



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 20614

HEARING DATE: JANUARY 9, 2020

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Record Number: 2016-013312MAP/PCA
Project Address: 542-550 Howard Street (Transbay Parcel F)
Existing Zoning: C-3-O(SD) Downtown-Office (Special Development) Zoning District
 750-S-2 and 450-S Height and Bulk Districts
 Transit Center C-3-O(SD) Commercial and
 Transbay C-3 Special Use Districts
 Downtown and Transit Center District Plan Areas
Block/Lot: 3721/016, 135, 136, 138
Project Sponsor: F4 Transbay Partners, LLC
 101 California Street, Suite 1000
 San Francisco, CA 94111
Property Owner: Parcel F Owner, LLC
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 San Francisco, CA 94111
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RESOLUTION APPROVING A PROPOSED ORDINANCE AMENDING THE PLANNING CODE AND ZONING MAP TO REZONE AND RECLASSIFY A PORTION OF THE 542-550 HOWARD STREET PROJECT SITE (ASSESSOR'S PARCEL BLOCK NO. 3721, LOTS 016, 135, 136, AND 138), ALSO KNOWN AS TRANSBAY PARCEL F AND AS SHOWN ON FIGURE 1 OF THE TRANSIT CENTER DISTRICT PLAN, SPECIFICALLY TO REZONE A PORTION OF THE PROJECT SITE FROM THE P (PUBLIC) DISTRICT TO THE C-3-O(SD) DOWNTOWN OFFICE SPECIAL DEVELOPMENT DISTRICT AND TO RECLASSIFY THE HEIGHT AND BULK DISTRICT DESIGNATIONS FOR A PORTION OF THE PROJECT SITE; WAIVING CERTAIN PROVISIONS OF THE PLANNING CODE TO ALLOW THE PROJECT'S REQUIRED INCLUSIONARY AFFORDABLE HOUSING UNITS TO BE PROVIDED OFF-SITE WITHIN THE TRANSBAY REDEVELOPMENT PROJECT AREA, SUBJECT TO CERTAIN CONDITIONS, AND TO PERMIT THE FOOTPRINT OF THE PORTION OF THE PROJECT SITE DEDICATED TO DWELLINGS TO EXCEED 15,000 SQUARE FEET; ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1; AND ADOPTING FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on December 10, 2019, pursuant to Planning Code section 302(b), Supervisor Matt Haney introduced an ordinance amending the Planning Code and Zoning Map to rezone and reclassify a portion of the 542-550 Howard Street project site (Assessor's Parcel Block No. 3721, Lots 016, 135, 136, and 138), also known as Transbay Parcel F and as shown on Figure 1 of the Transit Center District Plan, specifically to rezone a portion of the Project Site ("Site") from the P (Public) District to the C-3-O(SD) Downtown Office

Special Development District and to reclassify the height and bulk district designations for a portion of the Site; waiving certain provisions of the Planning Code to allow the Project's required inclusionary affordable housing units to be provided off-site within the Transbay Redevelopment Project Area, subject to certain conditions, and to permit the footprint of the portion of the Site dedicated to dwellings to exceed 15,000 square feet.

WHEREAS, the Ordinance would enable the Project. The Project includes the construction of a new 61-story mixed-use building reaching a height of 749'-10" tall (800' inclusive of rooftop screening/mechanical equipment). The Project would include 165 dwelling units, 189 hotel rooms, approximately 276,000 square feet of office use floor area, approximately 79,000 square feet of floor area devoted to shared amenity space, approximately 9,000 square feet of retail space, approximately 20,000 square feet of open space, 177 Class 1 and 39 Class 2 bicycle parking spaces, and four below-grade levels that would accommodate up to 183 vehicle parking spaces provided for the residential, hotel, and office uses. The Project also would construct a pedestrian bridge providing public access to Salesforce Park located on the roof of the Transbay Transit Center.

WHEREAS, the Project Site is encumbered by the placement of an underground train box that will facilitate future rail service at the adjacent Salesforce Transit Center, current zoning does not accommodate the Project at the height and density required for the creation of new housing or job opportunities.

WHEREAS, the proposed Ordinance is intended to resolve the aforementioned issues by amending the Planning Code and Zoning Maps in order to facilitate the Project; and

WHEREAS, this Resolution recommending the approval of the Ordinance is a companion to other legislative approvals concerning a General Plan amendment to amend Figure 1 of the of the Transit Center District Subarea Plan and Map 1 and Map 5 of the Downtown Area Plan. The companion ordinance also describes the details regarding the Project. This companion ordinance is on file with the Clerk of the Board of Supervisors in File No. XXXXX.

WHEREAS, the environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Transit Center District Plan Environmental Impact Report (hereinafter "EIR"). On May 24, 2012, the Commission reviewed and considered the Final EIR ("FEIR") and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) ("CEQA"), 14 California Code of Regulations Sections 15000 et seq. ("the CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31").

WHEREAS, On August 27, 2019, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Transit Center District Plan and was encompassed within the analysis contained in the Transit Center District Plan FEIR. Since the Transit Center District Plan FEIR was finalized, there have been no substantial changes to the Transit Center District Plan and no substantial changes in circumstances that would require major revisions to the FEIR due to the involvement of new significant environmental effects or an increase in the severity of

previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the FEIR. The file for this Project, including the Transit Center District Plan FEIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

WHEREAS, Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Transit Center District Plan FEIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion for the Downtown Project Authorization Case No. 2016-013312DNX, as Exhibit C.

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves** the proposed ordinance.

FINDINGS

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

1. The Ordinance would give effect to the Project, thereby facilitating the development of currently under-utilized land for much-needed housing, commercial office space, tourist hotel guest rooms, as well as a new open space. These new uses would create a new mixed-use development that would strengthen and complement nearby neighborhoods.
2. The Ordinance would enable construction of new housing, on the Site including in addition to off-site inclusionary affordable housing located within the Transbay Redevelopment Plan Area.
3. The Ordinance would help ensure a vibrant neighborhood with active streets and open spaces, a high quality and well-designed building, and thoughtful relationships between the building and the public realm. This new development would integrate with the surrounding city fabric and the existing neighborhood and would constitute a beneficial development.
4. The Ordinance would give effect to the Project, which in turn will provide employment opportunities for local residents during construction and post-occupancy.

5. **General Plan Compliance.** The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

GENERAL PLAN: HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1

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

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

Policy 1.8

Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

Policy 1.10

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

OBJECTIVE 4

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

Policy 4.1

Develop new housing, and encourage the remodeling of existing housing, for families with children.

Policy 4.5

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

OBJECTIVE 5

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Policy 5.4

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

OBJECTIVE 11

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

Policy 11.1

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

Policy 11.2

Ensure implementation of accepted design standards in project approvals.

Policy 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.6

Foster a sense of community through architectural design, using features that promote community interaction.

Policy 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

OBJECTIVE 12

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

Policy 12.1

Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

Policy 12.2

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

Policy 12.3

Ensure new housing is sustainably supported by the City's public infrastructure systems.

OBJECTIVE 13

PRIORITIZE SUSTAINABLE DEVELOPMENT IN PLANNING FOR AND CONSTRUCTING NEW HOUSING.

Policy 13.1

Support "smart" regional growth that located new housing close to jobs and transit.

Policy 13.3

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

GENERAL PLAN: URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.3

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

Policy 1.7

Recognize the natural boundaries of districts, and promote connections between districts.

OBJECTIVE 3

MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

Policy 3.1

Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3.2

Promote harmony in the visual relationships and transitions between new and older buildings.

GENERAL PLAN: COMMERCE AND INDUSTRY

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

Policy 1.2

Assure that all commercial and industrial uses meet minimum, reasonable performance standards.

Policy 1.3

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

OBJECTIVE 8

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL CENTER FOR CONVENTIONS AND VISITOR TRADE.

Policy 8.1

Guide the location of additional tourist related activities to minimize their adverse impacts on existing residential, commercial, and industrial activities.

GENERAL PLAN: TRANSPORTATION

OBJECTIVE 1

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT, AND NEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

Policy 1.2

Ensure the safety and comfort of pedestrians throughout the city.

Policy 1.3

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

Policy 1.6

Ensure choices among modes of travel and accommodate each mode when and where it is most appropriate.

OBJECTIVE 2

USE THE EXISTING TRANSPORTATION INFRASTRUCTURE AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

Policy 2.1

Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development and coordinate new facilities with public and private development.

DOWNTOWN AREA PLAN

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which produces substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences which cannot be mitigated.

OBJECTIVE 2

MAINTAIN AND IMPROVE SAN FRANCISCO'S POSITION AS A PRIME LOCATION FOR FINANCIAL, ADMINISTRATIVE, CORPORATE, AND PROFESSIONAL ACTIVITY.

Policy 2.1

Encourage prime downtown office activities to grow as long as undesirable consequences of growth can be controlled.

Policy 2.2

Guide location of office development to maintain a compact downtown core and minimize displacement of other uses.

OBJECTIVE 4

ENHANCE SAN FRANCISCO'S ROLE AS A TOURIST AND VISITOR CENTER

Policy 4.1

Guide the location of new hotels to minimize their adverse impacts on circulation, existing uses, and scale of development.

OBJECTIVE 7

EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

Policy 7.1

Promote the inclusion of housing in downtown commercial developments.

Policy 7.2

Facilitate conversion of underused industrial and commercial areas to residential use.

OBJECTIVE 10

ASSURE THAT OPEN SPACES ARE ACCESSIBLE AND USABLE.

Policy 10.2

Encourage the creation of new open spaces that become a part of an interconnected pedestrian network.

OBJECTIVE 13

CREATE AN URBAN FORM FOR DOWNTOWN THAT ENHANCES SAN FRANCISCO'S STATURE AS ONE OF THE WORLD'S MOST VISUALLY ATTRACTIVE CITIES.

Policy 13.1

Relate the height of buildings to important attributes of the city pattern and to the height and character of existing and proposed development.

TRANSIT CENTER DISTRICT PLAN: LAND USE

Policy 1.2

Revise height and bulk districts in the Plan Area consistent with other Plan objectives and considerations.

Policy 1.4

Prevent long-term under-building in the area by requiring minimum building intensities for new development on major sites.

TRANSIT CENTER DISTRICT PLAN: URBAN FORM

OBJECTIVE 2.3

FORM THE DOWNTOWN SKYLINE TO EMPHASIZE THE TRANSIT CENTER AS THE CENTER OF DOWNTOWN, REINFORCING THE PRIMACY OF PUBLIC TRANSIT IN ORGANIZING THE CITY'S DEVELOPMENT PATTERN, AND RECOGNIZING THE LOCATION'S IMPORTANCE IN LOCAL AND REGIONAL ACCESSIBILITY, ACTIVITY, AND DENSITY.

Policy 2.3

Create a balanced skyline by permitting a limited number of tall buildings to rise above the dense cluster that forms the downtown core, stepping down from the Transit Tower in significant height increments.

TRANSIT CENTER DISTRICT PLAN: PUBLIC REALM

OBJECTIVE 3.8

ENSURE THAT NEW DEVELOPMENT ENHANCES THE PEDESTRIAN NETWORK AND REDUCES THE SCALE OF LONG BLOCKS BY MAINTAINING AND IMPROVING PUBLIC ACCESS ALONG EXISTING ALLEYS AND CREATING NEW THROUGH-BLOCK PEDESTRIAN CONNECTIONS WHERE NONE EXIST.

Policy 3.11

Prohibit the elimination of existing alleys within the District. Consider the benefits of shifting or re-configuring alley alignments if the proposal provides an equivalent or greater degree of public circulation.

Policy 3.12

Design new and improved through-block pedestrian passages to make them attractive and functional parts of the public pedestrian network.

OBJECTIVE 4.1:

THE DISTRICT'S TRANSPORTATION SYSTEM WILL PRIORITIZE AND INCENTIVIZE THE USE OF TRANSIT. PUBLIC TRANSPORTATION WILL BE THE MAIN, NON-PEDESTRIAN MODE FOR MOVING INTO AND BETWEEN DESTINATIONS IN THE TRANSIT CENTER DISTRICT.

Policy 4.5:

Support funding and construction of the Transbay Transit Center project to further goals of the District Plan, including completion of the Downtown Extension for Caltrain and High-Speed Rail.

The Project is located within an existing high-density downtown area which was re-zoned as part of an area plan to design development around the Transbay Transit Center. The Transbay Transit Center is designed to be the Bay Area's hub of intermodal public transportation, with corresponding infrastructure improvements in this area of downtown. The overarching premise of the Transit Center District Plan ("TCDP") is to continue the concentration of additional growth where it is most responsible and productive to do so—in proximity to San Francisco's greatest concentration of public transit service. The increase in development, in turn, will provide additional revenue for the Transit Center project and for the necessary improvements and infrastructure in the District. Meanwhile, the well-established Downtown Plan envisions a series of high-density residential areas ringing the area, enabling people to live within walking distance of the central business district. The integration of housing reduces the burden on the transit systems and helps to enliven the central district. This Project implements the vision of both Plans through the construction of 165 dwelling units, 189 hotel rooms, and approximately 275,00 gross square feet of office use located within walking distance of the Transbay Transit Center, as well as the Downtown Core.

One of the specific goals of the Transit Center Plan is to leverage increased development intensity to generate revenue that will enable the construction of new transportation facilities, including support for the Transbay Transit Center, including the Downtown Rail Extension. These revenues will also be directed toward improvements to sidewalks and other important pedestrian infrastructure to create a public realm that is conducive to, and supportive of pedestrian travel. With approximately 434,000 gross square feet of residential uses, approximately 276,000 gross square feet of office use, and approximately 248,000 gross square feet of hotel use, including approximately 9,800 gross square feet of retail uses, the Project will contribute substantial financial resources toward these improvements, and will also serve to leverage these investments by focusing intense employment growth within the core of planned transportation services.

The Project would add a significant amount of housing to a site that is currently undeveloped, well-served by existing and future transit, and is within walking distance of substantial goods and services. Future residents can walk, bike, or access BART, MUNI, or regional bus service from the Site, including all future modes of public transportation proposed to terminate at the Salesforce Transit Center, located immediately adjacent to the Site.

6. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

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

The Project would have a positive effect on existing neighborhood-serving retail uses because it would bring additional residents to the neighborhood, thus increasing the customer base of existing neighborhood-serving retail. The Project will provide significant employment opportunities with the addition of a full-service hotel and various retail uses at the ground level and at level 5, where the Project connects to Salesforce Park, atop the Salesforce Transit Center. Moreover, the Project would not displace any existing neighborhood-serving retail uses.

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

The Project would not negatively affect the existing housing and neighborhood character. The Project site is currently vacant and does not, therefore, contain any existing housing. The Project's unique mixed-use program provides outstanding amenities to visitors and residents, and contributes significantly to the 24-hour neighborhood character envisioned by the Transit Center District Plan.

- C. That the City's supply of affordable housing be preserved and enhanced,

The Project would not displace any housing given the Site is currently undeveloped. The Project would improve the existing character of the neighborhood by developing a high-density, mixed-use building containing 165 dwelling units, including the provision of off-site inclusionary affordable units at a rate of no less than 33 percent within one-mile of the Site.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project would not impede MUNI transit service or overburden local streets or parking. The Project is located in the most transit-rich environs in the city and would therefore promote rather than impede the use of MUNI transit service. Future residents and employees of the Project could access both the existing MUNI rail and bus services. The Project also provides a minimum amount of off-street parking for future residents so that neighborhood parking will not be overburdened by the addition of new residents.

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

The mixed-use Project would not negatively affect the industrial and service sectors, nor would it displace any existing industrial uses. The Project would also be consistent with the character of existing development in the neighborhood, which is characterized by neighborhood serving retail and residential high-rise buildings.

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

The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

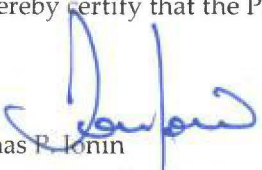
Currently, the Project Site does not contain any City Landmarks or historic buildings.

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

A Shadow Study indicated the Project may cast a shadow on both Union Square Plaza and Willie "Woo Woo" Wong Park, properties under the jurisdiction of the San Francisco Recreation and Park Department. However, based upon the amount and duration of new shadow and the importance of sunlight to each of the open spaces analyzed, the Project would not substantially affect, in an adverse manner, the use or enjoyment of these open spaces beyond what was analyzed and disclosed in the TCDP FEIR. The Project's new shadow on Union Square Plaza and Willie "Woo Woo" Wong Playground would contribute considerably to the significant and unavoidable impact identified in the TCDP FEIR with respect to the need to increase the Absolute Cumulative Limit of downtown parks. Shadow from the proposed Project on public plazas, and other publicly-accessible spaces other than those protected under Section 295 would be generally be limited to certain days of the year and would be limited in duration on those days.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES the proposed Ordinance as described in this Resolution.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on January 9, 2020.



Jonas P. Lonin
Commission Secretary

AYES: Diamond, Fung, Johnson, Koppel, Melgar, Moore

NAYS: None

ABSENT: Richards

ADOPTED: January 9, 2020