a, NO-2.3, and C-NO-1] To reduce potential conflicts between existing noise-generating uses and new sensitive receptors, for new residential development and development that includes other noise-sensitive uses (primarily, residences, and also including schools and child care, religious, and convalescent facilities and the like), the San Francisco Planning Department shall require the preparation of an analysis that includes, at a minimum, a site survey to identify potential noise-generating uses within 900 feet of, and that have a direct line-of-sight to, the project site, and including at least one 24-hour noise measurement (with average and maximum noise level readings taken so as to be able to accurately describe maximum levels reached during nighttime hours) prior to the first project approval action. The analysis shall be prepared by persons qualified in acoustical analysis and/or engineering and shall demonstrate with reasonable certainty that Title 24 standards, where applicable, can be met, and that there are no particular circumstances about the individual project site that appear to warrant heightened concern about noise levels in the vicinity. Should the Planning Department conclude that such concerns be present, the Planning Department may require the completion of a detailed noise assessment by person(s) qualified in acoustical analysis and/or engineering prior to the first project approval action, in order to demonstrate that acceptable interior noise levels consistent with those in the Title 24 standards can be attained.	Project sponsor; Planning Department; qualified acoustical consultant	Prior to issuance of a building permit	Analysis of site noise-generating uses	Project sponsor; Planning Department	Considered complete upon approval of building permit plans

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>Mitigation Measure M-NO-2.1c – Siting of Noise-Generating Equipment. [Applies to growth in the 12 study areas: Impacts NO-2.1a, NO-2.3, and C-NO-1]. If AAU proposes, as part of a change of use new (as opposed to replacement) mechanical equipment or ventilation units that would be expected, to increase ambient to noise levels by 5 dBA or more, either short-term, at nighttime, or as 24-hour average, in the proposed Project site vicinity, the San Francisco Planning Department shall require the preparation of an analysis that includes, at a minimum, a site survey to identify potential noise-sensitive uses (primarily, residences, and also including schools and child care, religious, and convalescent facilities and the like) within 900 feet of, and that have a direct line-of-sight to, the project site, and at least one 24-hour noise measurement (with average and maximum noise level readings taken so as to be able to accurately describe maximum levels reached during nighttime hours), prior to the first project approval action. The analysis shall be conducted prior to issuance of a building permit. The analysis shall be prepared by persons qualified in acoustical analysis and/or engineering and shall demonstrate with reasonable certainty that the proposed equipment would not cause a conflict with the use compatibility requirements in the <i>San Francisco General Plan</i> and would not violate Noise Ordinance Section 2909. If necessary to meet these standards, the proposed equipment shall be replaced with quieter equipment, deleted entirely, or mitigated through implementation of site-specific noise reduction features or strategies.</p>	<p>Project sponsor; Planning Department; qualified acoustical consultant</p>	<p>Prior to issuance of a building permit</p>	<p>Analysis of site noise-generating uses</p>	<p>Project sponsor; Planning Department</p>	<p>Considered complete upon approval of building plans</p>

MONITORING AND REPORTING PROGRAM					
Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
AIR QUALITY					
Mitigation Measure M-AQ-2.1 - Construction Emissions Minimization within an Air Pollutant Exposure Zone. [Applies to growth in the 12 study areas and at PS-1, P-5-3, and PS-4: Impacts AQ-2.1, AQ-2.2, and AQ-2.3] This mitigation measure is applicable to renovation activities occurring within an Air Pollutant Exposure Zone and where off-road diesel powered equipment is required and would operate for more than 20 total hours over the duration of construction at any one site.	Project sponsor/contractor(s).	Prior to construction activities requiring the use of off-road equipment.	Submit certification statement.	Project sponsor / contractor(s) and the ERO.	Considered complete on submittal of certification statement.
A. <i>Construction Emissions Minimization Plan.</i> Prior to issuance of a construction permit, the project sponsor shall submit a Construction Emissions Minimization Plan (Plan) to the Environmental Review Officer (ERO) for review and approval by an Environmental Planning Air Quality Specialist. The Plan shall detail project compliance with the following requirements:	Project sponsor and contractor	Prior to issuance of a permit specified in Section 106A.3.2.6 of the Francisco Building Code.	Prepare and submit a Plan.	Project sponsor/ contractor(s) and the ERO.	Considered complete on findings by ERO that Plan is complete.
1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall meet the following requirements:					
a) Where access to alternative sources of power is available, portable diesel engines shall be prohibited.					
b) All off-road equipment shall have:					
i. Engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and					
ii. Engines that are retrofitted with an ARB Level 3 Verified Diesel Emissions Control					

Adopted Mitigation Measures	MONITORING AND REPORTING PROGRAM				
	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
Strategy (VDECS). ²					
c) Exceptions:					
i. Exceptions to A(1)(a) may be granted if the project sponsor has submitted information providing evidence to the satisfaction of the ERO that an alternative source of power is limited or infeasible at the project site and that the requirements of this exception provision apply. Under this circumstance, the sponsor shall submit documentation of compliance with A(1)(b) for on-site power generation.					
ii. Exceptions to A(1)(b)(ii) <i>may</i> be granted if the project sponsor has submitted information providing evidence to the satisfaction of the ERO that a particular piece of off-road equipment with an ARB Level 3 VDECS is (1) technically not feasible, (2) would not produce desired emissions reductions due to expected operating modes, (3) installing the control device would create a safety hazard or impaired visibility for the operator, or (4) there is a compelling emergency need to use off-road equipment that are not retrofitted with an ARB Level 3 VDECS and the sponsor has submitted documentation to the ERO that the requirements of this exception provision apply. If granted an exception to A(1)(b)(ii), the project sponsor must comply with the requirements of					

² Equipment with engines meeting Tier 4 Interim or Tier 4 Final emission standards automatically meet this requirement, therefore a VDECS would not be required.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
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A(1)(c)(iii).

- iii. If an exception is granted pursuant to A(1)(c)(ii), the project sponsor shall provide the next cleanest piece of off-road equipment as provided by the step down schedules in Table 4.8-13, Off-Road Equipment Compliance Step-Down Schedule.

Compliance Alternative	Engine Emission Standard	Emissions Control
1	Tier 2	ARB Level 2 VDECS
2	Tier 2	ARB Level 1 VDECS
3	Tier 2	Alternative Fuel*

How to use the table: If the requirements of (A)(1)(b) cannot be met, then the project sponsor would need to meet Compliance Alternative 1. Should the project sponsor not be able to supply off-road equipment meeting Compliance Alternative 1, then Compliance Alternative 2 would need to be met. Should the project sponsor not be able to supply off-road equipment meeting Compliance Alternative 2, then Compliance Alternative 3 would need to be met.

* Alternative fuels are not a VDECS.

- 2. The project sponsor shall require the idling time for off-road and on-road equipment be limited to no more than two minutes, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment. Legible and visible signs shall be posted

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>in multiple languages (English, Spanish, Chinese) in designated queuing areas and at the construction site to remind operators of the two minute idling limit.</p>					
<p>3. The project sponsor shall require that construction operators properly maintain and tune equipment in accordance with manufacturer specifications.</p>					
<p>4. The Plan shall include estimates of the construction timeline by phase with a description of each piece of off-road equipment required for every construction phase. Off-road equipment descriptions and information may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, reporting shall indicate the type of alternative fuel being used.</p>					
<p>5. The Plan shall be kept on-site and available for review by any persons requesting it and a legible sign shall be posted at the perimeter of the construction site indicating to the public the basic requirements of the Plan and a way to request a copy of the Plan. The project sponsor shall provide copies of Plan to members of the public as requested.</p>					
<p>B. <i>Reporting.</i> Monthly reports shall be submitted to the ERO Project sponsor/ indicating the construction phase and off-road equipment contractor(s). information used during each phase including the information required in A(4). In addition, for off-road</p>		Monthly	Submit monthly reports.	Project sponsor/ contractor(s) and the ERO.	Considered complete on findings by ERO that Plan is being/was

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
equipment using alternative fuels, reporting shall include the actual amount of alternative fuel used.					implemented.
<p>Within six months of the completion of construction activities, the project sponsor shall submit to the ERO a final report summarizing construction activities. The final report shall indicate the start and end dates and duration of each construction phase. For each phase, the report shall include detailed information required in A(4). In addition, for off-road equipment using alternative fuels, reporting shall include the actual amount of alternative fuel used.</p> <p>C. <i>Certification Statement and On-Site Requirements.</i> Prior to the commencement of construction activities, the project sponsor must certify (1) compliance with the Plan and (2) all applicable requirements of the Plan have been incorporated into contract specifications.</p>					
<p>Mitigation Measure M-AQ-3.3 – Maximum Daily Construction Activities. [Applies to growth in the 12 study areas and at the six project sites: Impacts AQ-3.3 and C-AQ-2] Construction activities shall be limited to the renovation (including architectural coating) of a maximum of 100,000 square feet of building space at a time.</p>	Project Sponsor and contractor	Ongoing during construction	Maximum daily construction activities	Project Sponsor; Contractor; Planning Department; and the ERO.	Considered complete after construction activities have ended
<p>Mitigation Measure M-AQ-4.1a – Best Available Control Technology for Diesel Generators. [Applies to growth in the 12 study areas: Impacts AQ-4.1 and AQ-4.3] All new (i.e., not replacement) diesel generators shall have engines that (1) meet Tier 4 Final or Tier 4 Interim emission standards, or (2) meet Tier 2 emission standards and are equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS).</p>	Project Sponsor and contractor	Prior to issuance of permit for backup diesel generator from City agency.	Submittal of plans detailing compliance and documentation of compliance with BAAQMD Regulation 2, Rules 2 and 5.	Project sponsor and the ERO.	Considered complete approval of plans detailing compliance.

MONITORING AND REPORTING PROGRAM					
Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
Mitigation Measure M-AQ-4.1b - Best Available Control Technology for Boilers. [Applies to growth in the 12 study areas: Impacts AQ-4.1 and AQ-4.3] All new (i.e., not replacement) boilers shall be natural gas operated. If infeasible, all boilers shall be equipped with Best Available Control Technologies, such as fuel gas filters, or baghouse or electrostatic precipitators. BACTs shall be approved by BAAQMD through the permitting process.	Project sponsor and contractor	Prior to issuance of permit for boiler from City agency	Submittal of plans detailing compliance and documentation of compliance with BAAQMD Regulation	Project sponsor and the ERO.	Considered complete approval of plans detailing compliance.
Mitigation Measure M-AQ-4.1c - Air Filtration Measures within an Air Pollutant Exposure Zone. [Applies to growth in the 12 study areas: Impacts AQ-4.1 and AQ-4.3] <i>Air Filtration and Ventilation Requirements for Sensitive Land Uses</i> . Prior to receipt of a building permit for a change of use to a sensitive land use, the project sponsor shall submit an enhanced ventilation plan for the proposed building(s). The enhanced ventilation plan shall be prepared and signed by, or under the supervision of, a licensed mechanical engineer or other individual authorized by the California Business And Professions Code Sections 6700-6799. The enhanced ventilation plan shall show that the building ventilation system will be capable of achieving protection from particulate matter (PM _{2.5}) equivalent to that associated with a Minimum Efficiency Reporting Value (MERV) 13 filtration, as defined by American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) standard 52.2. The enhanced ventilation plan shall explain in detail how the project will meet the MERV-13 performance standard identified in this measure.	Project sponsor and contractor	Prior to receipt of a building permit	Enhanced Ventilation Plan; Maintenance Plan; disclosure to buyers and renters	Project sponsor and the ERO.	Ongoing during operation.
<i>Maintenance Plan</i> . Prior to receipt of a building permit for a change of use to a sensitive land use, the project sponsor shall present a plan that ensures ongoing maintenance for the ventilation and filtration systems.					
<i>Disclosure to Renters</i> . The project sponsor shall also ensure the disclosure to buyers (and renters) that the building is located in an area with existing sources of air pollution and as such, the					

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
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building includes an air filtration and ventilation system designed to remove 80 percent of outdoor particulate matter and shall inform occupants of the proper use of the installed air filtration system.

HAZARDS AND HAZARDOUS MATERIALS

<p>Mitigation Measure M-HZ-2.1 – Testing and Removal of Hazardous Building Materials. [Applies to growth in the study areas and at PS-1, PS-2, PS-3, PS-4, and PS-6: Impacts HZ-2.1, HZ-2.2, HZ-2.3, and C-HZ-1] AAU shall ensure that for any existing building where tenant improvements are planned, the building is surveyed for hazardous building materials including PCB-containing electrical equipment, fluorescent light ballasts containing PCBs or DEHP, and fluorescent light tubes containing mercury vapors. The results of testing shall be provided to DBI. The materials not meeting regulatory standards shall be removed and properly disposed of prior to the start of tenant improvements for buildings in the study areas. Old light ballasts that are removed during renovation shall be evaluated for the presence of PCBs. In the case where the presence of PCBs in the light ballast cannot be verified, the light ballast shall be assumed to contain PCBs and handled and disposed of as such, according to applicable laws and regulations. Any other hazardous building materials identified either before or during demolition or renovation shall be abated according to federal, state, and local laws and regulations.</p>	<p>Project sponsor and contractor</p>	<p>Prior to building improvements</p>	<p>Ensure hazardous materials are properly disposed</p>	<p>Project sponsor; contractor; Department of Building Inspection (DBI)</p>	<p>Considered complete when equipment containing PCBs or DEHP or other hazardous materials are properly disposed</p>
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Exhibit D

List of Approvals

Board of Supervisors

1. Approval of Development Agreement, Planning and Administrative Code Waivers, Exemptions and Findings of Consistency and Planning Code Amendments (Ordinance No. _____, dated _____, 2019).
2. Adopting CEQA Findings and Statement of Overriding Considerations (Resolution No. _____, dated _____, 2019).

Planning Commission

1. Certification of the Final Environmental Impact Report (Motion No. 19704, adopted July 28, 2016).
2. Adopting CEQA Findings (including a Statement of Overriding Considerations), and a Mitigation Monitoring and Reporting Program (Motion No. _____, adopted _____, 2019).
3. Approval of master Conditional Use Authorization authorizing the Stephens Institute and/or the LLC Parties proposed uses at certain Academy properties, as well as property-specific Planning Code exceptions and modifications required for such uses (Motion No. _____, adopted _____, 2019)
4. Recommendation to the Board of Supervisors to approve a Development Agreement among the City, Stephens Institute, and LLC Parties (Resolution No. _____, adopted _____, 2019).
5. Recommendation to the Board of Supervisors to approve Planning and Administrative Code Waivers, Exemptions and Findings of Consistency and Planning Code Amendments. (Resolution No. _____, adopted _____, 2019).

Historic Preservation Commission

1. Approval of master-Permit to Alter for those Academy Properties subject to Article 11 of the Planning Code (Motion No. _____, adopted _____, 2019)
2. Approval of master Certificate of Appropriateness for those Academy Properties subject to Article 10 of the Planning Code (Motion No. _____, adopted _____, 2019)
3. Adopting CEQA Findings (including a Statement of Overriding Considerations), and a Mitigation Monitoring and Reporting Program (Motion No. _____, adopted _____, 2019).

4. Recommendation to the Board of Supervisors to approve a Development Agreement among the City, Stephens Institute, and LLC Parties (Resolution No. _____, adopted _____, 2019).

5. Recommendation to the Board of Supervisors to approve Planning and Administrative Code Waivers, Exemptions and Findings of Consistency and Planning Code Amendments. (Resolution No. _____, adopted _____, 2019).

Exhibit E

Schedule of Performance

Section 1. Approvals as Condition Precedent to Development Agreement. The Approvals outlined on Exhibit D represent conditions precedent to the effectiveness of this Agreement. In connection with the application for the Master CU, the Stephens Institute and LLC Parties have submitted to the City detailed architectural plans dated _____, 2019 and memorialized as Exhibit B to Planning Commission Motion No. _____; approving Master CU Application No. 2019-012970CUA outlining the scope of work the Stephens Institute and LLC Parties are required to complete for each Academy Property, as included in the Master CU application. ("**Scope of Work Plans**").

Section 2. Building Permit Submittal. The Stephens Institute and the LLC Parties must submit to the City complete building permit applications, as well as any applications to PW and SFMTA required for approval of any improvements in the public right of way, required to implement the Scope of Work Plans within sixty (60) days after the Effective Date, provided, however, for the property commonly known as 1946 Van Ness Street, the Stephens Institute and the LLC Parties shall submit a complete building permit application within twelve (12) months after the Effective Date.

For each property, the Academy shall submit a single building permit, which shall detail any permitted phasing of the work in accordance with the Schedule of Performance. Upon completion of any phase, the Academy will provide notification to the City containing reasonable documentation of the completion of work and shall promptly accommodate City requests for inspection. For avoidance of doubt, the Academy's completion of a Phase below shall not be tied to a requirement that a given building permit be finally closed by the Department of Building Inspection and, instead, building permits contemplated in this section shall be closed in the ordinary course of Department of Building Inspection practice.

In performing the Scope of Work under this Agreement the Academy shall comply with all applicable Laws.

Section 3. City Approval of Building Permit Applications. The City shall approve each of the building permits, described in Section 2 above, within four (4) months of each such building permit submittal to the City. The Stephens Institute and LLC Parties' substantial completion deadlines for each property described in Section 4 below shall not begin to run until all Later Approvals for that property have been approved by the City.

Section 4. Stephens Institute and LLC Parties Schedule of Performance.

4.1 Phase One.

(a) For each Scope of Work Plan, Phase One shall consist of:

- (i) all interior building improvements required to accommodate each specific building's change of use;
- (ii) all work connected to approved signage, including removal of any unpermitted signage; and
- (iii) any improvements or alterations in the public right of way adjacent to the building.

(b) The Stephens Institute, or applicable LLC Party, shall substantially complete Phase One within eight (8) months of the date of the issuance of all required Approvals and Later Approvals for work required to be completed under this Agreement for each individual property.

4.2 Phase Two.

(a) Phase Two shall consist of all exterior building alterations, including all building repair and restoration work, and window replacements, included in the Scope of Work Plans except for the approved signage work required under Phase One and all work required under Phase Three. To be clear, Phase Two shall also include building repairs and restoration work, and window replacements at all properties except 58-60 Federal Street.

(b) The Stephens Institute, or applicable LLC Party, shall substantially complete Phase Two within fourteen (14) months from the issuance of all required Approvals and Later Approvals for work required to be completed under this Agreement for each individual property.

4.3 Phase Three.

(a) Phase Three shall consist of all improvements in the Scope of Work Plans related to external lighting, security cameras, and electrical conduit, and all improvements in the Scope of Work Plan for the property commonly known as 58 Federal Street.

(b) The Stephens Institute, or applicable LLC Party, shall substantially complete Phase Three within twenty (20) months from the issuance of all required Approvals and Later Approvals for work required to be completed under this Agreement for each individual property.

4.4 1946 Van Ness Avenue.

The Stephens Institute, or applicable LLC Party, must complete all work associated with the 1946 Van Ness Avenue Scope of Work Plan on the timeframe allotted in DBI's initial approval of the building permit application associated with the property commonly known as 1946 Van Ness Avenue. For the avoidance of doubt, DBI's timeframe for the completion of the work associated with 1946 Van Ness Avenue shall be consistent with other similarly situated properties. The Stephens Institute, and applicable LLC Party, must seek approval by the Planning Department for any extension of such time allotted by DBI through the initial permit issuance. Such approval shall be reasonably given by the Planning Department and issued within thirty (30) days from the

Academy's written submittal of a request for such approval to the Planning Department. If the Planning Department fails to respond within such timeframe, the Planning Department shall be deemed to have approved such extension.

4.5 2550 Van Ness Avenue.

Notwithstanding Sections 4.1 through 4.3 above, the Stephens Institute, or applicable LLC Party, shall substantially complete all work associated with the 2550 Van Ness Avenue Scope of Work Plan within twelve (12) months from the issuance of all required Approvals and Later Approvals for work required to be completed under this Agreement for the property commonly known as 2550 Van Ness Avenue.

4.6 Withdrawn Buildings.

On or before the Effective Date, the Academy shall have withdrawn all Stephens Institute use from the below listed properties:

700 Montgomery Street

168 Bluxome Street

1055 Pine Street

The Academy shall withdraw all Stephen Institute use from the below listed properties within six (6) months following the Effective Date, subject to the City's approval of Stephen's Institute use in 701 Chestnut Street pursuant to Section 3.2.1(c)(1) of the Development Agreement:

1069 Pine Street

701 Chestnut Street

2340 Stockton Street

460 Townsend Street

150 Hayes Street

121 Wisconsin Street

4.7 Withdrawal of Certain Applications. Within thirty (30) days of the Effective Date, the Academy will irrevocably withdraw the building permits and conditional use applications listed in Schedule 2.

Section 5. Vacation of Academy Properties. The Stephens Institute, and LLC Parties, shall be determined to have met the schedule of performance in the event any building subject to this Agreement is vacated before the Academy completes the work required pursuant to the Scope of

Work Plan for that property so long as all remaining work to the exterior of the building required pursuant to the elevation sheets on the Scope of Work Plan for properties identified as Category A historic resources and/or subject to Articles 10 or 11 of the Planning Code, and not specifically tied to the change or use of the property, has been completed, or such work has been contractually assumed by the Transferee, before such Transfer occurs, under a document in form and substance reasonably approved by the City and such Transfer is permitted under the Development Agreement. Any such assumption shall require the Transferee to complete the work on the timelines found in this Schedule of Performance. Buildings voluntarily vacated by the Academy shall retain their last legal land use designation as of the time they are vacated and subsequent entities shall not be entitled to the changes of use designations, permitted uses, and/or conditional use authorizations to be granted under this Agreement; however, nothing in this paragraph shall limit any subsequent owner's ability to seek a change of use, entitlement, or related permits in accordance with applicable Laws, outside the context of the Development Agreement. The Stephens Institute, and applicable LLC Party, shall provide written notice of their intent to vacate, or Transfer, any such building to the Planning Director and the City Attorney at least thirty (30) days before doing so.

Section 6. Unforeseen Circumstances. The Parties understand that unforeseen circumstances may arise that will render this Schedule of Performance impractical, impossible, or overly burdensome due to unforeseen material increases in cost, scope of work, or material operational complications, in each instance entirely outside of the Academy's control, including, but not limited, to technical building permit requirements that substantially increase the scope of work beyond that contemplated in this Schedule of Performance. If such an event arises the Academy and LLC parties will provide written notice to the Planning Director, the City Attorney and the Director of DBI within 30 days requesting an extension ("**Extension Notice**"). Upon receipt, and in no event less than two (2) weeks after receipt of the Extension Notice, the DBI Director may recommend an extension to the Planning Director based on the reasonable and customary amount of time required to complete the work required under the given circumstances. The Planning Director may thereafter grant or deny the extension. The Planning Director shall issue a written notice granting or denying the extension and outlining the extension's length or describing the reasoning for denying such an extension ("**Planning Director Notice**"), within thirty (30) days after the City's receipt of the Extension Notice.

If the Academy disagrees with the Planning Director Notice for any good faith reason, then the Academy, a representative of the Planning Director, a representative of DBI, and a representative of the City Attorney agree to meet and confer in good faith to determine the appropriate extension, if any, to this Schedule of Performance. Such meeting shall occur within thirty (30) days after the issuance of the Planning Director Notice.

If the parties' good faith efforts to meet and confer do not result in resolution of the issue the parties shall attend a settlement conference with the Honorable Judge Harold Kahn (or an agreed upon successor Judge of the Superior Court of California for the County of San Francisco) where the parties will be afforded the opportunity to be heard and present evidence within thirty (30) days after the parties meeting. The parties agree to abide by the determination of the Honorable Judge Harold Kahn (or an agreed upon successor Judge of the Superior Court of California for the County of San Francisco) concerning the resolution of the disputed issue.

It shall not be a default under this Agreement, nor shall the City issue a notice of default for failure to meet any deadline identified in this Schedule of Performance, if the Academy has provided the above written notice, until after such time as the conference before the Judge of the Superior Court described above has been completed. Provided the Academy has acted in good faith, and the delivery of the Extension Notice results in the Academy missing a deadline in this Schedule of Performance, such deadline shall be extended by such time equal to the delivery of the Extension Notice and the final resolution of the issue under this provision.

Section 7. Affordable Housing Public Benefit. As further provided in the Settlement Agreement, the Affordable Housing Public Benefit shall be paid by the LLC Parties, jointly and severally, six (6) months from the Effective Date, subject to Section 3.1 of this Agreement.

Exhibit F

Form of Certificate of Use for
the three Academy Properties that will include Chapter 41 units after Approvals



CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF BUILDING INSPECTION

NO. 2019-004
DATE ISSUED: October --, 2019

CERTIFICATE OF USE

AUTHORIZES THE OPERATION OF

0 RESIDENTIAL GUEST ROOMS
16 TOURIST GUEST ROOMS*

AT

1153 Bush Street

THIS PERMIT IS VALID FROM THE DATE OF ISSUANCE UNTIL REVISED OR REVOKED
PURSUANT TO CHAPTER 41 OF THE SAN FRANCISCO ADMINISTRATIVE CODE AND THE SAN
FRANCISCO BUILDING CODE.

PLEASE NOTE THAT THE "RESIDENTIAL AND TOURIST" TERMS INDICATED ABOVE ARE SAN FRANCISCO ADMINISTRATIVE CODE, CHAPTER
41 DESIGNATIONS ONLY. THESE DESIGNATIONS DO NOT SUPERSEDE THE REQUIREMENTS OF ANY OTHER CITY CODES.

*Pursuant to the _____, 20__ Development Agreement by and among the City and County of San Francisco and the Stephens Institute, dba
Academy of Art University and the LLC Parties ("Development Agreement"), the HCO designations of the guest rooms at 1053 Bush Street are as
follows: 16 Group Housing bedrooms with a Student Housing use characteristic not subject to Administrative Code Chapter 41.

DIRECTOR OF THE DEPARTMENT OF BUILDING INSPECTION
Tom Hui, S.E., C.B.O.



CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF BUILDING INSPECTION

NO. 2019-003
DATE ISSUED: October --, 2019

CERTIFICATE OF USE

AUTHORIZES THE OPERATION OF

0 RESIDENTIAL GUEST ROOMS
15 TOURIST GUEST ROOMS*

AT

1080 Bush Street

THIS PERMIT IS VALID FROM THE DATE OF ISSUANCE UNTIL REVISED OR REVOKED
PURSUANT TO CHAPTER 41 OF THE SAN FRANCISCO ADMINISTRATIVE CODE AND THE SAN
FRANCISCO BUILDING CODE.

PLEASE NOTE THAT THE "RESIDENTIAL AND TOURIST" TERMS INDICATED ABOVE ARE SAN FRANCISCO ADMINISTRATIVE CODE, CHAPTER
41 DESIGNATIONS ONLY. THESE DESIGNATIONS DO NOT SUPERSEDE THE REQUIREMENTS OF ANY OTHER CITY CODES.

*Pursuant to the _____, 20__ Development Agreement by and among the City and County of San Francisco and the Stephens Institute, dba
Academy of Art University and the LLC Parties ("Development Agreement"), the HCO designations of the guest rooms at 1080 Bush Street are as
follows: 15 Units are Group Housing bedrooms with a Student Housing use characteristic and 42 apartments/dwelling units; the Group Housing
and apartments/dwelling units at 1080 Bush are not subject to Administrative Code Chapter 41.

DIRECTOR OF THE DEPARTMENT OF BUILDING INSPECTION
Tom Hui, S.E., C.B.O.



CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF BUILDING INSPECTION

NO. 2019-002

DATE ISSUED: October --, 2019

CERTIFICATE OF USE

AUTHORIZES THE OPERATION OF

89 RESIDENTIAL GUEST ROOMS*
0 TOURIST GUEST ROOMS

AT

860 Sutter Street

THIS PERMIT IS VALID FROM THE DATE OF ISSUANCE UNTIL REVISED OR REVOKED
PURSUANT TO CHAPTER 41 OF THE SAN FRANCISCO ADMINISTRATIVE CODE AND THE SAN
FRANCISCO BUILDING CODE.

PLEASE NOTE THAT THE "RESIDENTIAL AND TOURIST" TERMS INDICATED ABOVE ARE SAN FRANCISCO ADMINISTRATIVE CODE, CHAPTER
41 DESIGNATIONS ONLY. THESE DESIGNATIONS DO NOT SUPERSEDE THE REQUIREMENTS OF ANY OTHER CITY CODES.

*Pursuant to the _____, 20__ Development Agreement by and among the City and County of San Francisco and the Stephens Institute, dba
Academy of Art University and the LLC Parties ("Development Agreement"), the HCO designations of the guest rooms at 860 Sutter Street are as
follows: 89 Residential Guest Rooms subject to Administrative Code Chapter 41; 0 Tourist Guest Rooms.

DIRECTOR OF THE DEPARTMENT OF BUILDING INSPECTION
Tom Hui, S.E., C.B.O.

FRAME AND POST IN PLAIN VIEW

Exhibit G

**Form of Notice of Special Restrictions for SRO Units in
1153 Bush Street, 1080 Bush Street and 860 Sutter Street**

RECORDING REQUESTED BY:

**When Recorded Mail Document
and Tax Statement To:**

APN: Block 0280, Lot 026 SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY
Address: 1153 Bush, San Francisco, CA

NOTICE OF SPECIAL RESTRICTIONS

We, **OWNER NAME**, the owner of that certain real property situated in the City and County of San Francisco, State of California (the "Property") and more particularly described as follows:

Being Assessor's **Block 0280, Lot 026, commonly known as 1153 Bush Street**, hereby give notice that there are special restrictions on the use of said property under Chapter 41 of the San Francisco Administrative Code ("HCO")

Said Restrictions are the conditions for which a change of the certified guestroom designations under the HCO shall be allowed at the Property, 860 Sutter, and 1080 Bush. The prior legal use of the residential hotel located at 860 Sutter Street, was 39 Tourist guest rooms and 50 Residential guest rooms without kitchens, with shared, communal and private bathrooms, and communal kitchen space. The prior legal use of the apartment building/residential hotel located at 1080 Bush Street, was 15 Residential guest rooms without kitchens and 42 apartments/dwelling units. The prior legal use of the residential hotel located at 1153 Bush Street was 14 Residential guest rooms without kitchens, and 1 dwelling unit. Under the _____, 20__ Development Agreement by and among the City and County of San Francisco and the Stephens Institute, dba Academy of Art University and the LLC Parties ("Development Agreement"), it has been proposed that the HCO designations of the guest rooms at the three subject buildings be changed as follows: 860 Sutter Street has 89 Residential guest rooms under Administrative Code Chapter 41 entitled under the Planning Code as Group Housing bedrooms with a Student Housing use characteristic; 1080 Bush has 15 Group Housing bedrooms with a Student Housing use characteristic and 42

apartments/dwelling units not subject to Administrative Code Chapter 41; 1153 Bush Street has 16 Group Housing bedrooms with a Student housing use characteristic not subject to Administrative Code Chapter 41. As part of the Development Agreement, Owner agrees to the following restrictions and conditions for the Property in perpetuity:

1. The number of guest rooms, the floor plan of the guest rooms, the space and layout of the common areas shall not be altered, reduced, or changed without prior authorization by the Department of Building Inspection and, as applicable, by the Department of Planning.
2. Individual kitchens may not be added to the guest rooms at the Property without prior authorization by the Department of Planning and the Department of Building Inspection as required by City codes.
3. Aside from those exceptions specifically noted in the Development Agreement, the Property shall be subject to all local laws and ordinances, including but not limited to the San Francisco Building Code, the San Francisco Planning Code, the San Francisco Electrical Code, the San Francisco Existing Building Code, the San Francisco Green Building Code, the San Francisco Housing Code, the San Francisco Mechanical Code, the San Francisco Plumbing Code, and the San Francisco Rent Stabilization and Arbitration Ordinance.

Date: _____

OWNER

Date: _____

OWNER

RECORDING REQUESTED BY:

**When Recorded Mail Document
and Tax Statement To:**

APN: Block 0276, Lot 015 SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY
Address: 1080 Bush, San Francisco, CA

NOTICE OF SPECIAL RESTRICTIONS

We, **OWNERNAME**, the owner of that certain real property situated in the City and County of San Francisco, State of California (the "Property") and more particularly described as follows:

Being Assessor's **Block 0276, Lot 015, commonly known as 1080 Bush Street**, hereby give notice that there are special restrictions on the use of said property under Chapter 41 of the San Francisco Administrative Code ("HCO")

Said Restrictions are the conditions for which a change of the certified guestroom designations under the HCO shall be allowed at the Property, 860 Sutter, and 1153 Bush. The prior legal use of the residential hotel located at 860 Sutter Street was 39 Tourist guest rooms and 50 Residential guest rooms without kitchens, with shared, communal and private bathrooms, and communal kitchen space. The previous legal use of the apartment building/residential hotel located at 1080 Bush Street, was 15 Residential guest rooms without kitchens and 42 apartments/dwelling units. The previous legal use of the residential hotel located at 1153 Bush Street was 14 Residential guest rooms without kitchens, and 1 dwelling unit. Under the _____, 20__ Development Agreement by and among the City and County of San Francisco and the Stephens Institute, dba Academy of Art University and the LLC Parties ("Development Agreement"), it has been proposed that the HCO designations of the guest rooms at the three subject buildings be changed as follows: 860 Sutter Street has 89 Residential guest rooms under Administrative Code Chapter 41 and entitled under the Planning Code as Group Housing bedrooms with a Student Housing use characteristic; 1080 Bush has 15 Group Housing bedrooms with a Student Housing use characteristic and 42 apartments/dwelling units not subject to Administrative Code Chapter 41; 1153 Bush Street has 16 Group Housing bedrooms with a Student Housing use characteristic not subject to Administrative Code Chapter 41. As part of the Development Agreement, Owner agrees to the following restrictions and conditions for the Property in perpetuity:

1. The number of guest rooms, the floor plan of the guest rooms, the space and layout of the common areas shall not be altered, reduced, or changed without prior authorization by the Department of Building Inspection and, as applicable, by the Department of Planning.

2. Individual kitchens may not be added to the guest rooms at the Property without prior authorization by the Department of Planning and the Department of Building Inspection as required by City codes.
3. Aside from those exceptions specifically noted in the Development Agreement, the Property shall be subject to all local laws and ordinances, including but not limited to the San Francisco Building Code, the San Francisco Planning Code, the San Francisco Electrical Code, the San Francisco Existing Building Code, the San Francisco Green Building Code, the San Francisco Housing Code, the San Francisco Mechanical Code, the San Francisco Plumbing Code, and the San Francisco Rent Stabilization and Arbitration Ordinance.

Date: _____

OWNER

Date: _____

OWNER

RECORDING REQUESTED BY:

**When Recorded Mail Document
and Tax Statement To:**

APN: Block 0281, Lot 006 **SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY**
Address: 860 Sutter, San Francisco, CA

NOTICE OF SPECIAL RESTRICTIONS

We, **OWNER NAME**, the owner of that certain real property situated in the City and County of San Francisco, State of California (the "Property") and more particularly described as follows:

Being Assessor's **Block 0281, Lot 006, commonly known as 860 Sutter Street**, hereby give notice that there are special restrictions on the use of said property under Chapter 41 of the San Francisco Administrative Code ("HCO")

Said Restrictions are the conditions for which a change of the certified guestroom designations under the HCO shall be allowed at the Property, 1080 Bush, and 1153 Bush. The previous legal use of the residential hotel located at 860 Sutter Street was 39 Tourist guest rooms and 50 Residential guest rooms without kitchens, with shared, communal and private bathrooms, and communal kitchen space. The previous legal use of the apartment building/residential hotel located at 1080 Bush Street, was 15 Residential guest rooms without kitchens and 42 apartments/dwelling units. The previous legal use of the residential hotel located at 1153 Bush Street was 14 Residential guest rooms without kitchens, and 1 dwelling unit. Under the _____, 20__ Development Agreement by and among the City and County of San Francisco and the Stephens Institute, dba Academy of Art University and the LLC Parties ("Development Agreement"), it has been proposed that HCO designations of the guest rooms at the three subject buildings be changed as follows: 860 Sutter Street has 89 Residential guest rooms under Administrative Code Chapter 41 and entitled under the Planning Code as Group Housing bedrooms with a Student Housing use characteristic; 1080 Bush has 15 Group Housing bedrooms with a Student Housing use characteristic and 42 apartments/dwelling units not subject to Administrative Code Chapter 41; 1183 Bush Street has 16 Group Housing bedrooms with a Student housing use characteristic not subject to Administrative Code Chapter 41. As part of the Development Agreement, Owner agrees to the following restrictions and conditions for the Property in perpetuity:

1. All 89 guest rooms at the Property are Residential guest units as defined by the HCO, and subject to all requirements/conditions/regulations of the HCO ordinance. These 89 guest

rooms shall be governed by the HCO in perpetuity unless a Permit to Convert is obtained in accordance with the HCO.

2. Aside from those exceptions specifically noted in the Development Agreement, the Property shall be subject to all local laws and ordinances, including but not limited to the San Francisco Building Code, the San Francisco Electrical Code, the San Francisco Existing Building Code, the San Francisco Green Building Code, the San Francisco Housing Code, the San Francisco Mechanical Code, the San Francisco Plumbing Code, and the San Francisco Rent Stabilization and Arbitration Ordinance.
3. The number of guest rooms, the floor plan of the guest rooms, the space and layout of the common areas shall not be altered, reduced, or changed without prior authorization by the Department of Building Inspection and, as applicable, by the Department of Planning. Individual kitchens may not be added to the guest rooms at the Property.

Date: _____

OWNER

Date: _____

OWNER

Schedule 1

Impact Fee and Extraction Schedule

Academy of Art Development Impact Fees

Address	Estimated TSF/TDF Fee	Estimated Residential Child Care Fee	Estimated EN Fee	EIR Transf Mitigation Fair Share Fee	Estimated Total Fee Payment	Description of Change In Use, Other Notes
601 Brannan St.	\$ 75,663.00				\$ 75,663.00	Office to PSEI use
58-60 Federal St.	\$ 76,209.30				\$ 76,209.30	Office to PSEI use
2225 Jerrold Ave.	\$ 133,040.88				\$ 133,040.88	PDR to Institutional use (for community facility)
2801 Leavenworth St.	\$ 76,209.30			\$ 1,474,986.48	\$ 1,551,195.78	Office to PSEI use (partial change in use at 2nd and 3rd floors)
1727 Lombard St.		\$ 5,181.65			\$ 5,181.65	Non-residential to Residential
77 New Montgomery St.	\$ 126,580.50				\$ 126,580.50	Office to PSEI use
180 New Montgomery St.	\$ 168,999.30				\$ 168,999.30	Office to PSEI use
410 Bush St.	\$ 23,187.60				\$ 23,187.60	Non-residential to Residential
620 Sutter St.		\$ 20,122.72			\$ 20,122.72	Non-residential to Residential
817-831 Sutter St.		\$ 15,322.06			\$ 15,322.06	Non-residential to Residential
860 Sutter St.		\$ 4,477.78			\$ 4,477.78	Non-residential to Residential
466 Townsend St.	\$ 1,002,472.38		\$ 510,328.91		\$ 1,512,801.29	PDR to Institutional use
2211 Van Ness Ave.		\$ 401.10			\$ 401.10	Non-residential to Residential
2550 Van Ness Ave.		\$ 22,934.73			\$ 22,934.73	Non-residential to Residential
Student Housing Metering Fee					\$ 7,128.00	calculated for 9 properties at rate of \$792 per property
Class 1 Bike Parking In-Heu Fee					\$ 77,859.00	calculated based on maximum deficiency of 150 Class 1 spaces, at rate of \$519.06 per space
TOTALS	\$ 1,682,362.26	\$ 68,440.04	\$ 510,328.91	\$ 1,474,986.48	\$ 3,821,104.69	

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Schedule 2

Schedule of Withdrawn Building Permits and Withdrawn Conditional Use Applications

- 860 Sutter
 - Building Permit Number 201009130696
- 410 Bush
 - Building Permit Number 201108098351
- 601 Brannan
 - Building Permit Number 2011006084046
 - Building Permit Number 201006084045
- 180 New Montgomery
 - Building Permit Number 201312043363
 - Building Permit Number 201312043359
- 1916 Octavia
 - Building Permit Number 201105095664
 - Building Permit Number 201105095670
- 2211 Van Ness
 - Building Permit Number 200804028568
- 58 Federal
 - Building Permit Number 201006084048
 - Building Permit Number 201006084047
- 625 Polk
 - Building Permit Number 201212075767
- 1055 Pine
 - Conditional Use Authorization Number 2007.1074C
 - Building Permit Number 201406107946
- 1069 Pine
 - Conditional Use Authorization Number 2007.1075C
- 2295 Taylor
 - Conditional Use Authorization Number 2007.1079C
 - Building Permit Number 201005051799
- 700 Montgomery
 - Conditional Use Authorization Number 2016.010637CUA
 - Certificate of Appropriateness Number 2016.012033COA
- 2340 Stockton
 - Building Permit Number 201211134025



SAN FRANCISCO PLANNING DEPARTMENT

DATE: October 24, 2019

TO: Members of the San Francisco Board of Supervisors
Members of the San Francisco Planning Commission

FROM: John Raham, Planning Director

RE: Academy of Art University Development Agreement
Summary of the draft agreement and negotiations

Project Address: 43 Properties Owned or Leased by the Academy of Art
University (Academy)

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Chapter 56 of the San Francisco Administrative Code sets forth the procedure by which any request for a Development Agreement (DA) will be processed and approved by the City and County of San Francisco. Administrative Code Section 56.10(a) describes a Planning Director report on DA negotiations between the applicant and the City, to be disclosed to the Planning Commission and the Board of Supervisors. In the present case, the Department and the City Attorneys' Office propose legislation that will waive certain provisions of Section 56, including strict compliance with the formatting and content requirements of the Directors' Report, for the reasons described below.

This Development Agreement was negotiated in the context of judicially supervised settlement efforts related to litigation initiated by the City Attorney, on behalf of the City and County of San Francisco (the City), and People of the State of California, against the Stephens Institute dba Academy of Art University (the Academy) and the LLC Parties in *People v. Stephens Institute, et. Al*, San Francisco Superior Court Number CGC-16-551-832 (the Lawsuit). Before the City filed the Lawsuit, the City and the Academy had been in a long-standing and complex set of disputes over a significant number of open enforcement actions and entitlement applications relating to Academy properties that were out of compliance with the Planning Code. On November 15, 2016, the Academy and the City entered into a judicially supervised non-binding Term Sheet for Global Resolution (the "Initial Term Sheet"). The Initial Term Sheet, which was made public, contemplated settlement of the Lawsuit through a set of agreements including a DA. As such, the Academy submitted a DA application on December 19, 2017¹ and thereafter the Academy and the City commenced a series of meetings to develop the terms of the DA, along with other terms related to the settlement of the Lawsuit. The parties, again in the context of judicially supervised settlement efforts, modified the Initial Term Sheet through a Supplement to the Term Sheet dated July 10, 2019, which was also made public. The parties met to conform the terms of the DA and related documents to the Supplement and finalize their proposed terms.

¹ For record keeping purposes, the case number used by the Planning Department for the DA is 2008.0586; however, no portion of the current DA was negotiated prior to the judicially supervised Initial Term Sheet. For ease of public access to DA documents, these records are also associated with Case No. 2019-012970DVA, which shares the parent record number with the Academy's Institutional Master Plan, Master Conditional Use Authorization, Master Permit to Alter and Master Certificate of Appropriateness applications that will be acted upon by the Planning Commission and Historic Preservation Commission; in this way, all parts of the Project are consolidated under a single record number.

Under the Development Agreement, the Academy agrees to withdraw from, and cease any operation at, nine (9) of the Academy's current properties, shrinking the Academy's current footprint within the City. The Academy will also bring the thirty-four (34) properties used by the Academy or intended for future Academy use, located throughout San Francisco, into compliance with the Planning Code. Compliance of the Academy Properties with the Planning Code requires the City's approval of a variety of permits and authorizations, including (i) legislation approving the DA and implementing limited amendments to the Planning Code, (ii) approval of a master conditional use authorization by the Planning Commission to reflect the approval of the use of thirty-four (34) buildings and to grant certain exceptions to the Planning Code, (iii) the approval of master permits to alter, and master certificates of appropriateness, by the Historic Preservation Commission, and (iv) a variety of other building alterations and street improvements including without limitation the removal and installation of signage, removal and repair of nonconforming awnings and exterior alterations, the installation Class 1 and Class 2 bike racks, the removal of curb cuts, and the replacement of certain windows. In addition, the project includes removing the Hotel Conversion Ordinance Residential Guestroom designation (Administrative Code Chapter 41) from certain guest rooms in 1060 Bush and 1153 Bush Street, and relocating that designation to rooms located in 860 Sutter, along with the net addition of 8 new Chapter 41 Residential Guestrooms to be added to the City's affordable housing stock. This transfer of Chapter 41 designations will be permanent, resulting in the entirety of 860 Sutter becoming a Chapter 41 building.

The DA being presented to the Planning Commission and Board of Supervisors reflects the negotiations that occurred at those meetings. These include the details of public benefits to the City, including a significant affordable housing public benefit, the process and specific approvals required to bring the Academy's properties and uses into compliance with the Planning Code, plan sets detailing work required by the Planning Department for each property, the terms and conditions for student enrollment and housing metering, requirements for institutional master plan updates, requirements for future projects, a prohibition on conversion of existing housing, and other terms including but not limited to a schedule of performance, limited temporary vesting, and the Administrative Code Chapter 41 exchange described in the preceding paragraph. The Planning Department believes that both parties negotiated in good faith and the end result is a project that will benefit the City.

Key parties involved with the negotiation of the DA include:

Representing the City	Representing the Academy
Dennis J. Herrera (CAO)	Dr. Elisa Stephens (Academy)
Jesse Capin Smith (CAO)	Martha Weeck (Academy)
Ron Flynn (CAO)	Gordon North (Academy)
Kristen A. Jensen (CAO)	Michael Petricca (Academy)
Tom Lakritz (CAO)	Jim Abrams (J. Abrams Law, P.C.)
Michelle Sexton (CAO)	Nick Roosevelt (J. Abrams Law, P.C.)
Olsen Lee (MOHCD)	Seth Pritchard (J. Abrams Law, P.C.)
Kate Hartley (MOHCD)	David Millstein (Millstein & Associates)
Dan Adams (MOHCD)	Gerald Richelson (Millstein & Associates)

Caroline McCormack (MOHCD)	Joe Veronese (Alioto Law Group)
John Rahaim (CPC)	Paul Cooper (TEF Design)
Dan Sider (CPC)	Carla Dal Mas (TEF Design)
Andrew Perry (CPC)	Justin Tang (TEF Design)
Liz Watty (CPC)	Kate McGee (KM Planning Strategy)
Jeff Joslin (CPC)	Amy Lee (Consultant)
Mary Woods (CPC)	Ed Conlon (Hathaway Dinwiddie)
Tina Chang (CPC)	Leilani Moisa (Hathaway Dinwiddie)
Scott Sanchez (CPC)	James J. Brosnahan (Morrison Foerster)
Claudine Asbagh (CPC)	Zane O. Gresham (Morrison Foerster)
Elizabeth Gordon-Jonckheer (CPC)	George C. Harris (Morrison Foerster)
Alex Westoff (CPC)	Corinne N. Quigley (Morrison Foerster)
Rich Sucre (CPC)	Lucia X. Roibal (Morrison Foerster)
Kathrine Wilborn (CPC)	Tim Kline (Morrison Foerster)
Shelley Caltagirone (CPC)	Jennifer R. Jeffers (Morrison Foerster)
Alexandra Kirby (CPC)	Dustin Charle Elliot (Morrison Foerster)
Tim Frye (CPC)	Claudia M. Vetesi (Morrison Foerster)
Rick Cooper (CPC)	David Noyola (consultant)
Chris Thomas (CPC)	
Manoj Madhavan (CPC)	
Wade Wietgreffe (CPC)	
Ryan Shum (CPC)	
Chelsea Fordham (CPC)	
Lisa Gibson (CPC)	

While not all of these negotiation meetings occurred in the presence of a judge, each negotiation meeting was held and conducted pursuant to agreements reached at judicially supervised settlement meetings and involved settlement communications subject to certain disclosure privileges. As such, and pursuant to judicially supervised settlement discussions, the Academy and City propose that legislation approving the DA include waivers of any otherwise applicable provisions of Administrative Code Section 56.10.

This summary is prepared for information purposes only, and is not intended to change, supplant, or be used in the interpretation of, any provision of the Development Agreement. For any specific question or interpretation, or for any additional detail, reference should be made to the Development Agreement itself.

If you have any questions or concerns, please contact the City Attorney's Office, Jesse Capin Smith, at (415) 554-4709.



SAN FRANCISCO PLANNING DEPARTMENT

DATE: October 24, 2019
TO: Members of the San Francisco Board of Supervisors
Members of the San Francisco Planning Commission
FROM: John Rahaim, Planning Director
RE: Academy of Art University Development Agreement
Summary of the draft agreement and negotiations
Project Address: 43 Properties Owned or Leased by the Academy of Art
University (Academy)

1650 Mission St.
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Chapter 56 of the San Francisco Administrative Code sets forth the procedure by which any request for a Development Agreement (DA) will be processed and approved by the City and County of San Francisco. Administrative Code Section 56.10(a) describes a Planning Director report on DA negotiations between the applicant and the City, to be disclosed to the Planning Commission and the Board of Supervisors. In the present case, the Department and the City Attorneys' Office propose legislation that will waive certain provisions of Section 56, including strict compliance with the formatting and content requirements of the Directors' Report, for the reasons described below.

This Development Agreement was negotiated in the context of judicially supervised settlement efforts related to litigation initiated by the City Attorney, on behalf of the City and County of San Francisco (the City), and People of the State of California, against the Stephens Institute dba Academy of Art University (the Academy) and the LLC Parties in *People v. Stephens Institute, et. Al*, San Francisco Superior Court Number CGC-16-551-832 (the Lawsuit). Before the City filed the Lawsuit, the City and the Academy had been in a long-standing and complex set of disputes over a significant number of open enforcement actions and entitlement applications relating to Academy properties that were out of compliance with the Planning Code. On November 15, 2016, the Academy and the City entered into a judicially supervised non-binding Term Sheet for Global Resolution (the "Initial Term Sheet"). The Initial Term Sheet, which was made public, contemplated settlement of the Lawsuit through a set of agreements including a DA. As such, the Academy submitted a DA application on December 19, 2017¹ and thereafter the Academy and the City commenced a series of meetings to develop the terms of the DA, along with other terms related to the settlement of the Lawsuit. The parties, again in the context of judicially supervised settlement efforts, modified the Initial Term Sheet through a Supplement to the Term Sheet dated July 10, 2019, which was also made public. The parties met to conform the terms of the DA and related documents to the Supplement and finalize their proposed terms.

¹ For record keeping purposes, the case number used by the Planning Department for the DA is 2008.0586; however, no portion of the current DA was negotiated prior to the judicially supervised Initial Term Sheet. For ease of public access to DA documents, these records are also associated with Case No. 2019-012970DVA, which shares the parent record number with the Academy's Institutional Master Plan, Master Conditional Use Authorization, Master Permit to Alter and Master Certificate of Appropriateness applications that will be acted upon by the Planning Commission and Historic Preservation Commission; in this way, all parts of the Project are consolidated under a single record number.

Under the Development Agreement, the Academy agrees to withdraw from, and cease any operation at, nine (9) of the Academy's current properties, shrinking the Academy's current footprint within the City. The Academy will also bring the thirty-four (34) properties used by the Academy or intended for future Academy use, located throughout San Francisco, into compliance with the Planning Code. Compliance of the Academy Properties with the Planning Code requires the City's approval of a variety of permits and authorizations, including (i) legislation approving the DA and implementing limited amendments to the Planning Code, (ii) approval of a master conditional use authorization by the Planning Commission to reflect the approval of the use of thirty-four (34) buildings and to grant certain exceptions to the Planning Code, (iii) the approval of master permits to alter, and master certificates of appropriateness, by the Historic Preservation Commission, and (iv) a variety of other building alterations and street improvements including without limitation the removal and installation of signage, removal and repair of nonconforming awnings and exterior alterations, the installation Class 1 and Class 2 bike racks, the removal of curb cuts, and the replacement of certain windows. In addition, the project includes removing the Hotel Conversion Ordinance Residential Guestroom designation (Administrative Code Chapter 41) from certain guest rooms in 1060 Bush and 1153 Bush Street, and relocating that designation to rooms located in 860 Sutter, along with the net addition of 8 new Chapter 41 Residential Guestrooms to be added to the City's affordable housing stock. This transfer of Chapter 41 designations will be permanent, resulting in the entirety of 860 Sutter becoming a Chapter 41 building.

The DA being presented to the Planning Commission and Board of Supervisors reflects the negotiations that occurred at those meetings. These include the details of public benefits to the City, including a significant affordable housing public benefit, the process and specific approvals required to bring the Academy's properties and uses into compliance with the Planning Code, plan sets detailing work required by the Planning Department for each property, the terms and conditions for student enrollment and housing metering, requirements for institutional master plan updates, requirements for future projects, a prohibition on conversion of existing housing, and other terms including but not limited to a schedule of performance, limited temporary vesting, and the Administrative Code Chapter 41 exchange described in the preceding paragraph. The Planning Department believes that both parties negotiated in good faith and the end result is a project that will benefit the City.

Key parties involved with the negotiation of the DA include:

Representing the City	Representing the Academy
Dennis J. Herrera (CAO)	Dr. Elisa Stephens (Academy)
Jesse Capin Smith (CAO)	Martha Weeck (Academy)
Ron Flynn (CAO)	Gordon North (Academy)
Kristen A. Jensen (CAO)	Michael Petricca (Academy)
Tom Lakritz (CAO)	Jim Abrams (J. Abrams Law, P.C.)
Michelle Sexton (CAO)	Nick Roosevelt (J. Abrams Law, P.C.)
Olsen Lee (MOHCD)	Seth Pritchard (J. Abrams Law, P.C.)
Kate Hartley (MOHCD)	David Millstein (Millstein & Associates)
Dan Adams (MOHCD)	Gerald Richelson (Millstein & Associates)

Caroline McCormack (MOHCD)	Joe Veronese (Alioto Law Group)
John Rahaim (CPC)	Paul Cooper (TEF Design)
Dan Sider (CPC)	Carla Dal Mas (TEF Design)
Andrew Perry (CPC)	Justin Tang (TEF Design)
Liz Watty (CPC)	Kate McGee (KM Planning Strategy)
Jeff Joslin (CPC)	Amy Lee (Consultant)
Mary Woods (CPC)	Ed Conlon (Hathaway Dinwiddie)
Tina Chang (CPC)	Leilani Moisa (Hathaway Dinwiddie)
Scott Sanchez (CPC)	James J. Brosnahan (Morrison Foerster)
Claudine Asbagh (CPC)	Zane O. Gresham (Morrison Foerster)
Elizabeth Gordon-Jonckheer (CPC)	George C. Harris (Morrison Foerster)
Alex Westoff (CPC)	Corinne N. Quigley (Morrison Foerster)
Rich Sucre (CPC)	Lucia X. Roibal (Morrison Foerster)
Kathrine Wilborn (CPC)	Tim Kline (Morrison Foerster)
Shelley Caltagirone (CPC)	Jennifer R. Jeffers (Morrison Foerster)
Alexandra Kirby (CPC)	Dustin Charle Elliot (Morrison Foerster)
Tim Frye (CPC)	Claudia M. Vetesi (Morrison Foerster)
Rick Cooper (CPC)	David Noyola (consultant)
Chris Thomas (CPC)	
Manoj Madhavan (CPC)	
Wade Wietgreffe (CPC)	
Ryan Shum (CPC)	
Chelsea Fordham (CPC)	
Lisa Gibson (CPC)	

While not all of these negotiation meetings occurred in the presence of a judge, each negotiation meeting was held and conducted pursuant to agreements reached at judicially supervised settlement meetings and involved settlement communications subject to certain disclosure privileges. As such, and pursuant to judicially supervised settlement discussions, the Academy and City propose that legislation approving the DA include waivers of any otherwise applicable provisions of Administrative Code Section 56.10.

This summary is prepared for information purposes only, and is not intended to change, supplant, or be used in the interpretation of, any provision of the Development Agreement. For any specific question or interpretation, or for any additional detail, reference should be made to the Development Agreement itself.

If you have any questions or concerns, please contact the City Attorney's Office, Jesse Capin Smith, at (415) 554-4709.

BOARD of SUPERVISORS



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November 12, 2019

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On November 5, 2019, Supervisor Peskin submitted the following proposed legislation:

File No. 191125

Ordinance approving a Development Agreement between the City and County of San Francisco and the Stephens Institute, dba Academy of Art University, and its affiliated entities, as to the Academy's properties, which agreement provides for various public benefits, including among others an "affordable housing payment" of \$37,600,000 and a payment of approximately \$8,200,000 to the City's Small Sites Fund; amending the Planning Code to provide review procedures for Large Noncontiguous Post-Secondary Educational Institutions; waiving conflicting provisions in the Planning and Administrative Codes, including Planning Code, Section 169; confirming compliance with or waiving certain provisions of Administrative Code, Chapters 41 and 56; ratifying certain actions taken in connection with the Development Agreement and authorizing certain actions to be taken consistent with the Development Agreement, as defined herein; affirming the Planning Department's determination under the California Environmental Quality Act, and findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); and adopting findings of public convenience, necessity, and welfare under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

Handwritten signature of Erica Major in cursive.

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

c: John Rahaim, Director
Scott Sanchez, Acting Deputy Zoning Administrator
Corey Teague, Zoning Administrator
Lisa Gibson, Environmental Review Officer
Devyani Jain, Deputy Environmental Review Officer
AnMarie Rodgers, Director of Citywide Planning
Dan Sider, Director of Executive Programs
Aaron Starr, Manager of Legislative Affairs
Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Topic submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Supervisor Peskin, Yee

Subject:

[Planning, Administrative Codes - Approval of Development Agreement, Conditional Use Procedures for Large Noncontiguous Post-Secondary Educational Institutions, Planning and Administrative Code Waivers]

The text is listed:

Ordinance approving a Development Agreement between the City and County of San Francisco and the Stephens Institute (Academy of Art University) and its affiliated entities, as to the Academy's properties, which agreement provides for various public benefits, including, among others, an "affordable housing payment" of \$37,600,000 and a payment of approximately \$8,200,000 to the City's Small Sites Fund; amending the Planning Code to provide review procedures for Large Noncontiguous Post-Secondary Educational Institutions; waiving conflicting provisions in the Planning and Administrative Codes, including Planning Code, Section 169; confirming compliance with or waiving certain provisions of Administrative Code, Chapters 41 and 56; and ratifying certain actions taken in connection with the Development Agreement and authorizing certain actions to be taken consistent with the Development Agreement; affirming the Planning Department's determination under the California Environmental Quality Act and findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); and adopting findings of public convenience, necessity, and welfare under Planning Code, Section 302.

Signature of Sponsoring Supervisor:

[Handwritten Signature]

For Clerk's Use Only