



# SAN FRANCISCO PLANNING DEPARTMENT

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## Executive Summary Downtown Project Authorization

HEARING DATE: SEPTEMBER 24, 2015  
CONTINUED FROM: JULY 16, 2015 & AUGUST 13, 2015

*Date:* September 10, 2015  
*Case No.:* **2013.0159X**  
*Project Address:* **525 HARRISON STREET**  
*Zoning:* RH-DTR (Rincon Hill Downtown Residential) Zoning District  
*Existing Height/Bulk:* 65-X & 65/400-R Height and Bulk District  
*Proposed Height/Bulk:* 65-X & 65/250-R Height and Bulk District  
*Block/Lot:* 3764/063  
*Project Sponsor:* Steve Vettel, Farella Braun + Martel, LLP  
235 Montgomery Street  
San Francisco, CA 94104  
*Staff Contact:* Richard Sucre – (415) 575-9108  
[richard.sucre@sfgov.org](mailto:richard.sucre@sfgov.org)

*Recommendation:* **Approval with Conditions**

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### PROJECT DESCRIPTION

The proposed project includes demolition of the existing two-story former industrial building (27,500 gsf), and the new construction of a 23-story residential building (approximately 255,468 gross square feet; up to 250-ft tall) with up to 205 dwelling units, 1,000 square feet of ground floor café/retail, 103 off-street parking spaces, 127 Class 1 bicycle parking spaces, and 20 Class 2 bicycle parking spaces. The project includes a dwelling unit mix consisting of 94 two-bedroom units, 69 one-bedroom units, and 42 studio units. The project includes approximately 15,683 square feet of open space via ground floor street improvements, private balconies, a podium level roof deck, and a rooftop terrace. The entrance to the below-grade parking levels via a 22-ft wide entrance off of Harrison Street. The project also includes streetscape improvements, including installation of a signalized pedestrian crosswalk with continental striping along Harrison and Essex Streets, as well as sidewalk widening, new street trees, landscaping and corner bulb outs.

### SITE DESCRIPTION AND PRESENT USE

The proposed project is located on an irregularly-shaped lot on the east side of Harrison Street between 1<sup>st</sup> and Essex Streets. The subject lot has a lot area of approximately 12,998± sq ft, and has approximately 140-ft of frontage on Harrison Street. The subject lot is bordered by a freeway on-ramp to the south and east, and a vacant lot to the north. The subject lot is currently occupied by a two-story former industrial building (measuring approximately 27,500 gsf), which is currently an entertainment venue (d.b.a. Sound Factory).

## **SURROUNDING PROPERTIES AND NEIGHBORHOOD**

The project site is located in the Rincon Hill DTR Zoning District along a transitioning corridor within the Rincon Hill Plan area. To the north of the project site is a vacant lot and a three-story, former industrial building (d.b.a Terra), while to the south of the project site is the freeway on-ramp. Across from the project site, opposite Harrison Street, is a four-story residence with 33 dwelling units and a new 400-ft residential tower with up to 320 dwelling units at 45 Lansing Street, which is under construction. Other zoning districts in the vicinity of the project site include: P (Public), SB-DTR (South Beach Downtown Residential District), and TB-DTR (Transbay Downtown Residential).

## **ENVIRONMENTAL REVIEW**

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Rincon Hill Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on May 5, 2005, by Motion No. 17007, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

On August 6, 2015, the Department prepared an Addendum to the previously-certified Final EIR. The EIR Addendum did not identify any new significant and unavoidable impacts not examined in the original FEIR.

## **AMENDED HEARING NOTIFICATION**

<b>TYPE</b>	<b>REQUIRED PERIOD</b>	<b>REQUIRED NOTICE DATE</b>	<b>ACTUAL NOTICE DATE</b>	<b>ACTUAL PERIOD</b>
Classified News Ad	10 days	June 26, 2015	June 26, 2015	20 days
Posted Notice	20 days	June 26, 2015	June 26, 2015	20 days
Mailed Notice	10 days	July 6, 2015	June 26, 2015	20 days

An amended public hearing notification was conducted to reflect the update to the project design, which increased in size since the original public notification.

## **PUBLIC COMMENT**

As of August 6, 2015, the Department has received several public inquiries regarding the proposed project. The majority of these inquiries have expressed neither support nor opposition to the proposed project. One of the public correspondences requested additional review of the project against the City's Vision Zero policies. The Department received one letter of support from the San Francisco Housing Action Coalition (See Attached).

**ISSUES AND OTHER CONSIDERATIONS**

- **Design Review/Project Revisions:** As a follow-up to the initiation of the legislative amendments on May 28, 2015, the Planning Commission conducted a design review of the proposed project at a public hearing on June 18, 2015. In response to the Commission’s comments, the Project Sponsor has undertaken a redesign of the proposed project at 525 Harrison Street to address the concerns voiced by the Commission and to better align the project to the Rincon Hill Area Plan. The project has been redesigned with a more slender tower, a reduced tower floorplate, a more refined podium, and an increase in the number of dwelling units and overall gross square footage.

*Table 1. Original & Project Revisions at 525 Harrison Street*

	<i>Original</i>	<i>Revised</i>
Gross Square Footage	229,270 gsf	255,468 gsf
Height	173-ft	250-ft
Dwelling Units	179	205
Parking Spaces	97	103
Tower Floorplate	10,398 gsf	8,925 gsf

- **Legislative Amendments:** The proposed project requires legislative amendments (General Plan Amendment and Planning Code Text Amendment) to the Rincon Hill Area Plan and Planning Code to provide for modification of the tower bulk, upper tower sculpting and tower spacing requirements of the Planning Code (See Case No. 2013.0159T). Specifically, these legislative amendments would add text to Policies 3.3 and 3.4 of the Rincon Hill Area Plan to address modification of the tower spacing and tower bulk requirements of the San Francisco Planning Code, and would add criteria to Planning Code Section 270(e) and 309.1 to allow for exceptions to the tower bulk, upper tower sculpting, and tower spacing requirements on Block 3764. In addition, the project would also decrease the subject lot’s height limit from 65/400-R to 65/250-R (See Case No. 2013.0159Z). These legislative amendments must be adopted by the Board of Supervisors, in order to vest the Commission’s determination. The legislative amendments have been updated to reflect the updated project design.
- **Downtown Project Authorization Exceptions:** As part of the Downtown Project Authorization (DPA), the Commission may grant exceptions from certain Planning Code requirements for projects that exhibit outstanding overall design and are complementary to the design and values of the surrounding area. The proposed project requests an exception from the requirements for dwelling unit exposure (Planning Code Section 140) and tower bulk, tower sculpting and tower spacing (Planning Code Section 270(e)(5)). Department staff is generally in agreement with the proposed modifications given the overall project and its outstanding and unique design.
- **Inclusionary Affordable Housing:** The Project has elected the on-site affordable housing alternative, identified in Planning Code Section 415.6. The project site is located within the RH-DTR Zoning District, which requires 12% of the total number of units to be designated as part of the inclusionary affordable housing program. The Project contains 205 units and the Project Sponsor will fulfill this requirement by providing the 25 affordable units on-site, which will be

available for rent. As part of the project, the Project Sponsor has entered into a Costa-Hawkins Agreement with the City.

- **Vision Zero & Streetscape Improvements:** In recognition of the City’s Vision Zero Program, the Project Sponsor has updated their streetscape plans, and will construct high visibility, continental signaled crosswalks at the intersection of Essex and Harrison Streets. In addition, pending approval from Caltrans, the Project Sponsor will provide a signalized crosswalk across Essex Street along Harrison Street.
- **Development Impact Fees:** The Project will be subject to the following development impact fees, which are estimated as follows:

FEE TYPE	PLANNING CODE SECTION/FEE	AMOUNT
Rincon Hill Community Improvement Fund (227,968 gsf– New Residential)	418 (@ \$10.44)	\$2,379,986
Rincon Hill Community Improvement Fund (27,500 gsf– Non-Residential to Residential)	418 (@ \$6.07)	\$166,925
SoMa Community Stabilization Fee (232,100 gsf–New Residential)	418.3(d) (@ \$13.29)	\$3,395,170
	<b>TOTAL</b>	<b>\$5,948,081</b>

Please note that these fees are subject to change between Planning Commission approval and approval of the associated Building Permit Application, due to potential changes to the Project and the Controller’s annual inflation adjustment for impact fees.

**REQUIRED COMMISSION ACTION**

In order for the project to proceed, the Commission must grant a Downtown Project Authorization pursuant to Planning Code Section 309.1 to allow the new construction of a 23-story residential building with up to 205 dwelling units, and to allow modifications to the requirements for dwelling unit exposure (Planning Code Section 140) and tower bulk, tower sculpting and tower spacing (Planning Code Section 270(e)(5)).

**BASIS FOR RECOMMENDATION**

The Department believes this project is approvable for the following reasons:

- The Project is consistent with the objectives and policies of the General Plan, as amended.
- The Project is located in a zoning district where residential is principally permitted.
- The Project will produce a new residential development and significant site updates, including landscaping, private and common open space, sidewalk improvements.
- The Project complies with the First Source Hiring Program.
- The Project adds up to 205 new dwelling units to the City’s housing stock.
- The Project shall construct 25 new on-site affordable housing units.

- The Project will fully utilize the Rincon Hill Area Plan controls, and will pay the appropriate development impact fees.

<b>RECOMMENDATION:</b> <b>Approval with Conditions</b>
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**Attachments:**

Draft Motion-Downtown Project Authorization  
Parcel Map  
Sanborn Map  
Aerial Photograph  
Zoning Map  
Project Sponsor Submittal  
Architectural Drawings  
Affordable Housing Affidavit  
Costa-Hawkins Agreement  
First Source Hiring Affidavit  
Anti-Discriminatory Housing Policy Affidavit  
Public Correspondence  
EIR Addendum

Attachment Checklist

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Executive Summary   | <input checked="" type="checkbox"/> Project Sponsor Submittal  |
| <input checked="" type="checkbox"/> Draft Motion        | Drawings: <u>Existing Conditions</u>   |
| <input type="checkbox"/> Environmental Determination    | <input checked="" type="checkbox"/> Check for legibility   |
| <input checked="" type="checkbox"/> Zoning District Map | Drawings: <u>Proposed Project</u>  |
| <input checked="" type="checkbox"/> Height & Bulk Map   | <input checked="" type="checkbox"/> Check for legibility   |
| <input checked="" type="checkbox"/> Parcel Map          | <input type="checkbox"/> Health Dept. Review of RF levels  |
| <input checked="" type="checkbox"/> Sanborn Map         | <input type="checkbox"/> RF Report   |
| <input checked="" type="checkbox"/> Aerial Photo        | <input type="checkbox"/> Community Meeting Notice  |
| <input checked="" type="checkbox"/> Context Photos      | <input checked="" type="checkbox"/> Inclusionary Affordable Housing Program:<br>Affidavit for Compliance |
| <input checked="" type="checkbox"/> Site Photos         |  |

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

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

*RS: G:\Documents\Downtown Project Authorization\2013.0159X 525 Harrison St\ExecutiveSummary\_525 Harrison St.doc*