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City and County of San Francisco
Clerk of the Board of Supervisors
Sarah Jones, Environmental Review Officer
#1 Dr. Carlton B. Goodlett Place
Room #244
San Francisco, CA 94102

June 10, 2016

Via Hand and Electronic Delivery

**RE: 901 16th Street and 1200 17th Street Mixed Use Project
Notice of Appeal of the May 12, 2016 Planning Commission
Decisions**

Dear Sarah Jones, Clerk of the Board, and Members of the Board of Supervisors,

The public benefit citizens groups, Grow Potrero Responsibly and Save the Hill, appeal the decisions made by the Planning Commission certifying the Environmental Impact Report (EIR) and adopting Findings and a Statement of Overriding Considerations for the "901 16th Street and 1200 17th Street Mixed Use Project" on the following bases. (Attached Planning Commission Motions Nos. 19643-19644)

- The EIR is inadequate and incomplete.
- The EIR failed to analyze and disclose significant environmental impacts in the areas of:
 - Aesthetics and Views
 - Cultural and Historic Resources
 - Land Use
 - Shade and Shadow
 - Traffic and Circulation
 - Transit
 - Inconsistencies with Area Plans and Policies
 - Cumulative
- The EIR's alternatives analysis is inadequate and incomplete.
- Proposed mitigation for traffic impacts is inadequate and incomplete.
- The Final EIR failed to respond adequately to comments on the Draft EIR.

- The City failed to consider, analyze and adopt feasible mitigations and alternatives.
- The CEQA Findings and Statement of Overriding Considerations are inadequate and incomplete and are not supported by substantial evidence.

Attached Exhibits:

The final motions certifying the EIR, adopting findings and a statement of overriding considerations and approving the Project are attached as **Exhibit A**. Evidence in support of the appeal is attached as **Exhibits B** and is also contained in the Draft and Final EIRs and the Planning Commission packet, incorporated here by reference. **Exhibit C** is a link to the May 12, 2016 Planning Commission hearing. **Exhibit D** contains the request for a waiver of fees for appealing the Planning Commission's decisions to the Board of Supervisors.

- Exhibit A:** Final Planning Commission Motions Nos. 19643, 19644 and 19645
Exhibit B: Selected letters and documents
Exhibit C: Link to video of May 12, 2016 Planning Commission hearing in which testimony was given on the Project.
Exhibit D: Request for Appeal Fee Waiver and supporting documents

Thank you,

Rachel Mansfield-Howlett

Rachel Mansfield-Howlett
Attorney for Appellants

EXHIBIT A



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion NO. 19643

HEARING DATE: May 12, 2016

Case No.: 2011.1300E
Project Address: 901 16th Street and 1200 17th Street
Zoning: UMU (Urban Mixed Use) Use District
48-X (southern portion of project site) and 68-X (northern portion of project site) Height and Bulk District
Showplace Square/Potrero Subarea of the Eastern Neighborhoods
Rezoning and Area Plan
Block/Lot: Block 3949/Lots: 001, 001A, 002, and Block 3950/Lots 001
Project Sponsor: Josh Smith for Potrero Partners, LLC – (650) 348-3232
jsmith@waldendevlopment.com
Staff Contact: Chris Thomas – (415) 575-9036
Christopher.thomas@sfgov.org

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ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR A PROPOSED MIXED-USE PROJECT THAT INCLUDES 395 UNITS AND 24,968 GROSS SQUARE FEET (GSF) OF RETAIL SPACE DISTRIBUTED IN TWO NEW BUILDINGS. THE PROJECT WOULD ALSO INCLUDE VEHICULAR PARKING AND BICYCLE PARKING, PRIVATE- AND PUBLICLY-ACCESSIBLE OPEN SPACE, AND STREETScape AND PUBLIC-REALM IMPROVEMENTS.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the final Environmental Impact Report identified as Case No. 2011.1300E, the "901 16th Street and 1200 17th Street Mixed-Use Project" at 901 16th Street and 1200 17th Street and various other parcels, above (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 February 11, 2015.
 - B. The Department held a public scoping meeting on March 4, 2015 in order to solicit public comment on the scope of the 901 16th Street and 1200 17th Street Project's environmental review.
 - C. On August 12, 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.

- D. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site on August 11, 2015.
 - E. On August 12, 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.
 - F. Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on August 13, 2015.
2. The Commission held a duly advertised public hearing on said DEIR on October 1, 2015 (continued from the original date of September 17, 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 October 5, 2015.
 3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 54-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 Comments and Responses document, published on April 28, 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 May 12, 2016, the Commission reviewed and considered the information contained in 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. 2011.1300E 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 significant, project-specific effects on the environment by contributing considerably to existing LOS F conditions at three study intersections (i.e., 17th/Mississippi Streets, Mariposa/Pennsylvania Streets, and Mariposa/Mississippi Streets); and
 - B. Will have significant cumulative effects on the environment by contributing to substantial delays at four study intersections (i.e., 17th/Mississippi Streets, Mariposa/Pennsylvania Streets, Mariposa/Mississippi Streets, and 7th/16th/Mississippi Streets) ; and
 - C. Will contribute considerably to the significant cumulative land use impact related to loss of Production, Distribution and Repair uses that was identified in the Eastern Neighborhoods Programmatic Environmental Impact Report.
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 May 12, 2016.



Jonas P. Ionin
Commission Secretary

AYES: Fong, Richards, Antonini, Johnson, Hillis, Moore, Wu
NAYES: None
ABSENT: None
ADOPTED: May 12, 2016



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion NO. 19644

HEARING DATE: May 12, 2016

Case No.: 2011.1300EX
Project Address: 901 16th Street and 1200 17th Street
Zoning: UMU (Urban Mixed Use) Use District
48-X (southern portion of project site) and 68-X (northern portion of project site) Height and Bulk District
Showplace Square/Potrero Subarea of the Eastern Neighborhoods
Rezoning and Area Plan
Block/Lot: Block 3949/Lots: 001, 001A, 002, and Block 3950/Lots 001
Project Sponsor: Josh Smith for Potrero Partners, LLC – (650) 348-3232
jsmith@waldendevlopment.com
Staff Contact: Chris Townes – (415) 575-9195
christopher.townes@sfgov.org

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ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, INCLUDING FINDINGS OF FACT, FINDINGS REGARDING SIGNIFICANT IMPACTS AND SIGNIFICANT AND UNAVOIDABLE IMPACTS, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES, AND A STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO APPROVALS FOR THE PROJECT, LOCATED AT 901 16TH STREET AND 1200 17TH STREET, TO MERGE FOUR LOTS INTO TWO LOTS, DEMOLISH TWO WAREHOUSES AND A MODULAR OFFICE STRUCTURE, PRESERVE THE BRICK OFFICE BUILDING, AND CONSTRUCT TWO NEW MIXED USE BUILDINGS ON SITE. THE "16TH STREET BUILDING" AT 901 16TH STREET WOULD CONSIST OF A NEW SIX-STORY, APPROXIMATELY 402,943 GROSS SQUARE FOOT RESIDENTIAL MIXED USE BUILDING WITH 260 DWELLING UNITS AND 20,138 GROSS SQUARE FEET OF RETAIL ON THE NORTHERN LOT. THE "17TH STREET BUILDING" AT 1200 17TH STREET WOULD CONSIST OF A NEW FOUR-STORY, APPROXIMATELY 213,509 GROSS SQUARE FEET RESIDENTIAL MIXED USE BUILDING WITH 135 DWELLING UNITS AND 4,650 GROSS SQUARE FEET ON THE SOUTHERN LOT. THE HISTORIC BRICK OFFICE BUILDING WOULD BE REHABILITATED FOR RETAIL OR RESTAURANT USE. COMBINED, THE TWO NEW BUILDINGS WOULD CONTAIN A TOTAL OF 395 DWELLING UNITS AND APPROXIMATELY 24,968 GROSS SQUARE FEET OF RETAIL SPACE, WITH A TOTAL OF 389 VEHICULAR PARKING SPACES, 455 OFF-STREET BICYCLE PARKING SPACES, AND APPROXIMATELY 14,669 SQUARE FEET OF PUBLIC OPEN SPACE, 33,149 SQUARE FEET OF COMMON OPEN SPACE SHARED BY PROJECT OCCUPANTS, AND 3,114 SQUARE FEET OF OPEN SPACE PRIVATE TO UNITS.

PREAMBLE

On June 17, 2014, Potrero Partners, LLC (Attn: Josh Smith) (hereinafter "Project Sponsor"), filed Application No. 2011.1300EX (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct one six-story building

and one four-story building, referred to as the "16th Street" and "17th Street" Buildings (approximately 616,452 gross square feet and 395 dwelling units total) with ground floor retail and open space at 901 16th Street and 1200 17th Street (Block 3949/Lots: 001, 001A, 002, and Block 3950/Lots 001) in San Francisco, California.

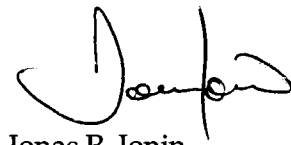
On August 12, 2015, the Department published a Draft Environmental Impact Report ("DEIR") for the Project for public review (Case No. 2011.1300E). The DEIR was available for public comment until October 5, 2015. On October 1, 2015, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On April 28, 2016, the Department published a Comments and Responses document, responding to comments made regarding the DEIR for the Project.

On May 12, 2016, the Commission certified the FEIR for the Project as adequate, accurate and complete.

On May 12, 2016, at a duly noticed public hearing at a regularly scheduled meeting, the Commission adopted findings, including a statement of overriding considerations and a Mitigation, Monitoring and Reporting Program.

MOVED, that the Commission hereby adopts the Project findings required by the California Environmental Quality Act, attached hereto as Attachment A including a statement of overriding considerations and adopts the Mitigation, Monitoring and Reporting Program, included as Exhibit 1 to Attachment A.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of May 12, 2016.



Jonas P. Ionin
Commission Secretary

AYES: Fong, Richards, Antonini, Johnson, Hillis, Wu
NAYES: Moore
ABSENT: None
ADOPTED: May 12, 2016



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

Affordable Housing (Sec. 415)

Jobs Housing Linkage Program (Sec. 413)

First Source Hiring (Admin. Code)

Child Care Requirement (Sec. 414A)

Other (TSF, Sec. 411A & EN Impact Fees, Sec. 423)

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Planning Commission Motion No. 19645

HEARING DATE: MAY 12, 2016

Case No.: 2011.1300X
Project Address: 901 16TH STREET & 1200 17TH STREET
Zoning: UMU (Urban Mixed-Use) Zoning District
48-X Height and Bulk District (1200 17th Street Site)
68-X Height and Bulk District (901 16th Street Site)
Block/Lot: 3949/002; 3950/001 (1200 17th Street Site)
3949/001A, 001, 002; 3950/001 (901 16th Street Site)
Project Sponsor: Potrero Partners, LLC (Attn: Josh Smith)
445 Virginia Avenue
San Mateo, CA 94402
Staff Contact: Chris Townes – (415) 575-9195
chris.townes@sfgov.org

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO 1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, 2) PERMITTED OBSTRUCTIONS OVER THE STREET PURSUANT TO PLANNING CODE SECTION 136, 3) PARKING/LOADING ENTRANCE WIDTH PURSUANT TO PLANNING CODE SECTION 145.1, 4) OFF-STREET LOADING MINIMUM PURSUANT TO PLANNING CODE SECTION 152.1, 5) HORIZONTAL MASS REDUCTION PURSUANT TO PLANNING CODE SECTION 270.1, AND 6) FLEXIBLE UNITS-MODIFICATION OF THE ACCESSORY USE PROVISIONS FOR DWELLING UNITS PURSUANT TO PLANNING CODE SECTIONS 329(D)(10) AND 803.3(B)(1)(C), TO ALLOW CONSTRUCTION OF TWO, FOUR-TO-SIX-STORY MIXED-USE BUILDINGS WITH A TOTAL OF 395 DWELLING UNITS, 24,486 SQUARE FEET OF RETAIL, AND 388 OFF-STREET PARKING SPACES, LOCATED AT 901 16TH STREET AND 1200 17TH STREET, LOTS 001A, 001, 002 ON ASSESSOR'S BLOCK 3949 AND LOTS 001 ON ASSESSOR'S BLOCK 3950, WITHIN THE UMU (URBAN MIXED-USE) ZONING DISTRICT AND A 48-X AND 68-X HEIGHT AND BULK DISTRICT.

THE TWO BUILDINGS INCLUDE A NORTH BUILDING ("16TH STREET BUILDING") AND A SOUTH BUILDING ("17TH STREET BUILDING"). THE 16TH STREET BUILDING IS A SIX-STORY, 68-FOOT TALL, MIXED-USE BUILDING (APPROXIMATELY 402,943 GSF) WITH 260 DWELLING UNITS (CONSISTING OF APPROXIMATELY (49) STUDIOS, (103) 1-BEDROOM UNITS, (95) 2-BEDROOM UNITS, AND (13) 3-BEDROOM UNITS), 20,318 SQUARE FEET OF COMMERCIAL

SPACE, AND APPROXIMATELY 263 OFF-STREET PARKING SPACES LOCATED AT 901 16TH STREET, LOT 001A, 001 AND 002 IN ASSESSOR'S BLOCK 3949 AND LOT 001 IN ASSESSOR'S BLOCK 3950, WITHIN THE UMU (URBAN MIXED USE) ZONING DISTRICT AND A 68-X HEIGHT AND BULK DISTRICT. THE 17TH STREET BUILDING IS A FOUR-STORY, 48-FOOT TALL, MIXED-USE BUILDING (APPROXIMATELY 213,009 GSF) WITH 135 DWELLING UNITS (CONSISTING OF APPROXIMATELY (75) 1-BEDROOM UNITS, (51) 2-BEDROOM UNITS, AND (9) 3-BEDROOM UNITS), 4,150 SQUARE FEET OF COMMERCIAL SPACE, AND APPROXIMATELY 125 OFF-STREET PARKING SPACES LOCATED AT 1200 17TH STREET, LOT 002 IN ASSESSOR'S BLOCK 3949 AND LOT 001 IN ASSESSOR'S BLOCK 3950, WITHIN THE UMU (URBAN MIXED USE) ZONING DISTRICT AND A 48-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On June 19, 2014, Josh Smith of Potrero Partners, LLC (hereinafter "Project Sponsor") filed Application No. 2011.1300EX (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to demolish a surface parking lot and approximately 105,000 square feet of existing warehouse (PDR) use (Cor-O-Van Moving and Storage Company), and construct two four-to-six-story mixed-use buildings at 901 16th Street and 1200 17th Street on Lots 001,001A and 002 in Assessor's Block 3949 and on Lot 001 in Assessor's Block 3950 in San Francisco, California. The two buildings consist of: a North Building ("16th Street Building")--a 6-story, 68-foot tall, 402,943 gross square foot (gsf) mixed-use building with 260 dwelling unit, 20,318 square feet of retail, and 263 off-street parking spaces; and, a South Building ("17th Street Building")--a 4-story, 48-foot tall, 213,009 gsf mixed-use building with 135 dwelling unit, 4,650 square feet of retail and 125 off-street parking spaces.

On August 12, 2015, the Department published a Draft Environmental Impact Report ("DEIR") for the Project for public review (Case No. 2011.1300E). The DEIR was available for public comment until October 5, 2015. On October 1, 2015, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On April 28, 2016, the Department published a Response to Comments document, responding to comments made regarding the DEIR for the Project.

On May 12, 2016, the Commission certified the FEIR for the Project as adequate, accurate and complete.

On May 12, 2016, the Commission adopted the CEQA Findings for the FEIR, prior to the approval of the Project (See Case No. 2011.1300E).

On May 12, 2016, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2011.1300EX.

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

On May 12, 2016, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2011.1300X.

The Planning Department, Jonas P. Ionin, is the custodian of records, located in the File for Case No. 2011.1300X at 1650 Mission Street, Fourth Floor, San Francisco, California.

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

MOVED, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2011.1300X, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project site consists of four adjacent lots in the lower Potrero Hill neighborhood. The two lots measure 380 feet by 237 feet. The approximately 3.5-acre project site is bounded by 16th Street to the north, Mississippi Street to the east, 17th Street to the south, and residential and industrial buildings to the west. The project site currently contains four existing buildings: two metal shed industrial warehouse buildings (102,500 square feet), a vacant brick office building (1,240 square feet), and a modular office structure (5,750 square feet). The vacant brick building was originally constructed by the Pacific Rolling Mill Co. in 1926 to house the office functions of the company's steel fabricating operation at the site, while the modular office structure was until recently occupied by Cor-O-Van Moving and Storage Company. In total, the four existing buildings possess approximately 109,500 gross square feet. Surrounding the modular office structure is an open surface parking lot which is also used for access to the University of California, San Francisco (UCSF) storage and for fleet storage of the Cor-O-Van trucks and moving vans.
3. **Surrounding Properties and Neighborhood.** The project site is located in the UMU Zoning District along a transitioning industrial corridor connecting the Mission neighborhood to Mission Bay within the Showplace Square/Potrero Hill Plan Area. Directly across 16th Street to the north, is a new 453-unit, mixed-use development project (referred to as "Potrero 1010") currently under construction consisting of two, 6-story buildings with residential units above flex and retail spaces located on a triangular site. Potrero 1010 includes a new 1-acre park and a public mid-block pedestrian news lined with active uses. The adjacent properties to the west include two 3-story, live-work buildings, as well as, a vacant 1-story auto body shop. The properties to the south, across 17th Street include a 1-story industrial building, a vacant lot and a 2-story mixed-use building with residential above a place of entertainment ("Bottom of the Hill"). Properties to the east, across Mississippi Street include 1- to 2-story industrial buildings and a 3-story, 19-unit live/work building. The elevated Interstate 280 Freeway borders the site along the eastern edge. The surrounding neighborhood includes several other one- and two-story commercial and warehouse buildings. The broader neighborhood includes a variety of light industrial uses,

Whole Foods grocery store, Live Oak School, California College of the Arts (CCA), residential, live/work, and mixed-use developments, restaurants, places of entertainment and Jackson Playground Park. The project site is located approximately one mile from the 4th and Townsend Street, and 22nd Street Caltrain stations, is located along the No. 55 bus route, and is blocks from the No. 8, 10, 19, and 22 bus lines and within a half-mile of the T-Third Street Muni line. Surrounding properties to the north, west, east, and south are all zoned UMU (Urban Mixed Use). Properties further northwest are zoned PDR-1-D (Production, Distribution, Repair- 1- Design) while properties further south are zoned RH-2 (Residential-House, Two Family).

4. **Project Description.** The project proposes to merge four lots into two lots totaling approximately 3.5 acres, to demolish a surface parking lot and approximately 105,000 square feet of existing warehouse (PDR) use (d.b.a. Cor-O-Van Moving and Storage Company), and construct two four-to-six-story mixed-use buildings. The two buildings consist of: a North Building ("16th Street Building")--a 6-story, 68-foot tall, 402,943 gross square foot (gsf) mixed-use building with 260 dwelling unit, 20,318 square feet of retail, and 263 off-street parking spaces; and, a South Building ("17th Street Building")--a 4-story, 48-foot tall, 213,009 gsf mixed-use building with 135 dwelling unit, 4,650 square feet of retail and 125 off-street parking spaces. The project would construct a publicly-accessible pedestrian alley connecting 16th Street to 17th Street along the western property line. Combined, the two new buildings would construct a total of 395 dwelling units, 24,468 gross square feet of retail space, 388 off-street parking spaces, and 455 Class 1 and 52 Class 2 bicycle parking spaces. The project would retain an existing two-story, brick historic building. The project would also include 12,219 square feet of public open space, 27,268 square feet of common open space, and 4,950 square feet of private open space.
5. **Public Comment.** The Department has received (15) letters of support for the Project from individuals, as well as from the Dogpatch Merchants, Potrero Hill Neighborhood House, the Bookkeeper, who cite support for the project's design and program, proposed density, and relationship to the 16th Street transit corridor. In opposition, the Department has received (25) community letters, 330 community signers of a petition, and 135 comments by community signers to the petition. Issues cited include concern for the project's height, scale, and massing, lack of adequate public open space, neighborhood compatibility, lack of area and diversity of commercial uses, traffic impacts, and inadequacy of EIR.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Permitted Uses in UMU Zoning Districts.** Planning Code Section 843.20 and 843.45 state that residential and retail uses are principally permitted uses within the UMU Zoning District.

The Project would construct two new mixed-use buildings with residential and retail uses within the UMU Zoning District; therefore, the Project complies with Planning Code Sections 843.20 and 843.45.

- B. **Floor Area Ratio (FAR).** Planning Code Section 124 establishes a maximum FAR within the UMU Zoning District of 3.0 to 1 for non-residential floor area within the 48-X Height and Bulk District and a 5.0 to 1 for non-residential floor area within the 68-X Height and Bulk District.

The project site has a total lot area of 152,000, which consists of two lots: one lot measuring 90,060 square feet within the 68-X Height and Bulk District (901 16th Street site), and the other lot measuring 61,940 square feet within the 48-X Height and Bulk District (1200 17th Street site). Therefore, the maximum permitted FAR for non-residential uses for the 1200 17th Street site is 185,820 square feet and the maximum permitted FAR for non-residential uses for the 901 16th Street site is 450,300 square feet.

The Project proposes 20,318 square feet of retail for all non-residential floor area within the 68-X Height and Bulk portion of the project site and 4,150 square feet of retail for all non-residential floor area within the 48-X Height and Bulk District portion of the project site; therefore, the Project complies with Planning Code Section 124.

- C. **Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25% of the total lot depth of the lot to be provided at every residential level. Therefore, the Project would have to provide a rear yard, which measures approximately 38,000 square feet, located along the rear property line.

The rectangular-shaped, 152,000 square feet subject property is a double-corner lot with frontage along 16th, Mississippi, and 17th Streets. Since the surrounding area is predominantly light industrial in nature, the subject block does not possess a mid-block open space pattern. The Project provides a total of 27,268 square feet of common open space, 12,219 square feet of publicly-accessible open space, in addition to 4,950 square feet of private open space. The common open space is provided within a mews between the two buildings, four interior residential courtyards and two roof decks. The publicly-accessible open space is provided within a north-south, 30-foot wide, pedestrian promenade mid-block alley, as well as, at two pockets at the corner of 16th Street and Mississippi Street and at the eastern entrance of the east-west residential mews. The private open space is provided within private patios and decks/balconies. As a whole, the Project exceeds the total amount of open space which would have been provided through a qualifying rear yard by 6,437 square feet. The open spaces provided at ground and podium level within the Project that are open to the sky and provide massing breaks represent approximately 25.5% of the total lot area. The north-south pedestrian promenade intersects with the east-west residential mews in a manner that serves to provide appropriately-located mid-block pedestrian alleys through the block while providing massing breaks between the North and South Buildings. The four interior, comparably-sized residential courtyards are appropriately sized and exceed the Planning Code requirements for dwelling unit exposure for dwellings units within the interior court. The Project is seeking an exception to the rear yard requirement as part of the Large Project Authorization since the Project does not provide a code-conforming rear yard.

- D. **Useable Open Space.** Planning Code Section 135 requires a minimum of 80 square feet of open space per dwelling unit, if not publically accessible, or 54 square feet of open space per dwelling unit, if publically accessible. Private useable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 square feet is located on a deck,

balcony, porch or roof, and shall have a minimum horizontal dimension of 10 feet and a minimum area of 100 square feet if located on open ground, a terrace or the surface of an inner or outer court. Common useable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum of 300 square feet. Inner courts may be credited as common usable open space if the enclosed space is not less than 20 feet in every horizontal dimension and 400 square feet in area, and if the height of the walls and projections above the court on at least three sides is such that no point on any such wall or projection is higher than one foot for each foot that such point is horizontally distant from the opposite side of the clear space in the court.

The required residential usable open space requirement will be satisfied by non-publicly accessible, common open spaces, as well as, publicly-accessible open spaces. The non-publicly accessible, common open spaces include four interior residential courtyards, a 39-foot wide residential mews, and roof decks totaling 27,268 square feet. The publicly-accessible open spaces include a 30-foot wide, north-south, pedestrian promenade mid-block alley, and pockets of open spaces at the corner of 16th Street and Mississippi Street and at the entrance into the east-west residential mews totaling 12,219 square feet. The landscaped courtyards and pedestrian promenade mid-block alley meet the dimensional requirements of Planning Code Section 135, 135(h)(1)(C), and 270.2. Additional private open space is provided in the form of patios, decks/balconies.

In total, the Project exceeds the amount of open space required by constructing a total of 27,268 square feet of usable Code-complying non-publicly accessible common open space (via a residential interior courtyards, a residential mews, and roof decks, as well as, 12,219 square feet of usable Code-complying publicly-accessible open space (via a north-south pedestrian promenade mid-block alley and pockets of open spaces). Overall, the Project complies with Planning Code Section 135.

- E. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires a streetscape plan, which includes elements from the Better Streets Plan for a project proposing new construction on a lot that is greater than one-half acre with frontage encompassing the entire block face between the nearest two intersections with any other publicly-accessible rights-of-way.

The Project includes the new construction of a north building ("16th Street Building"- a 6-story, 260-unit, mixed-use building) and a south building ("17th Street Building"- a 4-story, 135-unit, mixed-use building) on a site with 380 feet of frontage along 16th Street, 399.75 feet of frontage along Mississippi Street and 380 feet of frontage along 17th Street. The Project's streetscape has been designed in accordance with the San Francisco Better Streets Plan and provides widened sidewalks measuring 15 feet on 16th Street, 15 feet on Mississippi Street, and 10 feet on 17th Street. The Project also provides streetscape elements, including new paving, landscaping, street trees, bicycle racks, and street furniture. Therefore, the Project complies with Planning Code Section 138.1.

- F. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

The subject lot is not located within an Urban Bird Refuge. The Project meets the requirements of feature-related standards and does not include any unbroken glazed segments 24 square feet and larger in size; therefore, the Project complies with Planning Code Section 139.

- G. Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, public alley at least 20 feet in width, side yard at least 25 feet in width, a rear yard meeting the requirements of this Code or other open area that meets minimum requirements for area and horizontal dimensions.

The Project organizes the dwelling units to have exposure either on 16th Street, Mississippi Street, 17th Street or along the inner courtyards or mid-block promenades. Since 16th Street, Mississippi Street and 17th Street are all greater than 25 feet in width, all street-facing units comply with the dwelling unit exposure requirements. Since the inner courtyards within the 6-story tall 16th Street Building are at least 40 feet wide by 40 feet in length, and since the inner courtyards within the 4-story tall 17th Street Building are at least 35 feet wide by 35 feet in length all courtyard-facing units meet the dimensional requirements of the Planning Code. Lastly, the 30-foot wide north-south mid-block alley and 39-foot east-west residential mews meet the minimum clearance dimensional requirement for those units facing onto these spaces. Therefore, the Project complies with Planning Code Section 140.

- H. Street Frontage in Mixed Use Districts.** Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential uses have a minimum floor-to-floor height of 14 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60% of the street frontage at the ground level.

The Project meets all the requirements of Planning Code Section 145.1, with the exception of the maximum parking and loading entrance width requirement. The off-street parking is located on the ground level and within a single subterranean level but is located in the interior of the buildings either below grade or setback at least 30 feet from the street frontages. At-grade parking is setback approximately, 50 feet from the 16th Street frontage, 30 feet from the 16th Street frontage, and 40 feet from the north-south pedestrian promenade mid-block alley. At grade, within the first 25 feet from the street-fronting property lines, the ground floor plan consists of active uses including residential walk-up units with direct, individual pedestrian access to a public sidewalk along 17th Street, residential lobbies, residential fitness room and lobby, and retail tenant spaces. All non-residential ground floor uses (retail) have a minimum floor to floor height of 17 feet with floors of street-fronting interior spaces housing non-residential active uses and lobbies level with the adjacent sidewalk at the principal entrances into these spaces. In addition, the Project features floor-to-floor aluminum storefront systems with clear glazing that meets the ground-level visual transparency and fenestration requirements of Planning Code Section 145.1.

The 263-space at-grade and subterranean garage for the 16th Street Building is accessed from a 20-foot wide curb cut and driveway entrance along Mississippi Street. An adjacent 12-foot wide curb cut and driveway entrance provide vehicular access to a retail loading and trash area. The 125-space subterranean garage for the 17th Street Building is accessed from a single 20-foot wide curb cut and driveway entrance along Mississippi Street. Since collectively, the proposed curb cuts for parking and loading entrances exceed 20 feet along the Mississippi Street frontage, the Project does not meet Planning Code Section 145.1, the Project is seeking a modification of this requirement as part of the Large Project Authorization (see below).

- I. **Reduction of Shadows on Certain Public or Publicly Accessible Open Spaces in Eastern Neighborhoods Mixed Use District.** Planning Code Section 147 requires building's exceeding 50 feet in height to be shaped consistent with the dictates of good design and without unduly restricting development potential of the site, to reduce substantial shadow impacts on public plazas and other publicly accessible spaces (other than those protected under Section 295). In determining the impact of shadows, the following factors shall be taken into account: 1) the amount of area shadowed; 2) shadow duration; and 3) the importance of sunlight to the type of open space being shadowed.

On October 13, 2014, a shadow consultant, Environmental Vision, prepared a shadow study including a set of shadow diagrams (on hourly intervals from sunrise plus 1 hour to sunset) to address potential shadow effects associated with the 48-foot to 68-foot tall Project. In addition to the shadow diagrams, a site plan showing the layout and major features, including active and passive use areas, of the approved Daggett Park across 16th Street to the north was included. Daggett Park, currently under construction, is a publicly accessible open space .88 acres in size. Daggett Park will contain a number of amenities and design features, including two large lawn areas for general recreation and gathering, ample dispersed seating, architectural features that double as play and sitting areas, an enclosed dog run, public art, pedestrian pathways, bicycle parking, drought tolerant landscaping, trees and permeable pavers. The shadow study diagrams showed shadow patterns for the following times of year June 21 (Summer Solstice, when the sun is at its highest), September 21 (Fall Equinox- when day and night are of equal length), December 21 (Winter Solstice- when the sun is at its lowest), and October 19 (a "worst case" shadow day when the Project-generated net new shadow is the greatest). Upon review of the shadow study evaluating the Project's shadow impact to Daggett Park, the Commission has determined that the amount of area shadowed by the Project is minimal, the duration of shadow is limited, and the amount of sunlight on this type of open space being shadowed is acceptable.

With regard to amount of area shadowed, the shadow study demonstrates minimal impact in that there is zero shadow impact upon Daggett Park on the June 21 and September 21 dates studied. On December 21 there appears to be no more than a quarter of the park shadowed between 8:22 am to 10:00 am with only a small area (approx. 10% or less) of shadowing between 11:00 am to 1:00 pm and no further shadow impact between 2:00 pm and sunset. Also, the Project's shadow impact upon Daggett Park from 9am and earlier appear to overlap areas already shadowed by the existing project (1000 16th Street). On October 19, there only appears to be a shadow impact (approximately a quarter or less the size of Daggett Park's area) between 8:22 am to 11:00 am, with no impact between noon and sunset.

As described above the duration of shadow impact by the Project upon Daggett Park is limited. First, there is only a shadow impact on two of the four dates studied. Secondly, the shadow impact upon the park on the dates where an impact is found, partially overlaps with existing shadow impacts and occurs within limited hours of the day. For example, there is no impact beyond 2pm on December 21 and no impact beyond noon on October 19.

Lastly, the amount of sunlight to this type of open space is acceptable in that the shadows found on December 21 and October 19 occur only on the southern, more-passive, portions of the park, including a passive lawn area, passive bench seating, public art area, a portion of the paved pedestrian pathway and a paved vehicular one-way driveway.

- J. **Off-Street Parking.** Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit. For the 395 dwelling units proposed, the Project is allowed a maximum of 296 off-street parking spaces. Planning Code Section 151.1 allows dwelling units within the UMU District with at least 2 bedrooms and at least 1,000 square feet of occupied floor area a maximum parking ratio of 1.0 subject to the space-efficient criteria of Planning Code Section 151.1(g). Planning Code Section 151.1(g) establishes the following criteria:

The Project provides a total of 331 residential parking spaces including 218 spaces within the 16th Street Building and 113 spaces within the 17th Street Building. Since the Project seeks one residential parking space per 2-bedroom and 3-bedroom unit, the Project is seeking an exception of this requirement as part of the Large Project Authorization (see below).

With regard to the non-residential uses, Planning Code Section 151.1 of the Planning Code allows 1 space per 500 square feet of retail space. With a total of 24,468 square feet of retail space, the Project is allowed a maximum of 49 retail parking spaces.

The Project provides 47 off-street parking spaces for retail use; therefore, the Project complies with Planning Code Section 151.1 maximum parking requirements for retail use.

- K. **Off-Street Freight Loading.** Planning Code Section 152.1 requires three off-street loading spaces for residential uses above 500,000 gross square feet.

The Project includes approximately 591,484 gross square feet of residential area and 24,968 gross square feet of retail use; therefore, at least three residential off-street loading spaces and one retail off-street loading space are required. The Project does not possess any off-street residential loading spaces; however, the Project is proposing one compliant off-street retail loading zone within the building accessed from Mississippi Street, and two 80-foot long on-street loading zones on Mississippi Street. One of these 80-foot loading zones would be located direct in front of the Project's east-west residential mews and the other is nearer the 17th Street corner. Therefore, the Project is seeking an exception from the residential loading requirement as part of the Large Project Authorization (see below).

- L. **Bicycle Parking.** Planning Section 155.2 of the Planning Code requires for buildings containing more than 100 dwelling units, Class 1 bicycle parking spaces plus one Class 1 space for every four dwelling units over 100 and one Class 2 bicycle parking spaces for

every 20 dwelling units. With regard to retail space, Planning Code Section 155.2 requires one Class 1 bicycle parking space per 7500 square feet and one Class 2 bicycle parking space per 2500 square feet with a minimum of two spaces.

The Project includes 395 dwelling units with 24,468 square feet of retail; therefore, the Project is required to provide a total of 177 Class 1 bicycle parking spaces and 30 Class 2 bicycle parking spaces. The Project will provide 455 Class 1 bicycle parking spaces and 52 Class 2 bicycle parking spaces, thus significantly exceeding the minimum Code requirement for bicycle parking. Therefore, the Project complies with Planning Code Section 155.2.

- M. Car Share Requirements.** For a project with 201 dwelling units or more, Planning Code Section 166 requires two car-share parking spaces plus one for every 200 dwelling units over 200.

Since the Project includes 395 dwelling units, it is required to provide a minimum of two car-share parking space. The Project provides ten off-street car share parking spaces within the garages; therefore, the Project complies with Planning Code Section 166.

- N. Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project complies with Planning Code Section 167.

- O. Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40% of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30% of the total number of proposed dwelling units contain at least three bedrooms.

For the 395 dwelling units, the Project is required to provide at least (158) two-bedroom or larger units or (119) 3-bedroom or larger units. The Project provides (22) 3-bedrooms, (146) 2-bedrooms, (178) 1- bedrooms, and (49) studios; thus, 42.5% of the total number of proposed dwelling units as two-bedroom or larger. Therefore, the Project meets the dwelling unit mix requirements of Planning Code Section 207.6.

- P. Additional Height Limits for Alleys in Eastern Neighborhoods Mixed Use Districts.** Planning Code Section 261.1 outlines height limits for mid-block passages required per Planning Code Section 270.2. For mid-block passages between 30 and 40 feet in width, a setback of not less than 5 feet above a height of 35 feet is required.

The Project provides a required publicly-accessible north-south mid-block alley connecting 16th Street to 17th Street along the western property line. Above a height of 25 feet, the mid-block alley provides an additional setback of 10 to 17'-4"; and therefore, complies with Planning Code Section 261.1.

- Q. Horizontal Mass Reduction.** Planning Code Section 270.1 outlines the requirements for horizontal mass reduction on large lots within the Eastern Neighborhoods Mixed-Use Districts. For buildings with street frontage greater than 200-feet in length, one or more mass reduction breaks must be incorporated to reduce the horizontal scale of the building into discrete sections not more than 200-feet in length. Specifically, the mass reduction must 1) be not less than 30-feet in width; 2) be not less than 60-feet in depth from the street-facing building façade; 3) extend up to the sky from a level not higher than 25-feet above grade or the third story, whichever is lower; and 4) result in discrete building sections with a maximum plan length along the street frontage not greater than 200-feet.

Given the 350 linear feet of building frontage along 16th Street, the Project is required to provide one or more mass breaks along this frontage which is not less than 30-feet wide by 60-feet deep starting at the third story and open to the sky. Along the 16th Street frontage, the Project provides a mass break 57.75-feet wide and 30.3-feet deep that begins at the third story and is open to the sky. This mass break, divides the 16th Street elevation in two distinct building segments which measure 179'-10" and 62'-0".

Given the 350 linear feet of building frontage along 17th Street, the Project is required to provide one or more mass breaks along this frontage which is not less than 30-feet wide by 60-feet deep starting at the third story and open to the sky. Along the 17th Street frontage, the Project provides a mass break 61.33 feet wide and more than 30-feet deep that begins at the third story and is open to the sky. This mass break divides the 17th Street elevation into two distinct building segments which measure 173'-0" and 79'-3".

Since the horizontal mass breaks described above for 16th Street does not meet the dimensions required by Code Section 270.1, the Project is seeking an exception from this requirement as part of the Large Project Authorization (see below). The horizontal mass break described above for 17th Street complies with Planning Code Section 270.1.

- R. Mid-Block Alley.** Planning Code Section 270.2 outlines the requirements for mid-block alleys on large lots within the Eastern Neighborhoods Mixed-Use Districts. This requirement applies to all new construction on parcels that have one or more street frontage of over 200 linear feet on a block face longer than 400 feet between intersections. On lots with frontage of over 200 linear feet on a block face longer than 400 feet between intersections. On lots with frontage greater than 300 feet, the project shall provide a publicly-accessible mid-block alley for the entire depth of the property, generally located toward the middle of the subject block face, perpendicular to the subject frontage and connecting to any existing streets and alleys.

Along 16th and 17th Street, the project has 380 feet of street frontage on a block face measuring 480 feet. The Project's frontage exceeds 200 linear feet on a block face that exceeds 400 linear feet; therefore, a publically-accessible north-south, mid-block alley in accordance with Planning Code Section 270.2 is required.

The Project provides a 30-foot wide, 10,800 sf, publicly-accessible north-south mid-block alley; therefore, the Project complies with Planning Code Section 270.2.

- S. **Shadow.** Planning Code Section 295 restricts net new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission. Any project in excess of 40 feet in height and found to cast net new shadow must be found by the Planning Commission, with comment from the General Manager of the Recreation and Parks Department, in consultation with the Recreation and Park Commission, to have no adverse impact upon the property under the jurisdiction of the Recreation and Park Commission.

The Department has conducted a preliminary shadow fan which indicates that the project does not cast any net new shadows upon property under the jurisdiction of the Recreation and Parks Commission.

- T. **Inclusionary Affordable Housing Program.** The Project contains two buildings that have two different Inclusionary Affordable Housing requirements. The portion of the Project located in the 48-X Height and Bulk District has a Tier A UMU District Affordable Housing Requirement and the portion of the Project located in the 68-X Height and Bulk District has a Tier B UMU District Affordable Housing Requirement. Planning Code Section 415 and 419 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3 and 419.3, these requirements would apply to projects that consist of 10 or more units, where the first application (EE or BPA) was applied for on or after July 18, 2006. Pursuant to Planning Code Section 415.5, 415.6, and 419.5 the current Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 16% of the proposed dwelling units as affordable for that portion of the Project within the 68-X Height and Bulk District and 14.4% of the proposed dwelling units as affordable for that portion of the Project within the 48-X Height and Bulk District. Pursuant to Planning Code Section 415.5, the Project must pay the Affordable Housing Fee ("Fee"). This Fee is made payable to the Department of Building Inspection ("DBI") for use by the Mayor's Office of Housing and Community Development for the purpose of increasing affordable housing citywide. This requirement is subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election.

The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5, 415.6 and 419.3, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee for the 16th Street Building and by payment of the Affordable Housing Fee for the 17th Street Building. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project or submit to the Department a contract demonstrating that the project's on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. and submits an Affidavit of such to the Department. All

such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Mayor's Office Housing and the City Attorney's Office. The Project Sponsor has indicated the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions provided by the City and approved herein. The Project Sponsor submitted such Affidavit on April 28, 2016 and a draft of the Costa Hawkins agreement on April 27, 2015. The EE application was submitted on April 4, 2012. Pursuant to Planning Code Section 415.3, 415.6 and 419.3 the current on-site requirement is 16% for 16th Street building. There are 42 units (8 studios, 17 one-bedroom, 15 two-bedroom, and 2 three-bedroom) of the 260 units provided within the 16th Street Building will be affordable rental units. The Project Sponsor has indicated the intention to comply with the Inclusionary Affordable Housing Program by payment of the Affordable Housing Fee prior to the first site or building permit issuance for the 17th Street building portion of the Project at a current rate equivalent to an off-site requirement of 23%. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable. The Project must execute the Costa Hawkins agreement prior to Planning Commission approval or must revert to payment of the Affordable Housing Fee.

- U. Transit Impact Development Fee (TIDF) & Transportation Sustainability Fee (TSF).** Planning Code Sections 411 and 411A are applicable to new development over 800 square feet.

The Project includes 24,468 square feet of non-residential use; however, the existing site contains approximately 105,000 square feet of PDR use. The Project would also be subject to a fee for the new residential gross square feet of approximately 591,484 gross square feet (subject to the residential TSF at one half the cost, based on adopted grandfathering). Additionally, the Project will receive a prior use credit, as outlined in Planning Code Section 411.4(b). These fees must be paid prior to the issuance of the building permit application.

- V. Residential Child Care Impact Fee.** Pursuant to Section 414A, the Project Sponsor shall pay the in-lieu fee as required. The net addition of gross floor area subject to the fee shall be determined based on drawings submitted with the Building Permit Application.

The Project proposes a 395-unit mixed-use development with approximately 591,484 gross square feet of residential floor area. Therefore, the Project would be subject to the Childcare Fee which must be paid prior to the issuance of the building permit application.

- W. Eastern Neighborhood Infrastructure Impact Fees.** Planning Code Section 423 is applicable to any development project within the UMU (Urban Mixed-Use) Zoning District that results in the addition of at least one net new residential unit.

The Project proposes the replacement of an existing 105,000 square foot industrial building with new construction of a North Building (16th Street Building): a 6-story, 68-foot tall, 402,943 square foot, mixed-use building with 260 dwelling units, and 20,318 square feet of retail, as well as, a South Building (17th Street Building): a 4-story, 48-foot tall, 213,009 square foot, mixed-use building with 135 dwelling units, and 4,150 square feet of retail. Therefore, the Project is subject to Eastern

Neighborhood Infrastructure Impact Fees, as outlined in Planning Code Section 423. This fee must be paid prior to the issuance of the building permit application.

7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

A. Overall building mass and scale.

The Project's mass and scale are appropriate for a large corner lot along the 16th Street corridor which includes a number of new and recently approved 6-story mixed-use developments, including the project directly across 16th Street, to the north, which is a new comparably-sized 453-unit, mixed-use development project (referred to as "Potrero 1010") currently under construction. This neighboring project consists of two, 6-story buildings with residential units above flex and retail spaces located on a triangular site. The comparable mass and scale of these two projects, in particular, will provide a well-defined termination of the 16th Street corridor as it meets the I-280 elevated freeway. The broader context includes a variety of 1-2 story, large rectangular-shaped industrial buildings that typically occupy their entire lots, 2-3 story mixed-use buildings and 3-story live/work buildings. The Project massing is also compatible with the adjacent elevated Interstate 280 Freeway bordering the site along the eastern edge. The Project is compatible with the mass and scale of other industrial properties and the larger scale four- and five-story mixed-use properties located within the broader neighborhood on 17th Street and along the 16th Street corridor, including the recently approved 6-story, 172 dwelling unit mixed-use development located at 1301 16th Street. The Project composes the massing in a manner that maintains a well-defined street wall along the three street frontages while providing distinct massing breaks that allow for mid-block passageways (including a north-south mid-block that intersects with an east-west residential mews) and upper level horizontal mass breaks along the 16th Street and 17th Street frontages. Thus, the Project is appropriate and consistent with the mass and scale of the surrounding neighborhood.

B. Architectural treatments, facade design and building materials:

The Project's architectural treatments, façade design and building materials for the 16th Street Building incorporate a palate of quality materials and finishes, including cement plaster, corrugated metal panels, smooth metal panels, corten steel, extruded aluminum-framed windows, brick, cement tile, aluminum storefront system with transparent glass, glass and cable-rail guardrails, and board-formed concrete. The 17th Street Building materials include corrugated metal siding and cast concrete, restored brick, board-formed concrete, cement and fiber cement panels, and metal railings. The Project's façade design in terms of both materiality and composition successfully references the light industrial character of the surrounding neighborhood in its ordered, regular fenestration pattern composed of large rectangular windows, rhythm of bays, and large rectangular openings at the ground level commercial spaces that are similar in scale to many of the warehouse garage door dimensions found on a typical industrial building in the neighborhood. The building materials are textural in nature and the extruded aluminum-framed windows on the 16th Street Building's north

elevation emphasizes the structural framework of the building which relates well to the industrial character of the existing neighborhood. Along the 17th Street south elevation, the Project responds well to the existing historic brick building being retained and restored, by using its height as a datum line for the 2-story expression along the entire 17th Street frontage. The ceiling height of the visually transparent aluminum storefront system applied consistently throughout reinforces an active ground floor along the street, which draws from the industrial language of the surrounding neighborhood.

- C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access;

At the ground floor along 16th Street, the Project provides a well-defined, centrally-located residential lobby flanked by abundant retail tenant spaces (6 total) totaling 20,318 square feet. At the ground floor along Mississippi Street, the Project provides another well-defined, centrally-located residential lobby immediately adjacent to the east-west residential mews entrance. At the corners, retail tenant spaces wrap around to 16th and 17th Streets. At the ground floor along 17th Street, the Project provides walk-up flexible use dwelling units with individual pedestrian access flanked by two retail spaces. These flex dwelling units and retail spaces provide for activity along the street and serve to further connect the building with the neighborhood. The height of the non-residential uses along the ground floor have a ceiling height of at least 17 feet which is well-proportioned with the façade as a whole. The Project features a well-defined yet architecturally varied ground floor utilizing a quality and textural palate of materials including aluminum storefront system with clear glazing, corrugated concrete and metal siding, board-formed concrete, large rectangular-shaped lumber-framed commercial openings, cement panels, restored brick and metal railings. The ground floor conforms to the active street frontage requirements of Planning Code Section 145.1.

- D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site;

The Project provides the required open space for its 395 dwelling units through 27,268 square feet of usable Code-complying non-publicly accessible common open space (via residential interior courtyards, a residential mews, and roof decks, as well as, 12,219 square feet of usable Code-complying publicly-accessible open space (via a north-south pedestrian promenade mid-block alley and pockets of open spaces). In addition, private open spaces in the form of patios, decks/balconies are provided for dwelling units on upper floors.

- E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2;

The Project is subject to the mid-block alley requirements of Planning Code Section 270.2 since the 16th and 17th Street frontages are over 200 linear feet on a block face longer than 400 linear feet between intersections and is located within the Eastern Neighborhoods Mixed-Use District. In accordance with this provision, the Project provides a 30-foot wide, north-south, publicly-accessible pedestrian mid-

block alley connecting 16th Street to 17th Street along the site's western property line. The mid-block is designed in accordance with the design and performance standards of Planning Code Section 270.2(e).

- F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

In accordance with Planning Code Section 138.1, the Project provides a total of 51 new, regularly-spaced street trees along the 16th Street, Mississippi Street, and 17th Street frontages. The Project Sponsor would pay an in-lieu fee for any required street trees not provided due to proximity of underground utilities, etc., as specified by the Department of Public Works. In addition, the Project includes comprehensive streetscape elements, including sidewalk landscaping and paving, sidewalk bicycle racks, and site furnishings. The sidewalk dimensions (from property line to curb) along each of the three frontages are proposed as 15 feet along 16th Street, 15 feet along Mississippi Street, and 10 feet along 17th Street in accordance with the San Francisco Better Streets Plan. The Department finds that these improvements would significantly improve the public realm.

- G. Circulation, including streets, alleys and mid-block pedestrian pathways;

The Project provides ample circulation in and around the Project site through comprehensive sidewalk improvements, well defined walk-up entrances along the street, prominent residential lobby entrances and vehicular garage entrances accessed from Mississippi Street to an at-grade and subterranean level garage. Vehicular access is limited to two 20-foot wide curb cuts and driveway openings, and a single 12-foot wide curb cut and driveway along Mississippi so as not to interfere with anticipated MTA transit improvements along the 16th Street corridor and the approved bicycle lane on 17th Street. Vehicular access taken from Mississippi, a secondary street, is also intended to mitigate negative circulation impacts to 16th Street which is the primary transit corridor.

- H. Bulk limits;

The Project is within an 'X' Bulk District, which does not restrict bulk.

- I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan;

The Project, on balance, meets the Objectives and Policies of the General Plan. See Below.

8. **Additional Design Standards for Large Project Authorizations (LPA) in Showplace Square/Potrero Hill Area Plan.** Per Board of Supervisor's File No. 151281, effective February 19, 2016, Planning Commission shall consider additional design standards for projects in the Showplace Square, Potrero Hill, and Central Waterfront Area Plans receiving a Large Project Authorization. Approvals for an LPA under Planning Code Section 329 within the applicable Plan Area must conform to the existing provisions of the Planning Code and must also demonstrate the following:

- A. An awareness of urban patterns, and harmonizes visual and physical relationships between existing buildings, streets, open spaces, natural features, and view corridors;

The mass and scale of the Project are appropriate for the large corner lot and the surrounding context. The surrounding context is light industrial and mixed-use in character. The industrial buildings tend to be broad and rectangular in form, whereas, the newer mixed-use residential/commercial developments tend to be 4-6 stories in height with a height and bulk consistent with the underlying height and bulk district while maintaining a defined street wall. The proposed Project is compatible with the mass and scale of the nearby industrial properties, as well as, the larger-scale four- and five-story mixed-use properties located nearby. Along the 17th Street south elevation, the Project responds well to the existing historic brick building being retained and restored, by using its height as a datum line for the 2-story massing expression along the entire 17th Street frontage. Given the lack of any mid-block open space on this predominantly industrial block, the Project composes the massing around two distinct mid-block alleys/passages including a 30-foot wide north-south mid-block alley along the western property line that intersects with a 39-foot wide east-west residential mews that bisects the site laterally with a centrally-located entrance along the Mississippi Street frontage. The Project will add up to 51 new street trees and will activate the three street frontages at the Project site by replacing an industrial building with a mixed-use building that includes 24,468 square feet of ground floor commercial spaces and dwelling units with sidewalk-facing stoops that will activate the adjacent street frontages and greatly enhance the pedestrian environment surrounding the Project.

- B. An awareness of neighborhood scale and materials, and renders building facades with texture, detail, and depth; and

The surrounding context is light industrial and mixed-use in character. Many of the industrial buildings in the surrounding neighborhood are broad and rectangular in form with large uniformly-composed metal-framed windows. The materiality of surrounding older buildings include textured and smooth stucco, brick, metal-framed windows while many of the newer buildings include cement board, metal paneling, clear storefront glazing, metal-framed windows, smooth stucco and natural wood. The Project articulates the massing by providing upper level setbacks on the 17th Street elevation while maintaining a well-defined street wall along the 16th Street corridor. On the 17th Street elevation, ground level dwelling units feature walk-up entrances from the street to provide a pedestrian scale at the building's ground floor. The Project relates to both the older industrial structures and newer residential buildings in the neighborhood by using a mix of building materials that for the 16th Street Building incorporate a palate of quality materials and finishes, including cement plaster, corrugated metal panels, smooth metal panels, corten steel, extruded aluminum-framed windows, brick, cement tile, aluminum storefront system with transparent glass, glass and cable-rail guardrails, and board-formed concrete. The 17th Street Building materials include corrugated metal siding and cast concrete, restored brick, board-formed concrete, cement and fiber cement panels, and metal railings. The building materials are textural in nature and the extruded aluminum-framed windows on the 16th Street Building's north elevation emphasizes the structural framework of the building which relates well to the industrial character of the existing neighborhood.

- C. A modulation of buildings vertically and horizontally, with rooftops and façade designed to be seen from multiple vantage points.

The Project design modulates both vertically and horizontally by providing an ordered and regular fenestration pattern composed of large rectangular windows within vertically-rectangular bays across each elevation. Along the 17th Street south elevation, the Project uses the existing historic brick building's height as a datum line to inform the 2-story massing expression along the entire 17th Street frontage above which the building is setback 7 feet to further emphasize the 2-story scale that relates well to the lower scale surrounding building. Along the Mississippi Street elevation, a series of five distinct vertically-rectangular, equally spaced, angled bays which lead into a large rectangular, horizontally oriented bay projection balances the overall façade. Horizontal building modulation is successfully expressed through the use of an extruded aluminum-framework that aligns with the fenestration pattern across the entire 16th Street north elevation. The saw-tooth roof forms for the 17th Street building are reminiscent of older industrial buildings and will provide visual interest when viewing the site from uphill.

9. **Large Project Authorization Exceptions.** Proposed Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts:

A. **Rear Yard:** Exception for rear yards, pursuant to the requirements of Section 134(f);

The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified or waived by the Planning Commission pursuant to Section 329. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified by the Zoning Administrator pursuant to the procedures set forth in Section 307(h) for other projects, provided that:

(1) A comparable, but not necessarily equal amount of square footage as would be created in a code conforming rear yard is provided elsewhere within the development;

The Project provides a comparable amount of open space, in lieu of the required rear yard. Overall, the Project site is 152,000 square feet in area, and would be required to provide a rear yard measuring 38,000 square feet. The Project provides a total of 27,268 square feet of usable Code-complying non-publicly accessible common open space (via a residential interior courtyards, a residential mews, and roof decks, as well as, 12,219 square feet of usable Code-complying publicly-accessible open space (via a north-south pedestrian promenade mid-block alley and pockets of open spaces), thus exceeding the amount of open space which would have been provided in Code-compliant rear yard. As a whole, the Project exceeds the total amount of open space which would have been provided through a qualifying rear yard by 6,437 square feet. The open spaces provided at ground and podium level within the Project that are open to the sky and provide massing breaks represent approximately 25.5% of the total lot area.

(2) The proposed new or expanding structure will not significantly impede the access to light and air from adjacent properties or adversely affect the interior block open space formed by the rear yards of adjacent properties; and

The existing block is predominantly industrial in nature and there is no mid-block open space pattern present. The adjacent and surrounding buildings are predominantly industrial, large rectangular-shaped buildings with few windows. The Project's massing is organized around two distinct mid-block

passages, including a 30-foot wide north-south mid-block alley adjacent to the rear yards of the two live-work buildings on Missouri Street and a 39-foot wide pedestrian mews. The Project does not impede access to light and air for the adjacent properties, in that the mid-block alley provides light and air to the adjacent live-work buildings and other adjacent properties are not residential in nature and the subject block does not have a pattern of rear yard open space.

(3) The modification request is not combined with any other residential open space modification or exposure variance for the project, except exposure modifications in designated landmark buildings under Section 307(h)(1).

The Project is not seeking a modification to the open space requirements.

- B. Permitted Obstructions Over the Street. Where not specified elsewhere in subsection (d) of Planning Code Section 329, modification of other Code requirements which could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located. Since Planning Code Section 304 allows for modification of permitted obstructions over the street requirements, the Project is eligible to seek obstructions over the street modification (for bay windows) as part of the Large Project Authorization request.

The Project seeks a modification of the dimensional requirements associated with permitted obstructions over the street, as defined in Planning Code Section 136. Specifically, the Project Sponsor seeks a modification for the bay window projection at the southeast corner of the 16th Street Building (where the residential mews intersects Mississippi Street) at levels four and five which do not conform to Planning Code Section 136. The maximum length of each bay window or balcony shall be 15 feet at the line establishing the required open area, and shall be reduced in proportion to the distance from such line by means of 45 degree angles drawn inward from the ends of such 15-foot dimension, reaching a maximum of nine feet along a line parallel to and at a distance of three feet from the line establishing the required open area.

The Commission finds the modification to be appropriate and justified, and will improve the overall Project design. Given the Project's overall massing composition, scale and height of 68 feet, the bay window element is well scaled within the Mississippi Street elevation and the rectangular shape is compatible within the broader rectangular architectural form of the building and within the light industrial and mixed-use neighborhood context. The grid-like fenestration pattern with floor-to-floor glazing within the broader extruded bay frame, relates well to the vertically-rectangular series of five bays further north on the Mississippi Street elevation and serves to balance the elevation as a whole. The shape, size and placement of the proposed bay fits well within the façade composition and the manner in which it wraps around onto the interior residential mews elevation successfully signals this important mid-block passage. Lastly, since the total area occupied by the proposed bay windows adjacent to balconies approximates what would otherwise be occupied by a Code-compliant bay window configuration along the same frontage, such a modification can be supported.

- C. Parking and Loading Entrance Width. Where not specified elsewhere in subsection (d) of Planning Code Section 329, modification of other Code requirements which could otherwise

be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located. Since Planning Code Section 304 allows for modification of parking and loading entrance width requirements, the Project is eligible to seek a modification for parking and loading entrance width as part of the Large Project Authorization request.

For projects in the Eastern Neighborhoods Mixed Use Districts that are subject to Section 329, the Planning Commission may waive these requirements per the procedures of Section 329 if it finds that the design of the project, particularly ground floor frontages, would be improved and that such loading could be sufficiently accommodated on adjacent streets and alleys.

The Project's requested modification to the parking and loading entrance width is based on the anticipated MTA Transit Priority Project improvements along the 16th Street corridor and along 17th Street as well. MTA's plan is intended to address critical safety needs for people walking and bicycling, average transit speed and aging infrastructure. So as not to obstruct anticipated street improvements along the 16th Street primary corridor, the Project seeks to consolidate all vehicular access points along the secondary Mississippi Street. It is anticipated that no curb cuts will be allowed on 16th Street and Mississippi Street can accommodate such access in that it is 80 feet wide. All frontages, including the Mississippi Street frontage are designed in accordance with the active street frontage requirements of the Planning Code.

D. Off-Street Parking: Exceeding the principally permitted accessory residential parking ratio described in Section 151.1 and pursuant to the criteria therein;

(1) In granting such Conditional Use or exception per 329 for parking in excess of that principally permitted in Table 151.1, the Planning Commission shall make the following affirmative findings according to the uses to which the proposed parking is accessory:

(A) Parking for All Uses.

(i) Vehicle movement on or around the project does not unduly impact pedestrian spaces or movement, transit service, bicycle movement, or the overall traffic movement in the district;

The Project does minimize vehicular movement in and around the Project in that the off-street parking garages are located below grade and the entrances/exits to the garages are accessed via only two 20-foot wide openings along Mississippi Street. This configuration orients vehicular circulation away from other neighboring sensitive transit improvement areas, including anticipated MTA Muni street and sidewalk improvements along the 16th Street corridor and bike lane improvements along 17th Street.

(ii) Accommodating excess accessory parking does not degrade the overall urban design quality of the project proposal;

The residential accessory parking does not degrade the overall urban design quality of the Project in that the parking placement is a subterranean plan that allows the Project's ground floor to adhere to active frontage Code requirements and limits vehicular access to only two 20-foot wide entrances/exits.

- (iii) All above-grade parking is architecturally screened and lined with active uses according to the standards of Section 145.1, and the project sponsor is not requesting any exceptions or variances requiring such treatments elsewhere in this Code; and

The Project does not include above grade off-street parking; however both driveway entrances into the subterranean garage will be recessed from the street and have garage doors that provide adequate screening. At the street, the Project accommodates the appropriate amount of active uses per Planning Code Section 145.1

- (iv) Excess accessory parking does not diminish the quality and viability of existing or planned streetscape enhancements.

Since the excess parking would be located below grade, the excess accessory parking would not impact any existing or planned streetscape enhancements. The Project has strategically located the two garage access points along Mississippi Street so as to not disrupt the anticipated MTA transit improvements along the 16th Street corridor or 17th Street. The consolidation of vehicle access to only one frontage also minimizes the potential for conflicts with pedestrians and bicyclists. The Project would undertake significant site and public realm improvements, including a north-south mid-block alley, an east-west pedestrian passageway, and comprehensive streetscape improvements developed in accordance with the San Francisco Better Streets Plan along all three frontages. Typical improvements include widened sidewalks, paving, landscaping, bulb-outs, bicycle parking, and street trees.

(B) Parking for Residential Uses.

- (i) For projects with 50 dwelling units or more, all residential accessory parking in excess of 0.5 spaces per unit shall be stored and accessed by mechanical stackers or lifts, valet, or other space-efficient means that reduces space used for parking and maneuvering, and maximizes other uses.

As conditioned by the Planning Commission, the Project shall provide an increase in the number of car share spaces from five to ten spaces with a reduction in the number of independently-accessible off-street residential parking spaces by five spaces, for a total of 331 spaces. This provides space-efficient means that adequately reduces space used for parking in that each additional car share spaces allows multiple users to share a single vehicle; thereby, providing an alternative to individual ownership vehicles. The additional car share spaces will be located within the garage in conformance with the active use street frontage requirements of Planning Code Section 145.1 to allow a maximization of active uses along the street frontages.

- E. Off-Street Loading Minimum. Exception from satisfaction of loading requirements per Section 152.1 pursuant to the criteria contained therein.

The Project includes approximately 591,484 gross square feet of residential area; therefore, at least three off-street residential loading spaces are required. The Project does not possess any off-street loading parking spaces; however, the Project is proposing one compliant off-street retail loading zone within the building accessed from Mississippi Street, and two 80-foot long on-street loading zones on Mississippi Street; therefore, an exception is required and being sought. One of these 80-foot loading zones would be located direct in front of the Project's east-west residential mews and the other is nearer the 17th Street corner.

Given the existing and proposed character of the related street frontages, the Project can accommodate the two loading parking spaces on the street being developed in accordance with the San Francisco Better Streets Plan design standards. Furthermore, by providing for on-street loading, the Project has reduced the overall size and scale of the garage openings.

- F. Horizontal Mass Reduction: Modification of the horizontal massing breaks required by Section 270.1 in light of any equivalent reduction of horizontal scale, equivalent volume of reduction, and unique and superior architectural design, pursuant to the criteria of Section 270.1(d).

The Planning Commission may modify or waive this requirement through the process set forth in Section 329. When considering any such application, the Commission shall consider the following criteria:

- 1) no more than 50% of the required mass is reduced unless special circumstances are evident;

With regard to the requested modification along the 16th Street elevation, while the proportions of the mass break have been modified, the area open to the sky remains approximately the same. Along the 16th Street frontage, the Project provides a mass break 57.75-feet wide and 30.3-feet deep that begins at the third story and is open to the sky. This mass break, divides the 16th Street elevation in two distinct building segments which measure 179'-10" and 62'-0".

- 2) the depth of any mass reduction breaks provided is not less than 15 feet from the front facade, unless special circumstances are evident;

The Project incorporates a mass break from the front façade that is 30'-4" deep, which is more than 15-ft deep from the front facade.

- 3) the proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

The placement and width of the proposed mass break provide a clear reduction in horizontal length across the 16th Street elevation. Along the 16th Street frontage, the Project provides a mass break 57.75-foot wide and 30.3-foot deep that begins at the third story and is open to the sky. This mass break, divides the 16th Street elevation in two distinct building segments which measure 179'-10" and 62'-0". Volumetrically, the proposed mass reduction approximates the required area and is more horizontally-oriented to better relate to the horizontally-rectangular 16th Street façade as a whole and is in scale with the overall façade composition. The resulting building segments flanking the proposed mass reduction provide an appropriate rhythm when considered with the adjacent mid-block opening fronting 16th Street as well.

- 4) the proposed building achieves unique and superior architectural design.

The intent of the mass break is to prevent excessively long, unbroken lengths of new building. The proposal at hand, by incorporating a wider break along the street face, improves the apparent mass of the building by creating what seem to be a pair of narrow buildings (57 to 62 feet wide) at the western end of the block face rather than a pair of wide buildings separated by a narrow gap. Paired with the variations in color, material, and storefront design, the mass break proposed creates a richer, finer-grained architectural expression.

- G. Flexible Units: Modification of the accessory use provisions of Section 803.3(b)(1)(c) for Dwelling Units. Dwelling Units modified under this Subsection shall continue to be considered Dwelling Units for the purposes of this Code and shall be subject to all such applicable controls and fees. Additionally, any building that receives a modification pursuant to this Subsection shall (i) have appropriately designed street frontages to accommodate both residential and modified accessory uses and (ii) obtain comment on the proposed modification from other relevant agencies prior to the Planning Commission hearing, including the Fire Department and Department of Building Inspection. Modifications are subject to the following:

- (i) A modification may only be granted for the ground floor portion of Dwelling Units that front on a street with a width equal to or greater than 40 feet.

The Project seeks modification for the six dwelling units (four one-bedroom and two two-bedroom) on the ground floor along Mississippi Street, which is a street that is 40 feet wide.

- (ii) The accessory use may only include those uses permitted as of right at the subject property. However, uses permitted in any unit obtaining an accessory use modification may be further limited by the Planning Commission.

The Project will only include accessory uses that are principally-permitted uses in the UMU Zoning District, as defined in Planning Code Section 843. The anticipated accessory uses will either be retail or home office.

- (iii) The Planning Commission may grant exceptions to the size of the accessory use, type and number of employees, and signage restrictions of the applicable accessory use controls.

The Project is seeking modification to the accessory use provisions for dwelling units to allow for greater flexibility in the size of an accessory use on the ground floor level only, to provide for a limited number of employees, and to allow for public access.

8. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

HOUSING

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.

The Project is a medium-density residential development on an underutilized site in a transitioning industrial and residential area. The Project site is an ideal infill site that currently contains a surface parking lot and an approximately 105,000 square foot warehouse use, a vacant brick office building and a small modular office. The project site was rezoned to UMU as part of a long range planning goal to create a cohesive, higher density residential and mixed-use neighborhood while recognizing the importance of industrial areas. Although predominantly light industrial in character, the surrounding neighborhood also includes a variety of residential, residential/commercial mixed-use, grocery, restaurant, school and park uses. The Project's mixed-use composition and industrially-inspired form and design is compatible with the uses and character of the broader neighborhood context. The Project will provide on-site affordable housing for rent, which will provide opportunities for affordable housing across the City.

OBJECTIVE 4

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

Policy 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

The Project meets the affordable housing requirements for the UMU Zoning District by providing on-site affordable housing units for rent within the 16th Street Building located within the 68-X Height and Bulk District and has elected to satisfy the affordable housing requirements for the 17th Street Building through payment of the applicable Affordable Housing Fee. The 16th Street Building will provide 42 affordable dwelling units into the City's housing stock.

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 11.4

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.

The architecture of this Project responds to the site's location as a transition between industrial zones and the contemporary and traditional architecture of residential zones. The Project's facades provide a unique expression not commonly found within the surrounding area, while providing for a varied material palette and appropriate massing given the character of the surrounding street. The Project relates to both the older industrial structures and newer residential buildings in the neighborhood by using a mix of building materials that for the 16th Street Building incorporate a palate of quality materials and finishes, including cement plaster, corrugated metal panels, smooth metal panels, corten steel, extruded aluminum-framed windows, brick, cement tile, aluminum storefront system with transparent glass, glass and cable-rail guardrails, and board-formed concrete. The 17th Street Building materials include corrugated metal siding and cast concrete, restored brick, board-formed concrete, cement and fiber cement panels, and metal railings. The building materials are textural in nature and the extruded aluminum-framed windows on the 16th Street Building's north elevation emphasizes the structural framework of the building which relates well to the industrial character of the existing neighborhood.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24:

IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2:

Maintain and expand the planting of street trees and the infrastructure to support them.

Policy 24.3:

Install pedestrian-serving street furniture where appropriate.

Policy 24.4:

Preserve pedestrian-oriented building frontages.

OBJECTIVE 28:

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1:

Provide secure bicycle parking in new governmental, commercial, and residential developments.

Policy 28.3:

Provide parking facilities which are safe, secure, and convenient.

The Project includes comprehensive streetscape improvements across all frontages (including 16th Street, Mississippi Street and 17th Street) including new street trees, sidewalk improvements, landscaping, street furniture, and Class 2 bicycle parking. These amenities significantly improve the pedestrian environment surrounding the site.

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 1.7:

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

OBJECTIVE 2:

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.6:

Respect the character of older development nearby in the design of new buildings.

The Project is located within the Potrero Hill neighborhood in an area that includes a mix of residential, commercial and industrial uses. As such, the Project provides expressive street façades, which respond to form, scale and material palette of the existing neighborhood, while also providing a new contemporary architectural vocabulary.

SHOWPLACE SQUARE/POTRERO AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1

ENCOURAGE THE TRANSITION OF PORTIONS OF SHOWPLACE/POTRERO TO A MORE MIXED USE AND NEIGHBORHOOD-SERVING CHARACTER, WHILE PROTECTING THE CORE OF DESIGN-RELATED PDR USES.

Policy 1.1.4

Permit and encourage greater retail use on the ground floor on parcels that front 16th Street to take advantage of transit service and encourage more mixed uses, while protecting against the wholesale displacement of PDR uses.

The proposed 395-dwelling unit mixed-use project provides for a total of eight separate retail tenant spaces distributed across the ground floor totaling 24,468 square feet. These retail tenant spaces have frontage along 16th Street, Mississippi Street and 17th Street and include retail spaces that wrap the corners of 16th and 17th Streets to better activate the corners. These ground floor uses are strategically grouped to take advantage of the transit service along the 16th Street corridor and have frontages that are designed in accordance with the active street frontage requirements of the Planning Code.

OBJECTIVE 1.2

IN AREAS OF SHOWPLACE/POTERO WHERE HOUSING AND MIXED USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.

Policy 1.2.1

Ensure that in-fill housing development is compatible with its surroundings.

The surrounding context is light industrial and mixed-use in character. Many of the industrial buildings in the surrounding neighborhood are broad and rectangular in form with large uniformly-composed metal-framed windows. The materiality of surrounding older buildings include textured and smooth stucco, brick, metal-framed windows while many of the newer buildings include cement board, metal paneling, clear storefront glazing, metal-framed windows, smooth stucco and natural wood. The Project articulates the massing by providing upper level setbacks on the 17th Street elevation while maintaining a well-defined street wall along the 16th Street corridor. On the 17th Street elevation, ground level dwelling units feature walk-up entrances from the street to provide a pedestrian scale at the building's ground floor. The Project relates to both the older industrial structures and newer residential buildings in the neighborhood by using a mix of building materials that for the 16th Street Building incorporate a palate of quality materials and finishes, including cement plaster, corrugated metal panels, smooth metal panels, corten steel, extruded aluminum-framed windows, brick, cement tile, aluminum storefront system with transparent glass, glass and cable-rail guardrails, and board-formed concrete. The 17th Street Building materials include corrugated metal siding and cast concrete, restored brick, board-formed concrete, cement and fiber cement panels, and metal railings. The building materials are textural in nature and the extruded aluminum-

framed windows on the 16th Street Building's north elevation emphasizes the structural framework of the building which relates well to the industrial character of the existing neighborhood.

Housing

OBJECTIVE 2.1

ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN SHOWPLACE/POTRERO IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES.

Policy 2.1.1

Require developers in some formally industrial areas to contribute towards the City's very low, low, moderate and middle income needs as identified in the Housing Element of the General Plan.

Policy 2.1.3

Provide units that are affordable to households at moderate and "middle incomes"- working households earning above traditional below-market rate thresholds but still well below what is needed to buy a market rate priced home, with restrictions to ensure affordability continues.

The Project provides a range of unit types and sizes that will be affordable to a range of income groups. The studio units will be relatively affordable as compared to the other units due to their smaller size, and the 16th Street Building provides 42 affordable units that range in size from studios to three-bedrooms.

OBJECTIVE 2.3

REQUIRE THAT A SIGNIFICANT NUMBER OF UNITS IN NEW DEVELOPMENT HAVE TWO OR MORE BEDROOMS EXCEPT SENIOR HOUSING AND SRO DEVELOPMENTS UNLESS ALL BELOW MARKET RATE UNITS ARE TWO OR MORE BEDROOM UNITS.

Policy 2.3.1

Target the provision of affordable units for families.

Policy 2.3.2

Prioritize the development of affordable family housing, both rental and ownership, particularly along transit corridors and adjacent to community amenities.

The 16th Street Building provides a total of 260 dwelling units of which 108 (or 41.5%) are two or three bedrooms, contributing to the City's stock of housing suitable for families. The 17th Street Building provides a total of 135 dwelling units of which 60 (or 44.4%) are two or three bedrooms. As a whole, the Project provides a total of 395 dwelling units, of which 168 are two-bedrooms or larger (or 42.5%). Also, 17 of the 42 affordable units provided by the Project have at least two bedrooms. Because the Project is located along a major transit corridor and within proximity of two Caltrain Stations, the larger units are well suited for families who rely on public transit.

Built Form

OBJECTIVE 3.2

PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM.

Policy 3.2.3

Minimize the visual impact of parking.

The Project minimizes the visual impact of parking by locating the garage within the interior of the buildings so that it cannot be seen from the street. The two ingress/egress points for the parking garages are each 20 feet wide and the single ingress/egress point for the retail loading and trash area is 12 feet wide across the Mississippi Street frontage which has a length of 237 feet. Garage doors shall be opaque in order to further diminish the visual impact of parking.

Policy 3.2.4

Strengthen the relationship between a building and its fronting sidewalk.

Along the 16th Street frontage, the Project's centrally-located residential lobby flanked by retail tenant spaces that wrap the 16th Street corner provides spaces that provide direct connection to the street. On the Mississippi Street frontage, the retail tenant spaces wrap both corners and there is small plaza-like public space approximately 39 feet wide by 29 feet deep that in front of the residential news entry that will encourage public gathering and interactions. Along 17th Street, there is diversity of uses and spaces that line the ground floor frontage, including the entry point into the north-south mid-block, residential lobby, centrally-located retail, a series of six flexible residential units with raised entry stoops, and retail that wraps the corner onto Mississippi Street. In addition, all ground floor frontages are designed in accordance with active street frontage requirements of the Planning Code.

Policy 3.2.6

Sidewalks abutting new developments should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.

In accordance with Planning Code Section 138.1, the Project provides a total of 51 new, regularly-spaced street trees along the 16th Street, Mississippi Street, and 17th Street frontages. The Project Sponsor would pay an in-lieu fee for any required street trees not provided due to proximity of underground utilities, etc., as specified by the Department of Public Works. In addition, the Project includes comprehensive streetscape elements, including sidewalk landscaping and paving, sidewalk bicycle racks, and site furnishings. The sidewalk dimensions (from property line to curb) along each of the three frontages are proposed as 15 feet along 16th Street, 15 feet along Mississippi Street, and 10 feet along 17th Street in accordance with the San Francisco Better Streets Plan. The Department finds that these improvements would significantly improve the public realm.

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies 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 does not displace any neighborhood-serving retail uses. The Project provides new retail use on the project site, which increases the opportunity for future resident employment and ownership.

- 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 does not displace any existing housing, nor would the existing units in the surrounding neighborhood be adversely affected. The Project will enhance the neighborhood character in that the proposed mass, scale and architectural design are compatible with the light-industrial and mixed-use neighborhood context.

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

The Project will not displace any affordable housing because there is currently no housing on the site. The Project will comply with the City's Inclusionary Housing Program by providing 42 on-site affordable dwelling units for rent within the 16th Street Building and paying the applicable Affordable Housing Fee for the 17th Street Building.

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

The site is located on the south side of 16th Street between Missouri Street and Mississippi Street, within a mile from both the 4th and Townsend and 22nd Street Caltrain stations. The site is also located near the No. 22 MUNI line and is blocks from the No. 8, 10, 19, and 22 MUNI lines. It is presumable that residents would commute by transit thereby mitigating possible effects on street parking.

- 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 Project is consistent with the Potrero Area Plan, which provides for a balance between industrial and residential development. The Project does not include commercial office development, and provides new housing, which is a top priority for the City.

- 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.

There are no landmarks on the project site. The existing historic two-story brick building located along the 17th Street frontage will be preserved and occupied by a retail use. The Project successfully incorporates this brick building into the overall design by using its roof height as a datum line for the two-story expression along the entire 17th Street frontage. Further deference to this historic brick building is provided in the form of setbacks on either side by the new construction, aligning a massing break along the 17th Street elevation across its entire frontage and aligning a pedestrian entry into the site along its western edge.

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

A shadow study dated October 13, 2014 prepared by Environmental Vision was completed and concluded that the Project will not cast shadows on any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission. Upon review of the shadow study evaluating the Project's shadow impact to nearby Dagget Park, the Commission has determined that the amount of area shadowed by the Project is minimal, the duration of shadow is limited, and the amount of the sunlight to this type of open space is acceptable.

10. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.

11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
12. The Commission hereby finds that approval of the Large Project Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Large Project Authorization Application No. 2011.1300X** under Planning Code Section 329 to allow the new construction of two four-to-six-story mixed-use buildings with a total of 395 dwelling units, 24,468 gross square feet of retail space, and 388 off-street parking spaces, and to allow exceptions to the requirements for rear yard (Planning Code Section 134), permitted obstructions over the street (Planning Code Section 136), parking/loading entrance width (Planning Code Section 145.1), off-street loading (Planning Code Section 152.1), horizontal mass reduction (Planning Code Section 270.1), and flexible units-modification of the accessory use provisions for dwelling units (Planning Code Section 329(D)(10) and 803.3(B)(1)(C)), within UMU (Urban Mixed-Use) Zoning District and a 48-X & 68-X Height and Bulk District. The project is subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated May 12, 2016, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 329 Large Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.

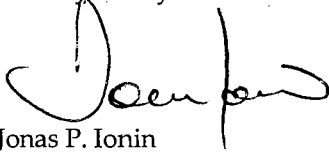
Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives NOTICE that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

Motion No. 19645
May 12, 2016

CASE NO. 2011.1300X
901 16th Street & 1200 17th Street

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on May 12, 2016.



Jonas P. Ionin
Commission Secretary

AYES: Antonini, Hillis, Johnson, Wu, Richards, Fong

NAYS: Moore

ABSENT: None

ADOPTED: May 12, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a Large Project Authorization to allow the new construction of two four-to-six-story mixed-use buildings with a total of 395 dwelling units, 24,468 gross square feet of retail space, and 388 off-street parking spaces, and to allow exceptions to the requirements for rear yard (Planning Code Section 134), permitted obstructions over the street (Planning Code Section 136), parking/loading entrance width (Planning Code Section 145.1), off-street loading (Planning Code Section 152.1), horizontal mass reduction (Planning Code Section 270.1), and flexible units-modification of the accessory use provisions for dwelling units (Planning Code Section 329(D)(10) and 803.3(B)(1)(C)); in general conformance with plans, dated May 12, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2011.1300X and subject to conditions of approval reviewed and approved by the Commission on May 12, 2016 under Motion No. 19645. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on May 12, 2016 under Motion No. 19645.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19645 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to do so, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Diligent Pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Extension. All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Improvement and Mitigation Measures. Improvement and Mitigation Measures described in the MMRP for the Project EIR (Case No. 2011.1300E) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

DESIGN – COMPLIANCE AT PLAN STAGE

Dwelling Unit Mix. The Project Sponsor shall provide a minimum of (22) three-bedroom and (146) two-bedroom units.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Façade Articulation. The Project Sponsor shall continue to work with Planning Department staff on developing the façade articulation along the 16th Street elevation.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Interpretive Element. The Project Sponsor shall develop and provide an interpretive element.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Public Seating. The Project Sponsor shall provide public seating within the north-south mid-block alley.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Entertainment Commission Noise Attenuation Conditions for Chapter 116 Residential Projects. The Project shall comply with the following conditions of approval:

- **Bottom of the Hill:** Project sponsor shall mitigate any impact to the Bottom of the Hill, including parking for large vehicles associated with performances at the venue. Project shall not at any time block entrances or exits to the venue.
- **Community Outreach:** Project sponsor shall include in its community outreach process any businesses located within 300 feet of the proposed project that operate between the hours of 9:00 PM-5:00 AM. Notice shall be made in person, written or electronic form.
- **Sound Study:** Project sponsor shall conduct an acoustical sound study, which shall include sound readings taken when performances are taking place at the proximate Places of Entertainment, as well as when patrons arrive and leave these locations at closing time. Readings should be taken at locations that most accurately capture sound from the Place of Entertainment to best of their ability. Any recommendation(s) in the sound study regarding window glaze ratings and soundproofing materials including but not limited to walls, doors, roofing, etc. shall be given highest consideration by the project sponsor when designing and building the project.

Project Sponsor shall upgrade their sound study from May 2013 to consider the impact of dbC on the development that might be emitted during performances at The Bottom of the Hill, a permitted place of entertainment. Sponsor shall contact Bottom of the Hill to insure that readings are taken on nights that have potential impact.

- Design Considerations:
 - 1) During design phase, project sponsor shall consider the entrance and egress location and paths of travel at the Place(s) of Entertainment in designing the location of (a) any entrance/egress for the residential building and (b) any parking garage in the building.
 - 2) In designing doors, windows, and other openings for the residential building, project sponsor should consider the POE's operations and noise during all hours of the day and night.
- Construction Impacts: Project sponsor shall communicate with adjacent or nearby Place(s) of Entertainment as to the construction schedule, daytime and nighttime, and consider how this schedule and any storage of construction materials may impact the POE operations.
- Communication: Project Sponsor shall make a cell phone number available to Place(s) of Entertainment management during all phases of development through construction. In addition, a line of communication should be created to ongoing building management throughout the occupation phase and beyond.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Final Materials. The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Garbage, Composting and Recycling Storage. Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the architectural addenda. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Rooftop Mechanical Equipment. Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application for each building. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Streetscape Plan. Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with other City agencies, to refine the design and programming of the Streetscape Plan so that the plan generally meets the standards of the Better Streets Plan and all applicable City standards. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

PARKING AND TRAFFIC

Car Share. The Project Sponsor shall increase the number of car share spaces from five to ten spaces; thereby, reducing the independently-accessible off-street parking spaces by five spaces. Car share spaces shall be made available at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Garage Loading/Unloading. The Project Sponsor shall provide a designated loading/unloading zone within both the 16th Street Building and 17th Street Building garages to facilitate tenant move-in's/out's, in order to minimize negative impacts to the pedestrian realm.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Unbundled Parking. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parking Maximum. Pursuant to Planning Code Section 151.1 and in accordance with the condition imposed by the Planning Commission to increase the number of car share spaces from five to ten spaces with a reduction in the independently-accessible off-street parking spaces by five spaces, the Project shall provide no more than 388 off-street parking spaces for the mixed-use project.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Bicycle Parking. Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 177 Class 1 bicycle parking spaces and 30 Class 2 bicycle parking spaces for the 395 dwelling units, and 24,468 square feet of ground floor retail use .

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Managing Traffic During Construction. The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

PROVISIONS

First Source Hiring. The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org

Anti-Discriminatory Housing. The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Eastern Neighborhoods Infrastructure Impact Fee. Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Transportation Sustainability Fee. Pursuant to Planning Code Section 411A, the Project Sponsor shall pay the Transportation Sustainability Fee (TSF) as required by and based on drawings submitted with the Building Permit Application. The Project Sponsor shall pay the fee at the time of and in no event later than the issuance of the First Construction Document.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Residential Child Care Impact Fee. Pursuant to Planning Code Section 414A, the Project Sponsor shall pay the Residential Child Care Impact Fee, as required by and based on drawings submitted with the

Building Permit Application. The Project Sponsor shall pay the fee at the time of and in no event later than the issuance of the First Construction Document.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

MONITORING

Hazard Mitigation Plan. The Project Sponsor shall develop a Hazard Mitigation Plan and provide the community with a point of contact person and coordinate regular communication with the community regarding such plan.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Enforcement. Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Revocation Due to Violation of Conditions. Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

Garbage, Recycling, and Composting Receptacles. Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>

Sidewalk Maintenance. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org>

Noise Control. The premises shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of the building and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance.

For information about compliance with the fixed mechanical objects such as rooftop air conditioning, restaurant ventilation systems, and motors and compressors with acceptable noise levels, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org.

For information about compliance with the construction noise, contact the Department of Building Inspection, 415-558-6570, www.sfdbi.org.

For information about compliance with the amplified sound including music and television contact the Police Department at 415-553-0123, www.sf-police.org

Community Liaison. Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Lighting. All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

INCLUSIONARY HOUSING

Eastern Neighborhoods Affordable Housing Requirements for UMU. Pursuant to Planning Code Section 419.3, Project Sponsor shall meet the requirements set forth in Planning Code Section 419.3 in addition to the requirements set forth in the Affordable Housing Program, per Planning Code Section 415. Prior to issuance of first construction document, the Project Sponsor shall select one of the options described in Section 419.3 or the alternatives described in Planning Code Section 419.5 to fulfill the affordable housing requirements and notify the Department of their choice. Any fee required by Section 419.1 et seq. shall be paid to the Development Fee Collection Unit at DBI prior to issuance of the first construction document an option for the Project Sponsor to defer payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge in accordance with Section 107A.13.3 of the San Francisco Building Code.

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, www.sf-planning.org

Affordable Units

1. **Number of Required Units.** The Project contains two buildings: the 16th Street Building will provide on-site rental inclusionary units, while the 17th Street Building will satisfy the requirements of the Inclusionary Affordable Housing Program through payment of the Affordable Housing Fee. Pursuant to Planning Code Section 415.6 and 419.5, the 16th Street Building is currently required to provide 16% of the proposed dwelling units as affordable to qualifying households, but is subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. The Project Sponsor must pay an Affordable Housing Fee at a rate equivalent to the applicable percentage of the number of units in an off-site project needed to satisfy the Inclusionary Affordable Housing Program Requirement for the principal project. The applicable percentage for this portion of the projects project is twenty three percent (23%), but it is subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. The 16th Street Building contains 260 units; therefore, 42 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the 42 affordable units on-site. If the Project is subject to a different requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements at the time of compliance. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

2. **Unit Mix.** The 16th Street Building contains 49 studios, 103 one-bedroom, 95 two-bedroom, and 13 three-bedroom units; therefore, the required affordable unit mix is approximately 8 studios, 17 one-bedroom, 15 two-bedroom, and 2 three-bedroom units, or the unit mix that may be required if the inclusionary housing requirements change as discussed above. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

3. **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the 16th Street Building property prior to the issuance of the first construction permit.

For information about compliance, contact the Case Planner, Planning Department at 415-575-9195, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

4. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than sixteen percent (16%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

5. **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

6. **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or Mayor's Office of Housing's websites, including on the internet at:

<http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>.

As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

- a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- b. If the units in the building are offered for rent, the affordable unit(s) shall be rented to qualifying households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average fifty-five (55) percent of Area

- Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco," but these income levels are subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the Project is subject to a different income level requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements. The initial and subsequent rent level of such units shall be calculated according to the Procedures Manual. Limitations on (i) occupancy; (ii) lease changes; (iii) subleasing, and; are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.
 - d. Required parking spaces shall be made available to renters of affordable units according to the Procedures Manual.
 - e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
 - f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions (as defined in California Government Code Section 65915 et seq.) provided herein. The Project Sponsor has executed the Costa Hawkins agreement and will record a Memorandum of Agreement prior to issuance of the first construction document or must revert payment of the Affordable Housing Fee.
 - g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.

- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.
- i. The Project Sponsor must pay the Fee in full sum to the Development Fee Collection Unit at the DBI for use by MOHCD prior to the issuance of the first construction document.
- j. Prior to the issuance of the first construction permit by the DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that records a copy of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
- k. If project applicant fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Sections 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all other remedies at law.

Attachment A

California Environmental Quality Act Findings

PREAMBLE

In determining to approve the project described in Section I, below, (the "Project"), the San Francisco Planning Commission (the "Commission") makes and adopts the following findings of fact and decisions regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. ("CEQA"), particularly Section 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Section 15000 et seq. ("CEQA Guidelines"), Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Commission adopts these findings in conjunction with the Approval Actions described in Section I(c), below, as required by CEQA.

These findings are organized as follows:

Section I provides a description of the proposed project at 901 16th Street / 1200 17th Street, the environmental review process for the Project, the City approval actions to be taken, and the location and custodian of the record.

Section II lists the Project's less-than-significant impacts that do not require mitigation.

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

Section IV identifies significant project-specific or cumulative impacts that would not be eliminated or reduced to a less-than-significant level and describes any applicable mitigation measures as well as the disposition of the mitigation measures. The Final EIR identified mitigation measures to address these impacts, but implementation of the mitigation measures will not reduce the impacts to a less than significant level.

Sections III and IV set forth findings as to the mitigation measures proposed in the Final EIR. (The Draft EIR and the Comments and Responses document together comprise the Final EIR, or "FEIR.") Attachment B to the Planning Commission Motion contains the Mitigation Monitoring and Reporting Program ("MMRP"), which provides a table setting forth each mitigation measure listed in the Final Environmental Impact Report that is required to reduce a significant adverse impact.

Section V identifies the project alternatives that were analyzed in the EIR and discusses the reasons for their rejection.

Section VI sets forth the Planning Commission's Statement of Overriding Considerations pursuant to CEQA Guidelines Section 15093.

The MMRP for the mitigation measures that have been proposed for adoption is attached with these findings as **Attachment B** to this Motion. The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. Attachment B provides a table setting forth each mitigation measure listed in the FEIR that is required to reduce a significant adverse impact. Attachment B also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule. The full text of the mitigation measures is set forth in Attachment B.

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

I. PROJECT DESCRIPTION AND PROCEDURAL BACKGROUND

A. Project Description

The Project Site consists of four adjacent lots in the lower Potrero Hill neighborhood (Assessor's block/lot: 3949/001, 001A, 002, and 3950/001). The approximately 3.5-acre Project Site is bounded by 16th Street to the north, Mississippi Street to the east, 17th Street to the south, and residential and industrial buildings to the west. The Project Site currently contains four existing buildings: two metal shed industrial warehouse buildings, a vacant brick office building, and a modular office structure. The vacant brick building was originally constructed by the Pacific Rolling Mill Co. in 1926 to house the office functions of the company's steel fabricating operation at the site, while the modular office structure is currently occupied by Cor-O-Van Moving and Storage Company. In total, the four existing buildings on the Project Site amount to approximately 109,500 gsf of building space. Surrounding the modular office structure is an open surface parking lot which is also used for access to the University of California, San Francisco (UCSF) storage and for fleet storage of the Cor-O-Van trucks and moving vans. The Project Site is within the Urban Mixed-Use (UMU) Zoning District. Per the San Francisco General Plan (General Plan), UMU is a land use designation intended to promote a vibrant mix of uses while maintaining the characteristics of this formerly industrial-zoned area. The site is located within the Showplace Square/Potrero Plan Area of the Eastern Neighborhoods Rezoning and Area Plan.

The proposed Project would merge the four lots into two lots, demolish the two warehouses and the modular office structure, and preserve the brick office building. Two new buildings would be constructed on site. The "16th Street Building" at 901 16th Street would consist of a new six-story, 68-foot tall (excluding rooftop projections of up to 82 feet), approximately 402,943 gross square foot (gsf) residential mixed use building with 260 dwelling units and 20,318 gsf of retail on the northern lot. The "17th Street Building" at 1200 17th Street would consist of a new four-story 48-foot tall (excluding rooftop projections of up to 52 feet), approximately 213,509 gsf residential mixed use building with 135 dwelling units and 4,650 gsf of retail on the southern lot.

Additionally, the historic brick office building would be rehabilitated for retail or restaurant use, which would generally involve retaining and rehabilitating the outer walls and features and renovating the

interior non-historic improvements. The proposed Project would also construct a new publicly accessible pedestrian alley along the entirety of its western property line.

Combined, the two new buildings would contain a total of 395 dwelling units and 24,968 gsf of retail space, in addition to a total of 389 vehicular parking spaces and 455 off-street bicycle parking spaces. The proposed Project would include 14,669 square feet of public open space, 33,149 square feet of common open space shared by Project occupants, and 3,114 square feet of open space private to units.

B. Project Objectives

The Project Sponsor has developed the following objectives for the proposed Project:

- ▶ Redevelop a large underutilized site into a development with a mix of ground floor retail uses along 16th Street and 17th Street, residential dwelling units, and substantial open space amenities.
- ▶ Create a mixed-use project consistent with the Urban Mixed Use (UMU) zoning and the Showplace Square/Potrero Area Plan's policies that encourage a mix of land uses by providing both residential uses and community-serving retail uses on the site.
- ▶ Build a substantial number of residential dwelling units on the site to contribute to the City's General Plan Housing Element goals and ABAG's Regional Housing Needs Allocation for the City and County of San Francisco.
- ▶ Create a project that is consistent with the site's 48-X and 68-X height and bulk districts and is compatible with existing and contemplated development in the immediate vicinity.
- ▶ Incorporate open space for the use of project residents in an amount equal to or greater than required by the UMU zoning.
- ▶ Preserve and integrate the historic brick office building into the development, while removing the obsolete metal shed warehouses.
- ▶ Develop a financially feasible project capable of providing a market-based return on investment and sufficient to satisfy both equity capital investment and debt financing providers.

C. Project Approvals

The Project requires the following Planning Commission approvals:

- ▶ Planning Commission Certification of the EIR
- ▶ Findings of General Plan and Priority Policies consistency
- ▶ Large Project Authorization, which includes exceptions to the following Planning Code standards:
 - Planning Code Section 134 for the required rear yard
 - Planning Code Section 152.1 for the required loading zones

- Planning Code Section 151.1 for the off-street parking
- Planning Code Section 145.1 for the parking/loading entrance width
- Planning Code Section 136 for the projecting bay dimension

Actions by Other City Departments and State Agencies

- ▶ Demolition, grading, building and occupancy permits (Department of Building Inspection)
- ▶ Approval of Color Curb Program for all proposed changes in curb cuts, parking and loading zones, and Class 2 bicycle parking, as well as all crosswalk markings and pedestrian signage required (San Francisco Municipal Transportation Agency)
- ▶ Approval of Lot Merger and Condominium Map to merge and re-subdivide the separate lots that comprise the Project Site and the sidewalk widening plans (San Francisco Department of Public Works)
- ▶ Approval of Site Mitigation Plan and Enhanced Ventilation Plan, as well as Soil Management Plan, Air Monitoring Plan, and Dust Control Plan for construction-period activities (San Francisco Department of Public Health)
- ▶ Issuance of permits for installation and operation of emergency generator (Bay Area Air Quality Management District)

D. Environmental Review

The Project is within the Eastern Neighborhoods Area Plan area, the environmental impacts of which were examined in the Eastern Neighborhoods Program EIR (Eastern Neighborhoods PEIR). The Planning Commission (hereafter referred to as "Commission") certified the Eastern Neighborhoods PEIR on August 7, 2008.

Section 15183 of the CEQA Guidelines provides an exemption from environmental review for projects that are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR has been certified, except as may be necessary to examine whether an Project-specific effects are peculiar to the Project or Project Site. Under this exemption, examination of environmental effects shall be limited to those effects that: a) are peculiar to the Project or parcel on which the Project would be located; b) were not analyzed as significant effects in the prior EIR for the underlying zoning or plan; c) are potentially significant off-site or cumulative impacts that were not discussed in the underlying EIR; or d) were previously identified as significant effects in the underlying EIR, but that have been determined to have a more severe adverse impact than that discussed in the underlying EIR.

Because this Project is within the Showplace Square/Potrero Plan Area, a community plan exemption ("CPE") Checklist was prepared for the Project to analyze whether it would result in peculiar, Project-specific environmental effects that were not sufficiently examined in the Eastern Neighborhoods PEIR. The CPE Checklist (Appendix A to the Draft EIR) concluded that, with the exception of transportation and circulation and historic architectural resources the proposed Project would not result in any new

significant environmental impacts or impacts of greater severity than were analyzed in the Eastern Neighborhoods PEIR.

Thus, the Department determined that a focused Environmental Impact Report (hereinafter "EIR") should be prepared and published a NOP with a CPE Checklist under the Eastern Neighborhoods PEIR on February 11, 2015. Topics analyzed in the EIR were Transportation and Circulation and Historic Architectural Resources.

On August 12, 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.

Notices of availability of the DEIR and of the date and time of the public hearing were posted near the Project Site by the Project Sponsor on August 12, 2015.

On August 12, 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.

Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on August 12, 2015.

The Commission held a duly advertised public hearing on the DEIR on September 17, 2015, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for commenting on the EIR ended on September 28, 2015.

The Department prepared responses to comments on environmental issues received during the 45 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 clerical errors in the DEIR. This material was presented in a Responses to Comments document, published on April 28, 2016, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.

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 Responses to Comments document all as required by law. The CPE Checklist is included as Appendix A to the DEIR and is incorporated by reference thereto.

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.

On May 12, 2016, the Commission reviewed and considered the FEIR and found 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. The FEIR was certified by the Commission on May 12, 2016 by adoption of its Motion No. XXXXX.

E. Content and Location of Record

The record upon which all findings and determinations related to the adoption of the proposed Project are based include the following:

- The FEIR, and all documents referenced in or relied upon by the FEIR, including the CPE Checklist prepared under the Eastern Neighborhoods PEIR;
- All information (including written evidence and testimony) provided by City staff to the Planning Commission relating to the FEIR, the proposed approvals and entitlements, the Project, and the alternatives set forth in the FEIR;
- All information (including written evidence and testimony) presented to the Planning Commission by the environmental consultant and subconsultants who prepared the FEIR, or incorporated into reports presented to the Planning Commission;
- All information (including written evidence and testimony) presented to the City from other public agencies relating to the project or the FEIR;
- All applications, letters, testimony, and presentations presented to the City by the Project Sponsor and its consultants in connection with the Project;
- All information (including written evidence and testimony) presented at any public hearing or workshop related to the Project and the EIR;
- The MMRP; and,
- All other documents comprising the record pursuant to Public Resources Code Section 21167.6(e).

The public hearing transcripts and audio files, a copy of all letters regarding the FEIR received during the public review period, the administrative record, and background documentation for the FEIR are located at the Planning Department, 1650 Mission Street, 4th Floor, San Francisco. The Planning Department, Jonas P. Ionin, is the custodian of these documents and materials.

F. Findings about Environmental Impacts and Mitigation Measures

The following Sections II, III and IV set forth the Commission's findings about the FEIR's determinations regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide the written analysis and conclusions of the Commission regarding the environmental impacts of the Project and the mitigation measures included as part of the FEIR and adopted by the Commission as part of the Project. These findings do not attempt to describe the full analysis of each environmental impact contained in the FEIR. Instead, a full explanation of these environmental findings and conclusions can be found in the FEIR, and these findings hereby incorporate by reference the discussion and analysis in the FEIR supporting the determination regarding the project impact and mitigation measures designed to address those impacts. In making these findings, the Commission ratifies, adopts and incorporates in these findings the determinations and conclusions of the FEIR relating to environmental impacts and mitigation measures, except to the extent any such

determinations and conclusions are specifically and expressly modified by these findings, and relies upon them as substantial evidence supporting these findings.

In making these findings, the Commission has considered the opinions of staff and experts, other agencies, and members of the public. The Commission finds that (i) the determination of significance thresholds is a judgment decision within the discretion of the City and County of San Francisco; (ii) the significance thresholds used in the FEIR are supported by substantial evidence in the record, including the expert opinion of the FEIR preparers and City staff; and (iii) the significance thresholds used in the FEIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the Project. Thus, although, as a legal matter, the Commission is not bound by the significance determinations in the FEIR (see Public Resources Code, Section 21082.2, subdivision (e)), the Commission finds them persuasive and hereby adopts them as its own.

As set forth below, the Commission adopts and incorporates the applicable mitigation measures found in the Eastern Neighborhoods PEIR and all of the mitigation measures set forth in the Project FEIR, which are set forth in the attached MMRP, to reduce the significant and unavoidable impacts of the Project. The Commission intends to adopt the mitigation measures proposed in the FEIR as well as the applicable mitigation measures proposed in the Eastern Neighborhoods PEIR. Accordingly, in the event a mitigation measure recommended in the FEIR or Eastern Neighborhoods PEIR has inadvertently been omitted in these findings or the MMRP, such mitigation measure is hereby adopted and incorporated in the findings below by reference. In addition, in the event the language describing a mitigation measure set forth in these findings or the MMRP fails to accurately reflect the mitigation measures in the FEIR or Eastern Neighborhoods PEIR due to a clerical error, the language of the policies and implementation measures as set forth in the FEIR or Eastern Neighborhoods PEIR shall control. The impact numbers and mitigation measure numbers used in these findings reflect the information contained in the FEIR and Eastern Neighborhoods PEIR.

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

These findings are based upon substantial evidence in the entire record before the Planning Commission. The references set forth in these findings to certain pages or sections of the EIR or responses to comments in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

II. LESS-THAN-SIGNIFICANT IMPACTS

The CPE Checklist (Appendix A to the DEIR) and/or the Final EIR found that implementation of the Project would result in less-than-significant impacts in the following environmental topic areas: Land Use and Land Use Planning (with the exception of significant and unavoidable impacts due to the cumulative loss of PDR (Production, Distribution, and Repair), as further discussed in Section IV herein); Aesthetics; Population and Housing; Cultural Resources; Greenhouse Gas Emissions; Wind and Shadow; Recreation; Utilities and Service Systems; Public Services; Biological Resources; Geology and Soils; Hydrology and Water Quality; Mineral and Energy Resources; Agriculture and Forest Resources.

Note: Senate Bill (SB) 743 became effective on January 1, 2014. Among other things, SB 743 added § 21099 to the Public Resources Code and eliminated the requirement to analyze aesthetics and parking impacts for certain urban infill projects under CEQA. The proposed Project meets the definition of a mixed-use residential project on an infill site within a transit priority area as specified by Public Resources Code § 21099. Accordingly, the FEIR did not discuss the topic of Aesthetics, which are no longer considered in determining the significance of the proposed Project's physical environmental effects under CEQA. The FEIR nonetheless provided visual simulations for informational purposes. Similarly, the FEIR included a discussion of parking for informational purposes. This information, however, did not relate to the significance determinations in the FEIR.

III. FINDINGS OF SIGNIFICANT IMPACTS THAT CAN BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT LEVEL THROUGH MITIGATION AND THE DISPOSITION OF THE MITIGATION MEASURES

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible. The findings in this section concern four potential impacts and mitigation measures proposed in the Eastern Neighborhoods PEIR and the CPE Checklist for this Project and four potential impacts and mitigation measures proposed in the FEIR. These mitigation measures are included in the MMRP. A copy of the MMRP is included as Attachment B to the Planning Commission Motion adopting these findings. The CPE Checklist found that one mitigation measure proposed in the Eastern Neighborhoods PEIR would be required for this Project to avoid any potential adverse effect from the proposed Project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a)(c). The CPE Checklist also found that four mitigation measures identified in the Eastern Neighborhoods PEIR would be required for this Project to eliminate or reduce to a less-than-significant level potential noise impacts, as set forth below. The CPE Checklist also found that two mitigation measures identified in the Eastern Neighborhoods PEIR would be required for this Project to eliminate or reduce to a less-than-significant level potential air quality impacts, as set forth below. The CPE Checklist also found that one mitigation measure identified in the Eastern Neighborhoods PEIR would be required for this Project to eliminate or reduce to a less-than-significant level potential hazardous materials impacts, as set forth below.

The Project Sponsor has agreed to implement the following mitigation measures to address the potential archeological resource, noise, air quality, hazardous materials impacts identified in the CPE Checklist and FEIR. As authorized by CEQA Section 21081 and CEQA Guidelines Section 15091, 15092, and 15093, based on substantial evidence in the whole record of this proceeding, the Planning Commission finds that, unless otherwise stated, the Project will be required to incorporate mitigation measures identified in the FEIR and the Eastern Neighborhoods PEIR into the Project to mitigate or to avoid significant or potentially significant environmental impacts. Except as otherwise noted, these mitigation measures will reduce or avoid the potentially significant impacts described in the Final EIR, and the Commission finds that these mitigation measures are feasible to implement and are within the responsibility and jurisdiction of the City and County of San Francisco to implement or enforce.

Additionally, the required mitigation measures are fully enforceable and are included as conditions of approval in the Planning Commission's Large Project Authorization under Planning Code Section 329 and also will be enforced through conditions of approval in any building permits issued for the Project by the San Francisco Department of Building Inspection. With the required mitigation measures, these

Project impacts would be avoided or reduced to a less-than-significant level. The Planning Commission finds that the mitigation measures presented in the MMRP are feasible and shall be adopted as conditions of project approval.

The following mitigation measures would be required to reduce cultural, paleontological and archeological impacts, noise impacts, air quality impacts, and hazards and hazardous materials impacts identified in the Eastern Neighborhoods PEIR and FEIR to a less-than-significant level:

Impacts to Archeological Resources (Impact CPE-1) (FEIR, Appendix A, CPE Checklist, pp. 28-30)

The proposed Project would include demolition of existing site buildings, excavation and soil disturbance, and construction activities, which has the potential to impact archeological resources that may be present within the Project site. Project Mitigation Measure M-CP-1 / Eastern Neighborhoods PEIR Mitigation Measure J-2 (Archeological Resources Testing) requires retention of an archaeological consultant, implementation of an Archeological Testing Program, and other measures to protect archeological resources. With implementation of Project Mitigation Measure M-CP-1 / Eastern Neighborhood PEIR Mitigation Measure J-2, Impact CPE-1 is reduced to a less than significant level.

Impacts Associated with Construction Noise, Pile-Driving (Impact CPE-2) (FEIR, Appendix A, CPE Checklist, pp. 31-32)

The proposed Project would include demolition, excavation and construction activities that are likely to include pile-driving activities and other particularly noisy construction procedures. Project Mitigation Measure M-NO-1 / Eastern Neighborhoods PEIR Mitigation Measure F-1 (Construction Noise, Pile-Driving) requires the use of drilled piles only (not pile-driving) unless pile-driving is absolutely necessary. With implementation of Project Mitigation Measure M-NO-1 / Eastern Neighborhood PEIR Mitigation Measure F-1, Impact CPE-2 is reduced to a less than significant level.

Impacts Associated with Construction Noise (Impact CPE-3) (FEIR, Appendix A, CPE Checklist, pp. 31-32)

The proposed Project would include demolition, excavation and construction activities that involve potentially noisy construction procedures in proximity to sensitive land uses. Project Mitigation Measure M-NO-2 / Eastern Neighborhoods PEIR Mitigation Measure F-2 (Construction Noise) requires the submittal of site-specific noise attenuation measures prior to commencing construction. With implementation of Project Mitigation Measure M-NO-2 / Eastern Neighborhood PEIR Mitigation Measure F-2, Impact CPE-3 is reduced to a less than significant level.

Impacts Associated with Operation-Period Noise Impacts to Sensitive Uses (Impact CPE-4) (FEIR, Appendix A, CPE Checklist, pp. 32-35)

The proposed Project would introduce sensitive residential land uses to existing noise-generating uses in the vicinity. Project Mitigation Measure M-NO-3 / Eastern Neighborhoods PEIR Mitigation Measure F-4 (Siting of Noise-Sensitive Uses) addresses the exposure of noise-sensitive uses to existing noise-generating uses in the vicinity. With implementation of Project Mitigation Measure M-NO-3 / Eastern Neighborhood PEIR Mitigation Measure F-4, Impact CPE-4 is reduced to a less than significant level.

Impacts Associated with Generation of Operation-Period Noise Impacts to Sensitive Uses (Impact CPE-5) (FEIR, Appendix A, CPE Checklist, pp. 34-35)

The proposed Project would include a backup diesel generator that is considered a noise-generating source. Project Mitigation Measure M-NO-4 / Eastern Neighborhoods PEIR Mitigation Measure F-5 (Siting of Noise-Generating Uses) addresses the potential impacts to sensitive uses associated with the generation of operation-period noise. With implementation of Project Mitigation Measure M-NO-4 / Eastern Neighborhood PEIR Mitigation Measure F-5, Impact CPE-5 is reduced to a less than significant level.

Impacts Associated with Machinery Use During Construction Activities (Impact CPE-6) (FEIR, Appendix A, CPE Checklist, pp. 35-41)

The proposed Project would include demolition, excavation and construction activities that are likely to require off- and on-road equipment that will increase emissions exhaust and air pollutants. Project Mitigation Measure M-AQ-1 / Eastern Neighborhoods PEIR Mitigation Measure G-1 (Construction Air Quality) requires engines to meet higher emissions standards on certain types of construction equipment, thereby reducing NOx emissions. With implementation of Project Mitigation Measure M-AQ-1 / Eastern Neighborhood PEIR Mitigation Measure G-1, Impact CPE-6 is reduced to a less than significant level.

Impacts Associated with Potential Release of Hazardous Materials During Demolition (Impact HZ-1) (FEIR, Appendix A, CPE Checklist, pp. 57-58)

The proposed Project would include demolition of existing site buildings that may contain hazardous building materials which could result in a public health risk. Project Mitigation Measure M-HZ-1 / Eastern Neighborhoods PEIR Mitigation Measure L-1 (Hazardous Building Materials) addresses the removal and disposition of potentially hazardous materials. With implementation of Project Mitigation Measure M-HZ-1 / Eastern Neighborhood PEIR Mitigation Measure L-1, Impact CPE-HZ-1 is reduced to a less than significant level.

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

Based on substantial evidence in the whole record of these proceedings, the Planning Commission finds that there are significant project-specific and cumulative impacts that would not be eliminated or reduced to an insignificant level by the mitigation measures listed in the MMRP. The FEIR identifies two significant and unavoidable impacts on transportation and circulation, and one significant and unavoidable impact on land use and land use planning with respect to cumulative loss of PDR.

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

Thus, the following significant impacts on the environment, as reflected in the FEIR, are unavoidable. But, as more fully explained in Section VI, below, under Public Resources Code Section 21081(a)(3) and (b), and CEQA Guidelines 15091(a)(3), 15092(b)(2)(B), and 15093, the Planning Commission finds that these impacts are acceptable for the legal, environmental, economic, social, technological and other benefits of the Project. This finding is supported by substantial evidence in the record of this proceeding.

Additionally, on September 27, 2013, Governor Brown signed SB 743, which became effective on January 1, 2014. As noted in the Draft EIR on page IV.2, Public Resources Code Section 21099 requires that the State Office of Planning and Research (OPR) develop revisions to the CEQA Guidelines establishing criteria for determining the significance of transportation impacts of projects within transit priority areas that promote the “reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses.” The statute provides that, upon certification and adoption of the revised CEQA Guidelines by the Secretary of the Natural Resources Agency, “automobile delay, as described solely by level of service (LOS) or similar measures of vehicular capacity or traffic congestion shall not be considered a significant impact on the environment.” In other words, LOS or any other automobile delay metric more generally shall not be used as a significance threshold under CEQA.

Since publication of the DEIR for this Project on August 12, 2015, the California Office of Planning and Research (OPR) published for public review and comment a *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA* (“proposed transportation impact guidelines”) in January 2016. OPR’s proposed transportation impact guidelines recommends that transportation impacts can be best measured using an alternative metric known as vehicle miles traveled (VMT). VMT measures the amount and distance that a project might cause people to drive, accounting for the number of passengers within a vehicle.

OPR’s proposed transportation impact guidelines provides substantial evidence that VMT is an appropriate standard to use in analyzing transportation impacts to protect environmental quality and a better indicator of greenhouse gas, air quality, and energy impacts than automobile delay. Acknowledging this, San Francisco Planning Commission Resolution 19579, adopted on March 3, 2016:

- Found that automobile delay, as described solely by LOS or similar measures of vehicular capacity or traffic congestion, shall no longer be considered a significant impact on the environment pursuant to CEQA, because it does not measure environmental impacts and therefore it does not protect environmental quality.
- Directed the Environmental Review Officer to remove automobile delay as a factor in determining significant impacts pursuant to CEQA for all guidelines, criteria, and list of exemptions, and to update the Transportation Impact Analysis Guidelines for Environmental Review and Categorical Exemptions from CEQA to reflect this change.
- Directed the Environmental Planning Division and Environmental Review Officer to replace automobile delay with VMT criteria which promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses; and consistent with proposed and forthcoming changes to the CEQA Guidelines by OPR.

Planning Commission Resolution 19579, adopted on March 3, 2016, became effective immediately for all projects that have not received a CEQA determination and all projects that have previously received CEQA determinations, but require additional environmental analysis.

Under the VMT metric required by Planning Commission Resolution 19579, the Transportation and Circulation impacts would shift from significant to less-than-significant. As no Final CEQA determination for this Project was in place at the time Planning Commission Resolution 19579 went into effect, it would be permissible to rely only on the VMT metric in analyzing impacts of the Project. However, in recognition of the DEIR that had previously been circulated for comment, the newness of the VMT rather than LOS metric, and the fact that the public and decision-makers nonetheless may be interested in information pertaining to the automobile delay effects of this proposed Project and may desire that such information be provided as part of the environmental review process, the FEIR will continue to identify significant and unavoidable impacts to transportation and circulation based on automobile delay or traffic congestion.

Therefore, under Existing Plus Project conditions, the Project would contribute to the existing unacceptable operating conditions at three intersections (17th Street and Mississippi Street, Mariposa Street and Pennsylvania Street, and Mariposa Street and Mississippi Street). In addition, the Project (combined with past, present, and reasonably foreseeable future projects) would result in a considerable contribution to significant cumulative traffic impacts at four intersections (Mariposa Street and Mississippi Street, Mariposa Street and Pennsylvania Street, 17th Street and Mississippi Street, and 7th/16th/Mississippi Street). These impacts have been identified as significant, and no feasible mitigation measures have been identified to reduce these impacts to a less than significant level.

The FEIR identifies the following impacts for which no feasible mitigation measures were identified that would reduce these impacts to a less than significant level:

Transportation and Circulation Impacts Associated with Level of Service at Three Study Intersections (Impact TR-2) (FEIR, IV.A.41-45)

The proposed Project would cause a substantial increase in traffic that would substantially affect traffic operations at three of the 14 study intersections: 17th Street and Mississippi Street, Mariposa Street and Pennsylvania Street, and Mariposa Street and Mississippi Street. No feasible mitigation measures were identified that would reduce this impact to a less than significant level after consideration of several potential mitigation measures. The Project Sponsor has agreed to implement two mitigation measures, however the feasibility of each is not assured or assumed. The following mitigation measures were considered:

- **Mitigation Measure M-TR-2a (17th Street and Mississippi Street Signalization) (FEIR, IV.A.42-43):** This mitigation measure was evaluated to mitigate the poor operating conditions at the intersection of 17th Street and Mississippi Street. Under this mitigation measure, the Project Sponsor would be required to pay their fair share for the cost of design and of signalization or other similar mitigation to improve automobile delay at this intersection, as determined by the SFMTA. However, full funding of this measure has not been identified, so feasibility of implementation is not assured or assumed. Therefore, Impact TR-2 will remain significant and unavoidable with mitigation.

- **Mitigation Measure M-TR-2b (Mariposa Street and Pennsylvania Street Signalization) (FEIR, IV.A.43-44):** This mitigation measure was evaluated to mitigate the poor operating conditions at the intersection of Mariposa Street and Pennsylvania Street, and the Project Sponsor has agreed to pay their fair share for the cost of design and of signalization or other similar mitigation to improve automobile delay at this intersection, as determined by the SFMTA. However, full funding of this measure has not been identified, so feasibility of implementation is not assured or assumed. Therefore, Impact TR-2 will remain significant and unavoidable with mitigation.
- **Mitigation Measure M-TR-2c (Implement a Transportation Demand Management Plan) (FEIR, IV.A.44-45):** This mitigation measure was evaluated to mitigate the overall transportation and circulation impacts of the Project. The Project Sponsor has agreed to implement this mitigation measure, which requires preparation and implementation of a Transportation Demand Management Plan. However, this mitigation measure would not reduce volumes by the 50% required to reduce the impacts at the target intersections to a less than significant level. Therefore, Impact TR-2 will remain significant and unavoidable with mitigation.

Additionally, the Project FEIR identified a mitigation measure that would reduce impacts at the Mariposa and Mississippi Street intersection. However, the mitigation measure was found infeasible because it conflicts with SFMTA's goals and policies for the area as the considered improvements would conflict with the desired operation of this intersection. (FEIR, IV.A.43). Specifically, one option considered by SFMTA staff included the installation of turn pockets, but it was rejected because it did not improve intersection LOS to an acceptable level. Another option considered by SFMTA staff was the installation of a traffic signal. With signalization, the intersection would operate at LOS C during the Existing Plus Project weekday PM peak hour conditions. After review of this potential mitigation, SFMTA concluded that the existing all-way STOP sign-controlled intersection of Mariposa and Mississippi streets is not a desirable candidate for traffic signalization because the traffic patterns at this particular intersection are more effectively served by an all-way STOP control than by a traffic signal. The existing STOP sign on westbound Mariposa Street slows traffic on westbound Mariposa Street as it approaches Mississippi Street, where the land uses change from generally commercial to mostly residential. SFMTA does not want to encourage a substantial amount of through westbound movements on Mariposa Street west of Mississippi Street, which a traffic signal could encourage. Thus no feasible mitigation was identified for this intersection, and therefore Impact TR-2 will remain significant and unavoidable.

Therefore, no feasible mitigation measures were found to reduce the proposed Project's significant impact at the intersections of 17th Street and Mississippi Street, Mariposa Street and Pennsylvania Street, and Mariposa Street and Mississippi Street to less-than-significant levels, rendering Impact TR-2 significant and unavoidable.

Transportation and Circulation Impacts Associated with Cumulative Level of Service at Four Study Intersections (Impact C-TR-2) (FEIR, IV.A.66-68)

The proposed Project, combined with past, present, and reasonably foreseeable future projects, would contribute considerably to significant cumulative traffic impacts at four of the 14 study intersections: Mariposa Street and Mississippi Street, Mariposa Street and Pennsylvania Street, 17th Street and Mississippi Street, and 7th/16th/Mississippi Street. No feasible mitigation measures were identified that would reduce this impact to a less than significant level after consideration of several potential mitigation

measures. The Project Sponsor has agreed to implement two of the mitigation measures discussed above for Impact TR-2, however as noted the feasibility of each is not assured or assumed. Additionally, SFMTA has determined no improvements would be feasible at the already signalized 7th/16th/Mississippi Street intersection as additional or reconfigured lanes would conflict with goals for pedestrian and transit usage of this intersection. Therefore, no feasible mitigation measures were found to reduce the proposed Project's contribution to significant cumulative impacts at the intersections of Mariposa Street and Mississippi Street, Mariposa Street and Pennsylvania Street, 17th Street and Mississippi Street, and 7th/16th/Mississippi Street to less-than-significant levels, rendering Impact C-TR-2 significant and unavoidable.

Land Use and Land Use Planning Impacts Associated with Loss of PDR (FEIR, S.3-4; Appendix A, CPE Checklist, pp. 25-26)

The proposed Project would also contribute to a significant and unavoidable impact identified in the *Eastern Neighborhoods PEIR*. The *Eastern Neighborhoods PEIR* determined that adoption of the Eastern Neighborhoods Area Plans would result in an unavoidable significant impact on land use due to the cumulative loss of PDR (Production, Distribution, and Repair). While land use controls in Western SoMa were identified as possible mitigation, this was determined not to be feasible and would not be applicable to the proposed project in any case, as the proposed project is not located in that area. A Statement of Overriding Considerations was adopted by the City accepting this significant impact because retention of the PDR uses would conflict with planned growth of the area. The Project's proposed loss of 109,500 square feet of existing PDR uses represents a considerable contribution to the loss of the PDR space analyzed in the *Eastern Neighborhoods PEIR*, but would not result in significant impacts that were not identified or more severe impacts than were analyzed in the *Eastern Neighborhoods PEIR*. The findings and analysis of the *Eastern Neighborhoods PEIR* with respect to loss of PDR is hereby incorporated by reference.

V. EVALUATION OF PROJECT ALTERNATIVES

A. Alternatives Analyzed in the FEIR

This section describes the alternatives analyzed in the Project FEIR and the reasons for rejecting the alternatives as infeasible. CEQA mandates that an EIR evaluate a reasonable range of alternatives to the Project or the Project location that generally reduce or avoid potentially significant impacts of the Project. CEQA requires that every EIR also evaluate a "No Project" alternative. Alternatives provide a basis of comparison to the Project in terms of their significant impacts and their ability to meet project objectives. This comparative analysis is used to consider reasonable, potentially feasible options for minimizing environmental consequences of the Project.

The Planning Department considered a range of alternatives in Chapter 6 of the FEIR. The FEIR analyzed the No Project Alternative, the Reduced Density Alternative, and the Metal Shed Reuse Alternative. Each alternative is discussed and analyzed in these findings, in addition to being analyzed in Chapter 6 of the FEIR. The Planning Commission certifies that it has independently reviewed and considered the information on the alternatives provided in the FEIR and in the record. The FEIR reflects the Planning Commission's and the City's independent judgment as to the alternatives. The Planning Commission finds that the Project provides the best balance between satisfaction of Project objectives and mitigation of environmental impacts to the extent feasible, as described and analyzed in the FEIR.

B. Reasons for Approving the Project

- ▶ To redevelop a large underutilized site into a development with a mix of ground floor retail uses along 16th Street and 17th Street, residential dwelling units, and substantial open space amenities.
- ▶ To create a mixed-use project consistent with the Urban Mixed Use (UMU) zoning and the Showplace Square/Potrero Area Plan's policies that encourage a mix of land uses by providing both residential uses and community-serving retail uses on the site.
- ▶ To build a substantial number of residential dwelling units on the site to contribute to the City's General Plan Housing Element goals and ABAG's Regional Housing Needs Allocation for the City and County of San Francisco.
- ▶ To create a project that is consistent with the site's 48-X and 68-X height and bulk districts and is compatible with existing and contemplated development in the immediate vicinity.
- ▶ To incorporate open space for the use of project residents in an amount equal to or greater than required by the UMU zoning.
- ▶ To preserve and integrate the historic brick office building into the development, while removing the obsolete metal shed warehouses.

C. Evaluation of Project Alternatives

CEQA provides that alternatives analyzed in an EIR may be rejected if "specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible . . . the project alternatives identified in the EIR." (CEQA Guidelines § 15091(a)(3).) The Commission has reviewed each of the alternatives to the Project as described in the FEIR that would reduce or avoid the impacts of the Project and finds that there is substantial evidence of specific economic, legal, social, technological and other considerations that make these Alternatives infeasible, for the reasons set forth below.

In making these determinations, the Planning Commission is aware that CEQA defines "feasibility" to mean "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, legal, and technological factors." The Commission is also aware that under CEQA case law the concept of "feasibility" encompasses (i) the question of whether a particular alternative promotes the underlying goals and objectives of a project, and (ii) the question of whether an alternative is "desirable" from a policy standpoint to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, legal, and technological factors.

Three alternatives were considered as part of the FEIR's overall alternatives analysis, but ultimately rejected from detailed analysis. Those alternatives are as follows:

- **Off-site Alternative.** This alternative was rejected because the Project sponsor does not have control of another site that would be of sufficient size to develop a mixed-use project with the intensities and mix of uses that would be necessary to achieve most of the basic Project objectives.

- **Open Space Alternative.** An alternative which considers the development of exclusive open space on the site was not considered for further analysis as it would not meet most of the basic project objectives, the proposed Project exceeds the Planning Code open space requirements for the proposed development, the City does not own the Project site, and acquisition of the site for City open space is not within the City's open space acquisition priority list.
- **Medical Office and Residential Alternative.** The Project was originally proposed in 2011 with a medical office building along 16th Street and a mixed use residential building along 17th Street. The medical group has since moved forward with the medical office project at a different location and is no longer interested in this type of development at this site. An alternative with a medical office building would not substantially reduce Project impacts and was therefore rejected as an alternative.

The following alternatives were fully considered and compared in the FEIR:

1. No Project Alternative

Under the No Project Alternative, the Project Site would remain in its existing condition and would not be redeveloped with a mix of residential, commercial, and open space uses. No open space would be developed within the site and no changes to surrounding loading or curb space would occur. The existing warehouse and office uses totaling approximately 109,500 square feet would continue operating at the site. The existing buildings would likely continue to remain in their current condition for the foreseeable future. Baseline conditions described in detail for each environmental topic in Chapter 4, Environmental Setting, Impacts and Mitigation Measures, would remain and none of the impacts associated with the Project would occur.

The Planning Commission rejects the No Project Alternative as infeasible because it would fail to meet the Project Objectives and the City's policy objectives for the following reasons:

- 1) The No Project Alternative would not meet any of the Project Sponsor's objectives;
- 2) The No Project Alternative would be inconsistent with key goals of the Eastern Neighborhood Plan with respect to housing production. With no new housing created here and no construction, the No Project Alternative would not increase the City's housing stock of both market rate and affordable housing, would not create new job opportunities for construction workers, and would not expand the City's property tax base.
- 3) The No Project Alternative would leave the Project Site physically unchanged, and thus would not achieve any of the objectives regarding the redevelopment of a large underutilized site (primarily consisting of obsolete warehouses and a surface parking lot), creation of a mixed-use project within the UMU District, contribution to regional housing needs, provision of affordable dwelling units, provision of publicly-accessible open space, and provision of new neighborhood services.

For the foregoing reasons, the Planning Commission rejects the No Project Alternative as infeasible.

2. Reduced Density Alternative

The FEIR identified the Reduced Density Alternative as an environmentally superior alternative under the LOS analysis because it would reduce the project's significant impacts at four study intersections.

Under the Reduced Density Alternative, all existing on-site buildings (with the exception of the historic brick building) and surface pavements on the Project Site would be demolished and the site would be redeveloped with a mix of residential and commercial uses within two buildings. The configuration of the buildings would be similar to the configuration of the proposed Project, although compared to the proposed Project: 1) the courtyards would be expanded, reducing the footprint of the buildings; 2) there would be less commercial frontage, with locations toward the western end of the buildings, including the existing brick building, becoming residential amenities or lobby areas instead of commercial areas. A total of 273 residential units and 16,880 square feet of commercial uses would be developed, for a total building area of 561,625 gsf. This alternative would include 122 fewer residential units and 7,588 fewer square feet of commercial space compared to the proposed Project. Similar to the proposed Project, this alternative would feature a public pedestrian alley along the west side of the development with residences opening onto a mews and residential courtyards.

The Reduced Density Alternative would include underground residential parking garages in both the 16th Street Building and 17th Street Building with access via two driveways with 20-foot curb cuts from Mississippi Street. Class 1 bicycle parking would be included in the underground garages. Retail parking as well as additional bicycle parking would be provided at ground level in the 16th Street Building. Two off-street loading spaces would be provided with one being adjacent to the retail parking area and the other off of 17th Street (a 12-foot curb cut).

This alternative would eliminate some (but not all) of the Project-specific and cumulative traffic-related significant and unavoidable impacts of the proposed Project. Specifically, the Reduced Density Alternative would, under Existing Plus Project conditions, reduce the number of significantly-impacted intersections from three to one (at Mariposa Street and Pennsylvania Street), and under Cumulative Conditions, reduce the number of significantly-impacted intersections from four to two (7th/16th/Mississippi Street, and Mariposa Street and Pennsylvania Street).

Based on substantial evidence in the record, the Planning Commission rejects the Reduced Density Alternative as infeasible because it would fail to meet the Project Objectives and City policy objections for reasons including, but not limited to, the following:

- 1) The Reduced Density Alternative would limit the Project to 273 dwelling units; whereas the proposed Project would provide 395 units to the City's housing stock and maximize the creation of new residential units. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan and Policy 1.2.1 of the Showplace Square/Potrero Area Plan of the General Plan is to increase the housing stock whenever possible to address a shortage of housing in the City.
- 2) The Reduced Density Alternative would create a project that would not fully utilize this site for housing production, thereby not fully satisfying General Plan policies such as Housing Element Policies 1.1 and 1.4, among others. While the Reduced Density Alternative would ameliorate certain of the significant unavoidable impacts of the proposed Project, the alternative would

not create a project that is consistent with and enhances the existing scale and urban design character of the area or furthers the City's housing policies to create more housing, particularly affordable housing opportunities, and would not remove all significant unavailable impacts.

- 3) The Reduced Density Alternative would create a project with fewer housing units in an area well-served by transit, services and shopping and adjacent to employment opportunities which would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Reduced Density Alternative not meeting, to the same degree as the Project, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the Bay Area Air Quality Management District's ("BAAQMD") requirements for GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options.
- 4) The Reduced Density Alternative is also economically infeasible. Large development projects are capital-intensive and depend on obtaining financing from equity investors to cover a significant portion of the project's costs, obtain a construction loan for the bulk of construction costs, and provide significant costs out-of-pocket. Equity investors require a certain profit margin to finance development projects and must achieve established targets for their internal rate of return and return multiple on the investment. Because the Reduced Density Alternative would result in a project that is significantly smaller than the Project, and contains 122 fewer residential units, the total potential for generating revenue is lower while the construction cost per square foot is higher due to lower economies of scale and the impact of fixed project costs associated with development. The reduced unit count would not generate a sufficient economic return to obtain financing and allow development of the proposed Project and therefore would not be built.

The Project Sponsor provided the City a memorandum entitled "Financial Feasibility Analysis of 901 16th Street and 1200 17th Street Project" prepared by Seifel Consulting, Inc., which is included in the record. The memorandum concludes that the Reduced Density Alternative is not financially feasible because the development costs for the Reduced Density Alternative significantly exceed potential revenues, resulting in a negative developer margin or return. Specifically, implementation of the Reduced Density Alternative will result in total development costs of \$258,440,000 million and result in a total value of \$254,123,000 million, resulting in negative \$4,317,000 million net developer margin or return. In addition, the Reduced Density Alternative does not meet either of the return thresholds as measured by Yield On Cost or Return on Cost. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in the Reduced Density Alternative negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Project.

- 5) On March 3, 2016, the Planning Commission adopted Motion No. 19579 to no longer consider intersection level of service impacts as significant impacts under CEQA. Under this new policy, the Reduced Density Alternative would not avoid or reduce any significant impacts of the Proposed Project.

For the foregoing reasons, the Planning Commission rejects the Reduced Density Alternative as infeasible.

3. Metal Shed Reuse Alternative

The FEIR identified the Metal Shed Reuse Alternative as an environmentally superior alternative because it would reduce the Proposed Project's contribution to the cumulative loss of PDR space identified in the Eastern Neighborhoods PEIR.

The Metal Shed Reuse Alternative would repurpose the existing warehouse buildings on the site and redevelop the existing parking lot and modular office building as follows. The existing metal shed warehouse building at 1200/1100 17th Street would be reused to include 46,957 square feet of artists' workspaces on two floors, 13,200 square feet of restaurant and retail space, and 8,366 square feet of public arts activity space. The warehouse building at 1210 17th Street/975 16th Street would also be retained but modified with windows and cutouts for light and air access and with new construction added above to four stories encompassing a total of 95 residential units and residential lobby and amenity areas. The Cor-O-Van modular office building and parking lot at 901 16th Street (the northeast corner of the site) would be developed with underground parking and a new five story mixed-use building and courtyard above encompassing 82 residential units and related lobby and amenity areas as well as 7,000 gsf of ground-level commercial space along 16th Street, for a total of 177 dwelling units.

This alternative would include 36,291 square feet of open space. A publically-accessible pedestrian alley would be provided cutting through the warehouse turned artist workshops at 1200 17th Street and continuing between the 975 16th Street warehouse turned residential building and the new mixed-use building at 901 16th Street. Additionally, off-street parking would be provided in a single basement-level garage with 123 residential parking spaces accessed via a driveway off of Mississippi Street. The size of the parking area would be limited by areas with existing structures to remain above. Three off-street loading spaces would be provided, including one adjacent to the basement garage ramp, utilizing the same curb cut. The other two loading spaces would be accessed via two 12-foot curb cuts off of 17th Street.

Under the Metal Shed Reuse Alternative, none of the Proposed Project's significant transportation and circulation impacts would be avoided, but the Project's impacts regarding the loss of PDR would be avoided.

The Planning Commission rejects the Metal Shed Reuse Alternative as infeasible because it would not reduce any of the significant unavoidable individual impacts of the proposed Project and it would not meet the Project Objectives or City policy objectives as well as the proposed Project, for reasons including, but not limited to, the following:

- 1) The Metal Shed Reuse Alternative would limit the Project to 177 dwelling units; whereas the proposed Project would provide 395 units to the City's housing stock. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan and Policy 1.2.1 of the Showplace Square/Potrero Area Plan of the General Plan is to increase the housing stock whenever possible to address a shortage of housing in the City.
- 2) The Metal Shed Reuse Alternative would not successfully address any of the significant and unavoidable traffic-related project- and cumulative-level impacts of the proposed Project, which are the only "significant and unavoidable" individual impacts of the Project.

- 3) In adopting the Showplace Square/Potrero Plan Area, the City rezoned formerly M-1 and M-2 zoned areas to either PDR zoning districts, designed to protect and accommodate new PDR uses, or to the UMU zoning district, designed to encourage housing development and mixed use structures. In adopting the Showplace Square/Potrero Plan Area, the City adopted overriding findings that the loss of PDR space and uses within the UMU district was an unavoidable but acceptable cumulative land use impact, and the Project's contribution to that cumulative impact is within the projections of the Showplace Square/Potrero Plan Area, without the need to reuse one of the metal sheds for PDR uses.
- 4) The Metal Shed Reuse Alternative would create a project with fewer housing units and significantly less neighborhood serving retail space than the proposed Project in an area well-served by transit, services and shopping and adjacent to employment opportunities which would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Metal Shed Reuse Alternative not meeting, to the same degree as the Project, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the Bay Area Air Quality Management District's ("BAAQMD") requirements for a GHG reductions, by not maximizing mixed use housing development in an area with abundant local and region-serving transit options. This would result in the Metal Shed Reuse Alternative not meeting, to the same degree as the Project, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the Bay Area Air Quality Management District's ("BAAQMD") requirements for GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options.
- 5) The Metal Shed Alternative retains much of the blank metal façades of the existing warehouses along 17th Street and Mississippi Street and does not incorporate many of the positive urban design features of the proposed Project, including a mid-block pedestrian alley along the western property line, walk-up stoop residential units along 17th Street and the pedestrian alley, and removal of incompatible elements surrounding the historic brick office building. In addition, approximately 48 residential units in the Metal Shed Alternative would have light and air exposure only onto small courtyards along the western property line, which would provide inferior unit exposure compared to the light and air exposure provided to courtyard units in the proposed Project by the proposed Project's much larger courtyards.
- 6) The Metal Shed Reuse Alternative is also economically infeasible. Large development projects are capital-intensive and depend on obtaining financing from equity investors to cover a significant portion of the Project's costs, obtain a construction loan for the bulk of construction costs, and provide significant costs out-of-pocket. Equity investors require a certain profit margin to finance development projects and must achieve established targets for their internal rate of return and return multiple on the investment. Because the Metal Shed Reuse Alternative would result in a project that is significantly smaller than the Project, and contains 218 fewer residential units, the total potential for generating revenue is lower while the construction cost per square foot is higher due to lower economies of scale and the impact of fixed project costs associated with development. The reduced unit count would not generate a sufficient economic return to obtain financing and allow development of the proposed Project and therefore would not be built.

The Project Sponsor provided the City a memorandum entitled "Financial Feasibility Analysis of 901 16th Street and 1200 17th Street Project" prepared by Seifel Consulting, Inc., which is included in the record. The memorandum concludes that the Metal Shed Reuse Alternative is not financially feasible because the development costs for the Metal Shed Reuse Alternative significantly exceed potential revenues, resulting in a negative developer margin or return. Specifically, implementation of the Metal Shed Reuse Alternative will result in total development costs of \$185,790,000 and result in a total value of \$190,090,000, resulting in only \$4,300,000 net developer margin or return. In addition, the Metal Shed Reuse Alternative does not meet either of the return thresholds as measured by Yield On Cost or Return on Cost. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units and the high cost to rehabilitate the metal sheds in the Metal Shed Reuse Alternative negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Project and estimated PDR rent levels are relatively low compared to the rehabilitation costs.

For the foregoing reasons, the Planning Commission rejects the Metal Shed Reuse Alternative as infeasible.

VI. STATEMENT OF OVERRIDING CONSIDERATIONS

The Planning Commission finds that, notwithstanding the imposition of all feasible mitigation measures, impacts related to Transportation and Circulation, when analyzed according to vehicle delay, and loss of PDR, will remain significant and unavoidable. Pursuant to CEQA section 21081 and CEQA Guidelines Section 15093, the Planning Commission hereby finds, after consideration of the Final EIR and the evidence in the record, and incorporating by reference the findings in the *Eastern Neighborhoods PEIR* regarding loss of PDR, that each of the specific overriding economic, legal, social, technological and other benefits of the Project as set forth below independently and collectively outweighs these significant and unavoidable impacts and is an overriding consideration warranting approval of the Project. Any one of the reasons for approval cited below is sufficient to justify approval of the Project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission will stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this Section, and in the documents found in the record, as defined in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, the Planning Commission specifically finds that there are significant benefits of the Project to support approval of the Project in spite of the unavoidable significant impacts, and therefore makes this Statement of Overriding Considerations. The Commission further finds that, as part of the process of obtaining Project approval, significant effects on the environment from implementation of the Project have been eliminated or substantially lessened where feasible. All mitigation measures proposed in the FEIR and MMRP are adopted as part of the Approval Actions described in Section I, above.

Additionally, the Planning Commission finds that, under a VMT analysis for transportation and circulation impacts as required by Planning Commission Resolution 19579, there would be no significant and unavoidable impacts from the Project, and all impacts would be either less-than-significant or less-than-significant with mitigation. The Commission further finds that, while the FEIR characterized the transportation and circulation impacts as significant and unavoidable, and properly analyzed the impacts

as such, the implementation of Planning Commission Resolution 19579 is one of the overriding considerations for the Commission's approval of the Project.

Furthermore, the Commission has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following specific overriding economic, technological, legal, social and other considerations.

The Project will have the following benefits:

1. The Project would add up to 395 dwelling units to the City's housing stock. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan and Policy 1.2.1 of the Showplace Square/Potrero Area Plan of the General Plan is to increase the housing stock whenever possible to address a shortage of housing in the City.
2. The Project would increase the stock of permanently affordable housing by creating approximately 42 units affordable to low-income households on-site and by contributing significant funds to the City's Affordable Housing Fund, as required by the City's Affordable Inclusionary Housing Ordinance.
3. The Project Site is currently underused and the construction of up to 395 new housing units at this underutilized site will directly help to alleviate the City's housing shortage and lead to more affordable housing. A primary objective of the Eastern Neighborhood Area Plan is to increase housing locally through the build out of the plan area. The Project develops the Project Site in a manner envisioned by the Plan in its density and design.
4. The Project promotes a number of General Plan Objectives and Policies, including Housing Element Policy 1.1, which provides that "Future housing policy and planning efforts must take into account the diverse needs for housing;" and Policies 11.1, 11.3 and 11.6, which "Support and respect the diverse and distinct character of San Francisco's Neighborhoods." San Francisco's housing policies and programs should provide strategies that promote housing at each income level, and furthermore identify sub-groups, such as middle income and extremely low income households that require specific housing policy. In addition to planning for affordability, the City should plan for housing that serves a variety of household types and sizes." The Project will provide a mix of housing types at this location, including 53 studio units, 182 one-bedroom units, 146 two-bedroom units, and 14 three-bedroom units, increasing the diversity of housing types in this area of the City.
5. The Project adds nearly 25,000 gross square feet of neighborhood serving retail sales and service space in an area with a growing residential and workplace population, consistent with the site's Urban Mixed Use zoning.
6. The Project provides both publicly accessible and private open space in excess of the amounts required by the Planning Code.
7. The Project provides 455 Class 1 secure indoor bicycle parking spaces, significantly more than the minimum required by the Planning Code, and 52 Class 2 sidewalk bike racks, encouraging residents and visitors to access the site by bicycle.

8. The Project reduces the number of vehicular curb cuts around the site from eight to three, thereby minimizing conflicts between vehicles and pedestrians and bicyclists. No vehicular curb cuts are proposed along 16th Street, in conformance with the City's approved plans for a bus rapid transit line with a dedicated transit lane on 16th Street, or along 17th Street, where the City proposes to relocate Bicycle Route No. 40 with a dedicated Class II bike lane adjacent to the Project.
9. The Project will implement a Transportation Demand Management program to reduce trips by single occupant vehicles.
10. The Project meets the City's *Strategies to Address Greenhouse Gas Emissions* and the BAAQMD requirements for a GHG reductions by maximizing development on an infill site that is well-served by transit, services and shopping and is suited for dense residential development, where residents can commute and satisfy convenience needs without frequent use of a private automobile and is adjacent to employment opportunities, in an area with abundant local and region-serving transit options. The Project would leverage the site's location and proximity to transit by building a dense mixed use project that allows people to live and work close to transit sources.
11. The Project's innovative design furthers Housing Element Policy 11.1, which provides that "The City should continue to improve design review to ensure that the review process results in good design that complements existing character."
12. The Project promotes a number of Showplace Square/Potrero Area Plan Objectives and Policies, including Policies 1.2.1 and 1.2.2, which "In areas of Showplace/Potrero where housing and mixed use in encouraged, maximize development potential in keeping with neighborhood character;" Policies 2.1.1 and 2.1.3, which "Ensure that a significant percentage of new housing created in the Showplace/Potrero is affordable to people with a wide range of incomes;" and Policies 2.3.1 and 2.3.3, which "Require that a significant number of units in new developments have two or more bedrooms." As discussed in Paragraphs 2 and 4 above, the Project includes a mix of housing types, a substantial number of two-plus bedroom units, and complies with the Inclusionary Affordable Housing Program.
13. The Project would construct a development that is in keeping with the scale, massing and density of other structures in the immediate vicinity, with minimal effects on public views from uphill locations on Potrero Hill.
14. The Project rehabilitates the historic brick office building on 17th Street in a manner consistent with the Secretary of the Interior's Standards for Rehabilitation and removes and replaces the site's unsightly and obsolete non-historic metal shed warehouses.
15. The Conditions of Approval for the Project include all the mitigation and improvement measures that would mitigate the Project's potentially significant impact to insignificant levels, except for its impact on Transportation and Circulation.
16. The Project will create temporary construction jobs and permanent jobs in the retail sector. These jobs will provide employment opportunities for San Francisco residents, promote the City's role

as a commercial center, and provide additional payroll tax revenue to the City, providing direct and indirect economic benefits to the City.

17. The Project will substantially increase the assessed value of the Project Site, resulting in corresponding increases in tax revenue to the City.

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

EXHIBIT B

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San Francisco Planning Commission
Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

May 11, 2016

Via email and hand delivery

Re: Environmental Review and Approval of 901-16th Street/ 1200-17th Street Project

Dear Commissioners:

On behalf of the citizens' groups, Grow Potrero Responsibly and Save the Hill, ("Citizens", hereafter), thank you for the opportunity to comment on the environmental review and proposed approval for the above named Project. As you are aware, the Project is one of the largest, densest projects to be proposed in the history of Potrero Hill; it is positioned at the gateway of the Potrero Hill community and covers 3.5 acres. The Project deserves heightened scrutiny because it is likely to change the very nature of the Potrero Hill community. For the following reasons the EIR fails to adequately analyze impacts and alternatives and to respond adequately to comments made on the Draft EIR. The proposed Statement of Overriding Considerations is not supported by substantial evidence. Fortunately there is a feasible alternative that would reduce the Project's impacts, the Metal Shed Reuse alternative; Citizens urge the Commission to fairly consider the adoption of this alternative.

Statement of Overriding Considerations

The lead agency cannot merely adopt a statement of overriding considerations and approve a project with significant impacts; it must *first*

adopt feasible alternatives and mitigation measures. (*Friends of Sierra Madre v. City of Sierra Madre* (2001) 25 Cal.4th 165, 185; *City of Marina v. Board of Trustees of the California State University* (2006) 39 Cal.4th 341 [“CEQA does not authorize an agency to proceed with a project that will have significant, unmitigated effects on the environment, based simply on a weighing of those effects against the project’s benefits, unless the measures necessary to mitigate those effects are truly infeasible.”] As explained by the California Supreme Court in *Mountain Lion Foundation v. Fish & Game Commission* (1997) 16 Cal.4th 105, 124, “Under CEQA, a public agency must . . . consider measures that might mitigate a project’s adverse environmental impact and adopt them if feasible. (Pub. Res. Code §§ 21002, 21081.)” The Court reiterated “CEQA’s substantive mandate that public agencies refrain from approving projects for which there are feasible alternatives or mitigation measures.” (*Id.* at 134.) CEQA’s substantive mandate was again underscored by the California Supreme Court in *Vineyard Area Citizens v. City of Rancho Cordova* (2007) 40 Cal.4th 412; *City of Marina v. Board of Trustees of the California State University* (2006) 39 Cal.4th 341, and by the Court of Appeal in *County of San Diego v. Grossmont-Cuyamaca Community College District* (2006) 141 Cal.App.4th 86 and *Preservation Action Council v. City of San Jose* (2006) 141 Cal.App.4th 1336.

Here, the EIR has conceded significant traffic and circulation impacts and the cumulative loss of PDR; the EIR is thus required to adequately analyze a reasonable range of alternatives that reduced all potentially significant environmental impacts. Comments on the Draft EIR assert and have provided the bases for finding substantial environmental impacts due to aesthetics and views, inconsistency with area plans, land use, growth inducing and cumulative impacts and shade and shadow of area parks. The EIR identified a feasible alternative that would reduce impacts in each of these areas yet determined that the Metal Shed Reuse alternative is infeasible – asserting additional costs and loss of profit. This determination lacks credible support and is not supported by substantial evidence. The EIR also failed to note that the Historic Preservation Commission has recommended incorporation of Metal Shed Reuse alternative. Citizens concur with this recommendation and encourage the Commission to adopt the Metal Shed Reuse alternative.

Feasible means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, technological, and legal factors. (Pub. Res. Code § 21061.1; Guideline §15364.) Increased costs of an alternative do not equate to economic infeasibility: “[t]he fact that an alternative may be more expensive or less profitable is not sufficient to show that the alternative is financially infeasible. What is required is evidence that the additional costs or lost profitability are sufficiently severe as to render it impractical to proceed with the project.” (*Citizens of Goleta Valley v. Board of Supervisors (Goleta I)* (1988) 197 Cal.App.3d 1167, 1181. See also *Kings County Farm Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692, 736; *City of Fremont v. San Francisco Bay Area Rapid Transit District* (1995) 34 Cal.App.3d 1780 (addition of \$60 million in costs rendered subterranean alternative for BART extension infeasible.) In *Citizens of Goleta Valley v. County of Santa Barbara (Goleta I)* (1988) 197 Cal.App.3d 1167, the court found that the record included no analysis of the comparative costs, profits, or economic benefits of scaled down project alternative and was insufficient to support finding of economic infeasibility. In *Uphold Our Heritage v. Town of Woodside* (2007) 147 Cal.App.4th 587, a project applicant’s preference against an alternative does not render it infeasible. Here, the recently submitted developer prepared financial study shows that the alternative would result in less profit but fails to show that additional costs would render the project impractical to proceed.

The EIR also fails to support its allegation that the greater percentage of PDR in the Metal Shed alternative would render higher traffic counts. As the FEIR noted, traffic congestion is no longer established by traffic counts but through Vehicle Miles Traveled (VMT). Using this analysis, the alternative should be rendered feasible on this issue.

For the foregoing reasons, the EIR’s determination that the Metal Shed Reuse Alternative is infeasible is not supported by substantial evidence. And as Citizens’ members have repeatedly stated, the cumulative impacts of this and other proposed projects have not been adequately addressed. Because the City has failed to propose adequate funding to provide the necessary infrastructure and community benefits identified in the Eastern Neighborhoods Plan, the claimed benefits in the

City's Statement of Overriding Considerations cannot be supported.

A Statement of Overriding Considerations may not be considered prior to the adequate review of impacts and methods to avoid those impacts; the City must first fairly consider all alternatives and mitigation measures prior to considering whether the benefits of the Project outweigh its impacts.

Failure to Respond Adequately to Comments

Responses should explain any rejections of the commentors' proposed mitigations and alternatives. Evasive, conclusory responses and mere excuses are not legally sufficient. (*Cleary v. County of Stanislaus* (1981) 118 Cal.App.3d 348, 355-360 (failure to adequately respond to any significant public comment is an abuse of discretion); Guideline §15088(b).) A general response to a specific question is usually insufficient. (*People v. County of Kern* (1976) 62 Cal.App.3d 761 [when a comment questioned the availability of water, a response was ruled inadequate when it stated that "all available data" showed underground water supplies to be sufficient]; *Friends of the Eel River v. Sonoma County Water Agency* (2003) 108 Cal.App.4th 859 [specific comments regarding Eel River environmental setting and pending diversions required additional responses].) Comments from responsible experts or sister agencies that disclose new or conflicting data, or opinions that the agency may not have fully evaluated the project and its alternatives, may not be ignored and there must be a good faith, reasoned analysis in response. (*Berkeley Keep Jets over the Bay Committee v. Board of Port Commissioners of the City of Oakland* (2001) 91 Cal.App.4th 1344, citing *Cleary v. County of Stanislaus* (1981) 118 Cal.App.3d 348, 357.) The FEIR fails to conform to these requirements.

Cumulative and Growth Inducing Impacts

The Eastern Neighborhoods Program EIR approved in 2008 identified the impacts associated with building 3180 residential units in the Showplace Square/Potrero Hill Area. Recent Planning Department analysis indicates that as of February 23, 2016 projects containing 3315 units in the Area have been completed or are currently proposed for implementation. By approving this Project, the City will exceed the number of units evaluated in the 2008 EIR. A draft version of the EIR noted that the analysis in the EIR on this issue was based upon a "soft site"

analysis and “not based upon the created capacity of the rezoning options (the total potential for development that would be created indefinitely.” The City attorney noted the legal vulnerability in that statement and proposed its deletion, stating that the EIR must consider the most conservative estimate of those effects and must also consider direct and indirect impacts of the Project. Citizens concur that the indirect impacts of the loss of PDR and the most conservative standard must be considered in order to satisfy CEQA’s full disclosure requirements.

Inconsistency with Area Plans and Policies

The FEIR fails to respond adequately to comments made about the Project’s inconsistency with area plans and policies, including the Showplace Square/Potrero Area Plan and the Urban Design and Housing Elements of the City’s General Plan. The EIR disregards established City policies and fails to adequately respond to comments regarding the Project’s conflicts with neighborhood scale and character, the requirement to provide adequate infrastructure, and the preservation of PDR uses.

Objective 3 of the San Francisco General Plan’s Urban Design Element requires: “Moderation of major new development to complement the city pattern, the resources to be conserved, and the neighborhood environment.” The scale and density of the Project are substantially greater than existing surrounding Potrero Hill land uses and the project would be inconsistent with the established land use character of the neighborhood. The DEIR and Response to Comments fail to acknowledge and consider that the Daggett Triangle development at 1010 16th Street in Showplace Square, as well as other large developments in nearby Mission Bay, are in separate and distinct neighborhoods that are not part of the Corovan site in Potrero Hill.

The Project conflicts with a number of Area Plan objectives including Objective 1.2 of the Showplace Square/Potrero Hill Area Plan, which promotes development in keeping with neighborhood character. This project is inconsistent with the established neighborhood character of Potrero Hill. Policy 3.1.6 of the Showplace Square/Potrero Hill Area Plan, states, “new buildings should epitomize the best in contemporary architecture, but should do so with a full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings

that surrounds them.” As proposed, the project’s 16th Street building is inconsistent with the height, mass, and articulation of existing buildings in the Potrero Hill vicinity and provides little awareness of surrounding neighborhood structures.

Policy 2 of the City’s General Plan states, “existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.” The Project is not consistent with this policy because its scale, mass, bulk and height are inconsistent with and will negatively impact established neighborhood development patterns and character. The proposed development is dramatically out of scale with nearby residences and small businesses.

The FEIR brushes off these and like comments on these critically important issues by broadly claiming that inconsistency with area plans does not relate to environmental impacts. This is a false statement. The reason EIRs are required to analyze the Project’s consistency with area plans is that inconsistency may result in impacts to land use, aesthetics, traffic and circulation and lead to growth inducing and cumulative impacts. The FEIR fails to adequately respond to comments made about the inconsistency of the Project with area plans and policies concerning land use.

Scale/Height/Density

The scale, height, and density of the proposed project (72 feet to 83 feet and 395 residential units) remain inconsistent with numerous provisions of the Showplace/Potrero Hill Area Plan. Prior study contained in the Eastern Neighborhoods EIR, that was produced and relied upon by City Planning for all new development is now eight years old and did not adequately evaluate, analyze, consider or anticipate a project of the size, height, or density. All of the analyses completed for the Eastern Neighborhoods EIR anticipated a height on the Corovan parcel of 45 feet to 50 feet – not 72 feet to 83 feet as proposed by the developer.

The developer’s drawings indicate 72’ to 83’ high mechanical/stair/elevator penthouses that push the building heights well above the 68 feet height limit. The developer’s proposed project and penthouses will also contribute to obscuring a cherished landmark of

Potrero Hill – scenic public views of downtown San Francisco. This conflicts with long-standing city and state policies regarding protection of public scenic vistas. City Planning ignored calls to provide accurate and adequate computer generated 3-D modeling visual simulations on the impacts of the project (including stair, elevator, mechanical penthouses) to public scenic views of downtown. The visual simulations offered in the DEIR remain inadequate and highly misleading. The DEIR and Response to Comments do not adequately address or respond to these issues.

In accordance with the Showplace Square/Potrero Hill Area Plan policy that calls for lowered heights on the south side of 16th Street, the underlying final Eastern Neighborhood EIR addresses heights rising 65 feet to 68 feet – but only on the north side of 16th Street – not the south side of 16th where the proposed project is proposed. Objective 3.1/Policies 3.1.1 & 3.1.2 states: Adopt heights that respect, “the residential character of Potrero Hill”... “Respect the natural topography of Potrero Hill” ... “Lowering heights from the north to the south side of 16th Street would help accentuate Potrero Hill.” The FEIR fails to adequately respond to comments that the size and scope of the Project conflicts with policies that provide a mechanism to avoid land use impacts.

Public View Corridors

Policy 3.1.5 of the Showplace Square/Potrero Hill Area Plan states: “San Francisco’s natural topography provides important way finding cues for residents and visitors alike, and views towards the hills or the bay enable all users to orient themselves vis-à-vis natural landmarks. Further, the city’s striking location between the ocean and the bay, and on either side of the ridgeline running down the peninsula, remains one of its defining characteristics and should be celebrated by the city’s built form.”

By proposing a single massive structure at the base of Potrero Hill the developers completely ignore the natural environment surrounding the site. The height, bulk, and mass, of their project will undermine (and in some cases destroy) Potrero Hill’s visual integration with downtown. The significant impacts on aesthetics including public views have not been adequately or properly evaluated in the DEIR and the FEIR inadequately responds to comments on this issue.

Omissions and Inaccuracies

FEIR Response TR-8 inaccurately states:

This comment states that adjacent roadways are Truck Routes and that impairment of these routes would impact the flow of materials and commerce and provides anecdotal evidence of commercial vehicle actions at congested intersections. Map 15 in the Transportation Element of the San Francisco General Plan identifies routes with significant truck traffic, but contrary to this comment, neither 17th Street nor Mississippi Street are identified as routes having significant truck traffic and San Francisco does not otherwise designate "Truck Routes."

Mississippi to 17th is a designated truck route that is heavily used by trucks – especially trucks exiting off or entering I-280. Mariposa Street between Connecticut and Mississippi Street is a restricted truck route (no vehicles over three tons). There is signage on Mariposa at Mississippi Streets stating: "Truck Route" directing large trucks to turn North onto Mississippi. The EIR does not adequately address significant impacts of the proposed project regarding truck traffic. Furthermore, the FEIR omits discussion of the impacts related to SFMTA's proposal to place a commuter Shuttle stop at the 17th and Mississippi Street intersection.

Thank you for your consideration,



Rachel Mansfield-Howlett



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: May 6, 2016

TO: Chris Townes, Planning Department, Current Planning Division;

Chris Thomas, Planning Department, Environmental Planning Division

FROM: Jacob Bintliff, Planning Department, Citywide Planning Division

RE: Review of Financial Feasibility Analysis of 901 16th Street and 1200 17th Street

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Potrero Partners LLC (Project Sponsor) retained Seifel Consulting Inc. (Seifel) to provide a financial feasibility analysis of the Project Sponsor's proposed development and two lower density alternatives included in the Draft Environmental Impact Report. Seifel conducted an independent review of the development assumptions and financial feasibility analysis of all three development scenarios, as well as two additional scenarios that modeled the lower density alternatives as condominium projects. As documented in Seifel's April 12, 2016 memorandum, Seifel concluded that "neither of the EIR Alternatives are financially feasible because many of the development costs are fixed, and neither of the Alternatives would generate sufficient revenues to cover the development costs and provide a sufficient developer return in order for the Alternatives to be financially feasible."

The Planning Department has reviewed the financial feasibility analysis, and finds that its methodology and approach are appropriate and consistent with professional standards, that all key development assumptions and sources for these assumptions are well-documented and reasonable, and concurs in the conclusion that neither of the low density alternative are financially feasible under current market conditions.

This concurrence is supported by the following findings by the Planning Department upon review of the financial feasibility analysis provided:

Methodology and Approach: Seifel Consulting Inc is a qualified real estate advisory consulting firm that has been retained by the San Francisco Planning Department and other City agencies in the past to conduct financial feasibility analysis similar to that provided in this case. Seifel conducted a static pro forma feasibility analysis to determine financial feasibility. This methodology is an industry standard for financial feasibility analysis and the Planning Department as well as other City agencies and other jurisdictions routinely commission and accept feasibility findings developed using this approach. Seifel's memorandum of findings clearly documents all key assumptions, applies these assumption consistently and reasonably to each development scenario without undue variation, and provides the pro formas used in the analysis for review. The Planning Department finds the methodology and approach used in this analysis to be adequate and sufficient to support the feasibility conclusions.

Development Assumptions: The financial feasibility analysis provided rests on three categories of assumptions, which are applied to each development program scenario under analysis. These assumptions include development costs (**land acquisition cost**, hard construction costs,

soft costs including legal and architectural fees, City permit and impact fees, sales costs and taxes), construction financing costs (interest rate, loan to cost ratio, drawdown factor, construction loan fee, construction period and loan term), and revenues (rental or sale revenue for residential and commercial components). The Seifel memorandum clearly documents the values assumed for each of these inputs for all scenarios tested. Seifel considered both the cost and revenue assumptions provided by the Project Sponsor as well as values observed by Seifel through recent pertinent market research and interviews with members of the local real estate community, and exercised professional judgement to arrive at reasonable assumptions that were used to conduct the feasibility analysis. The Planning Department compared these assumptions to cost and revenue values observed in recent consultant reports and market study findings provided to the City and also considered professional experience in reviewing pro formas to evaluate assumptions. The Planning Department finds that all development cost, financing cost, and revenue assumptions are consistent with the range of values observed in San Francisco for similar projects under current market conditions.

Financial Feasibility Findings: Under the methodology used in this analysis, financial feasibility is defined as a project that yields a sufficient developer margin after comparing development and financing costs to projected revenues. Developer margin is expressed by two metrics, margin on cost and yield on cost (YOC). Margin on cost expresses the ratio of developer profit (total revenue net of total development cost) to total development cost; margin on cost is a standard feasibility metric for for-sale projects. Yield on cost expresses the ratio of a project's net operating income (NOI) to total development cost; YOC is a standard feasibility metric for rental projects. Seifel used a target return (i.e. the return below which a developer will not be likely to proceed with the project) of between 18% and 25% for margin on cost, and between 5.5% and 6.0% for YOC. These target ranges are consistent with the return thresholds observed by the Planning Department through recent consultant analyses, market research, and engagement with the real estate community and is deemed an appropriate threshold for determining feasibility findings.



Jacob Bintliff

Citywide Planning Division

San Francisco Planning Department

jacob.bintliff@sfgov.org

On September 10, 2007 Joshua N. Smith of Walden Development testified under oath in a deposition that he paid \$12,475,000 to purchase the 901 16th / 1200 17th Street property site. An excerpt of his testimony in which he states the purchase price is attached. The deposition resulted from a legal dispute between Smith and the City of San Francisco over whether a portion of the 901 16th / 1200 17th Street property site was privately or publicly owned.

1 I N D E X

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3 Deposition of JOSHUA N. SMITH

4 Monday, September 10, 2007

5

6

7 Examination by

8 Ms. Van Aken

Page

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14 Questions advised or instructed not to answer:

15 Page Line

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(415) 982-4849

□

- 8 A. I should say me.
- 9 Q. So there's no other --
- 10 A. No.
- 11 Q. -- person or entity involved?
- 12 A. No.
- 13 Q. When did you first consider acquiring the
- 14 property?
- 15 A. Sometime approximately in the middle or so of
- 16 2004.
- 17 Q. How did the property come to your attention?
- 18 A. Through a broker.
- 19 Q. What was the broker?
- 20 A. What was his name?
- 21 Q. Yes, please, or his company.
- 22 A. Chris Harney.
- 23 Q. And what steps did you take when the property
- 24 came to your attention?
- 25 A. I toured the property.

19

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- 1 Q. Anything else?
- 2 A. That was really the initial step.
- 3 Q. And for what purpose were you considering
- 4 purchasing the property?
- 5 A. Investment and potential redevelopment.
- 6 Q. And so with regard to investment, does that mean
- 7 holding onto a property and earning money from it?

8 A. Yes.

9 Q. And with regard to potential redevelopment, that
10 means creating a new use for the site?

11 A. Yes.

12 Q. Okay.

13 Did you have anything in mind with regard to the
14 potential redevelopment that you were contemplating?

15 A. Potentially some sort of retail, residential,
16 office, medical office.

17 Q. Were those alternatives or is that a list of
18 things that you were -- you would have all of those things
19 or --

20 A. Could be any combination of those things or any
21 -- or other uses.

22 Q. And did you discuss with Mr. Harney any of those
23 potential uses?

24 A. I don't remember.

25 Q. Did you discuss with Mr. Harney that you were

20

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□

1 considering redeveloping the property?

2 A. Yes.

3 Q. Did you discuss with Mr. Harney that you were
4 considering holding it as an investment property?

5 A. I don't recall.

6 Q. Did Mr. Harney make representations concerning
7 the suitability of the property for the purposes you
8 discussed with him?

9 A. No.
10 Q. You sound pretty certain of that.
11 A. That's my best recollection.
12 Q. Sure.
13 A. You know.
14 Q. Of course.
15 Had you worked with Mr. Harney before?
16 A. Yes.
17 Q. How many times?
18 A. Once.
19 Q. And in addition to Mr. Harney, were there any
20 other -- let's see. We're still talking about the
21 preliminary stages, so I'll strike that and keep going and
22 then we'll come back.
23 And after you toured the property, at that point
24 did you decide to buy it?
25 A. I decided to write an offer on it.

21

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1 Q. I see.
2 After one tour or more than one tour?
3 A. I think there may have been more than one tour,
4 but I don't recall exactly.
5 Q. Okay.
6 And who accompanied you on the tour or tours that
7 you took of the property, if anyone?
8 A. A friend of mine, John Davenport, accompanied me

- 9 at one time. That's it.
- 10 Q. Does Mr. Davenport have any relation to Walden?
- 11 A. No.
- 12 Q. He's just a friend?
- 13 A. Mm-hm.
- 14 Q. And Mr. Harney did not accompany you?
- 15 A. No.
- 16 Q. How many conversations did you have with Mr.
- 17 Harney about the property?
- 18 A. Several. I don't remember.
- 19 Q. Could it be more than ten or is it certainly less
- 20 than ten?
- 21 A. Over what period of time?
- 22 Q. At any time.
- 23 A. Oh, cumulative, you mean?
- 24 Q. Yes.
- 25 A. Yes, more than ten.

22

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- 1 Q. After you decided to write an offer, how did you
- 2 undertake to write an offer? Did you do that through a
- 3 broker?
- 4 A. No, I did it myself.
- 5 Q. And was it submitted under the auspices of a
- 6 broker?
- 7 A. It was submitted to a broker.
- 8 Q. I see.
- 9 Was that to Mr. Harney?

- 10 A. Yes.
- 11 Q. So he was the seller's agent; is that correct?
- 12 A. No, he was -- he was my agent.
- 13 Q. I see.
- 14 So you wrote an offer yourself and you submitted
- 15 it to Mr. Harney --
- 16 A. Yes.
- 17 Q. -- who was your agent?
- 18 A. Yes.
- 19 Q. Okay.
- 20 Was there a listing agent for the property?
- 21 A. Yes.
- 22 Q. Who was that?
- 23 A. Peter Cliff.
- 24 Q. Did you have any conversations with Mr. Cliff at
- 25 any point during the process of purchasing the property?

23

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□

- 1 A. Yes.
- 2 Q. When did you have those conversations?
- 3 A. Throughout the process of purchasing the
- 4 property.
- 5 Q. I see.
- 6 So would it be fair to say that you spoke
- 7 directly to Mr. Cliff generally rather than communicating
- 8 with him through your broker?
- 9 A. Not initially. Initially it was almost all

smith091007.txt

10 through Chris Harney.

11 Q. And then subsequently that changed?

12 A. Yes.

13 Q. Was there a reason why that changed?

14 A. Because it became more expeditious.

15 Q. And after you wrote the offer and submitted it to

16 Mr. Harney, do you know whether it was submitted to the

17 seller or any agent of the seller?

18 A. I believe it was.

19 Q. Okay.

20 And what was the result of that offer?

21 A. The result was Chris Harney told me to increase

22 the purchase price.

23 Q. What was the first offer?

24 A. I don't recall.

25 Q. What was -- did you increase the purchase price?

24

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1 A. Yes.

2 Q. What was the second offer?

3 A. I don't recall.

4 Q. What was the result of writing the second offer?

5 A. I can't remember if it was either a third offer

6 or an agreement.

7 Q. What was the ultimate price or -- actually, as a

8 result of the offer that was accepted, what was the price

9 that you were in contract for initially?

10 A. 12,500,000.

11 Q. And was Walden the sole purchaser of the property
12 under that contract?

13 A. Yes.

14 Q. How does Cornerstone Properties II S, LLC, which
15 I'll simply refer to as "Cornerstone," fit into the
16 transaction?

17 A. Cornerstone is a capital provider.

18 Q. I see.

19 At the end of the transaction Cornerstone owned
20 an interest in the property; is that correct?

21 A. Yes.

22 Q. But at the time you wrote the offer that was
23 accepted, Cornerstone was not involved; is that correct?

24 A. That's correct.

25 Q. Okay.

25

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1 And at the time that you made a decision -- at
2 around the time you made a decision to make an offer on
3 the property, were there any other properties that Walden
4 was considering purchasing? Or, sorry, Walden may not
5 have existed then. That you were considering purchasing
6 on behalf of any entity.

7 A. None that I can recall.

8 Q. Okay.

9 what does Walden Development do?

10 A. Invests in real estate.

11 Q. Does Walden Development own real estate
12 currently?

13 A. No.

14 Q. When you say, "invest in real estate," do you
15 mean purchasing properties or do you mean lending money
16 for the purpose of purchasing properties?

17 A. Purchasing.

18 Q. I see.

19 Has Walden Development owned properties in the
20 past?

21 A. No.

22 Q. And how long was Walden in contract with the
23 seller of the property before the deal closed?

24 A. Approximately a year and a few months.

25 Q. Is that a typical length of time?

26

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1 A. There is no typical.

2 Q. What were the reasons why the escrow lasted one
3 year and several months?

4 A. Title, environmental, tenant. Those would be the
5 three.

6 Q. No other reasons?

7 A. Zoning.

8 Q. And you told me a moment ago that \$12,500,000 was
9 the amount at which you first got into contract.

10 A. Yes.

11 Q. Is that the amount at which the deal finally

12 closed?

13 A. No.

14 Q. What was that amount?

15 A. 12,475,000.

16 Q. And what share of that was contributed by Walden?

17 A. Say that again.

18 Q. ^ What share of that was contributed by Walden
19 as opposed to Cornerstone?

20 MR. BAZEL: I will object on the grounds of trade
21 secret and right of privacy and instruct the witness not
22 to answer.

23 MS. VAN AKEN: I don't think that's a proper
24 ground for an objection.

25 MR. BAZEL: You don't?

27

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1 MS. VAN AKEN: No, I don't. This isn't -- it's
2 not a trade secret. It's applicable only to this
3 property. It's not something that a competitor would
4 generally use.

5 MR. BAZEL: It seems to me you're inquiring into
6 the personal financial situation of Mr. Smith here. And
7 if these are matters of record, that's a different thing,
8 but if not, then it sounds like a personal financial
9 issue.

10 MS. VAN AKEN: Just to clarify, I phrased my
11 question as Walden rather than Mr. Smith individually, and

May 1, 2016

Rodney Fong, Commission President
Dennis Richards, Commission Vice President
Cindy Wu, Commissioner
Michael J. Antonini, Commissioner
Rich Hillis, Commissioner
Christine D. Johnson, Commissioner
Kathrin Moore, Commissioner

Re: 901-16th Street / 1200-17th Street

Dear Commissioners:

On May 12 will be the hearing for the largest, and one of the most controversial, projects to be proposed for Potrero Hill. Covering 3.5 acres and serving as a gateway to the neighborhood, this development will define the area for decades to come.

The Eastern Neighborhoods Plan sought to balance the twin goals of providing housing, while preserving and growing a diverse economy:

People and Neighborhoods:

- 1) Encourage new housing at appropriate locations and make it as affordable as possible to a range of city residents*
- 2) Plan for transportation, open space, community facilities and other critical elements of complete neighborhoods*

The Economy and Jobs:

- 3) Reserve sufficient space for production, distribution and repair activities, in order to support the city's economy and provide good jobs for residents*
- 4) Take steps to provide space for new industries that bring innovation and flexibility to the city's economy (Showplace Square/Potrero Area Plan, p.viii)*

As project after project is approved, all the evidence shows that the Eastern Neighborhoods Plan, though clear in its objectives, never had the means to enforce its goals at a project-specific level. Furthermore, the City has failed to hold up its end of the bargain to plan for and ensure that large swaths of developable land were to be complete neighborhoods.

Failure to Mitigate Cumulative and Project-Specific Impacts

The Eastern Neighborhoods Plan promised, "*...a full array of public benefits, to ensure the development of complete neighborhoods, including open space, improved public transit, transportation, streetscape improvements, community facilities, and affordable housing.*" Unfortunately the City has never provided most of the necessary infrastructure to support anticipated development, particularly in the context of cumulative growth.

Similarly, the San Francisco Housing Element requires that infrastructure needs be planned and coordinated to accommodate new development. Objective 12 specifically states that the City must “*balance housing growth with adequate infrastructure that serves the city’s growing population*”.

The environmental analysis for this project relies on outdated analysis and fails to identify adequate mitigations of the impacts of this project, and the cumulative impacts of overbuilding, throughout the Showplace Square/Potrero Hill Area. The Eastern Neighborhoods PEIR “Preferred Project” that was approved by the Planning Commission and Board of Supervisors in 2008 allowed for 3180 residential units in the Showplace Square / Potrero Hill Area. Recent Planning Department analysis indicates that as of February 23, 2016 projects containing 3315 units in the Area have completed or are proposed to complete environmental review. This project, with 395 residential units, is the one that brings us over the top. As we have repeatedly said, the impacts of this project and others in the area are not being addressed. Impact fees do not come close to covering the costs, while the City has never identified the funding sources to provide the necessary infrastructure and community benefits promised to us in the Eastern Neighborhoods Plan.

Loss of PDR and the Need for Balance

Potrero Hill and Showplace Square have already lost 60% of the PDR that was anticipated would be lost over 25 years. This project will displace 109,500 square feet of PDR. UMU zoning lacks the requirements for actual mixed uses, and as a result there is a stark overemphasis on residential development. We ask that the balance be shifted drastically and the project be redesigned to accommodate a large proportion of small businesses, neighborhood services, arts space, and a PDR and maker component.

Onsite Open Space and Pedestrian Promenade

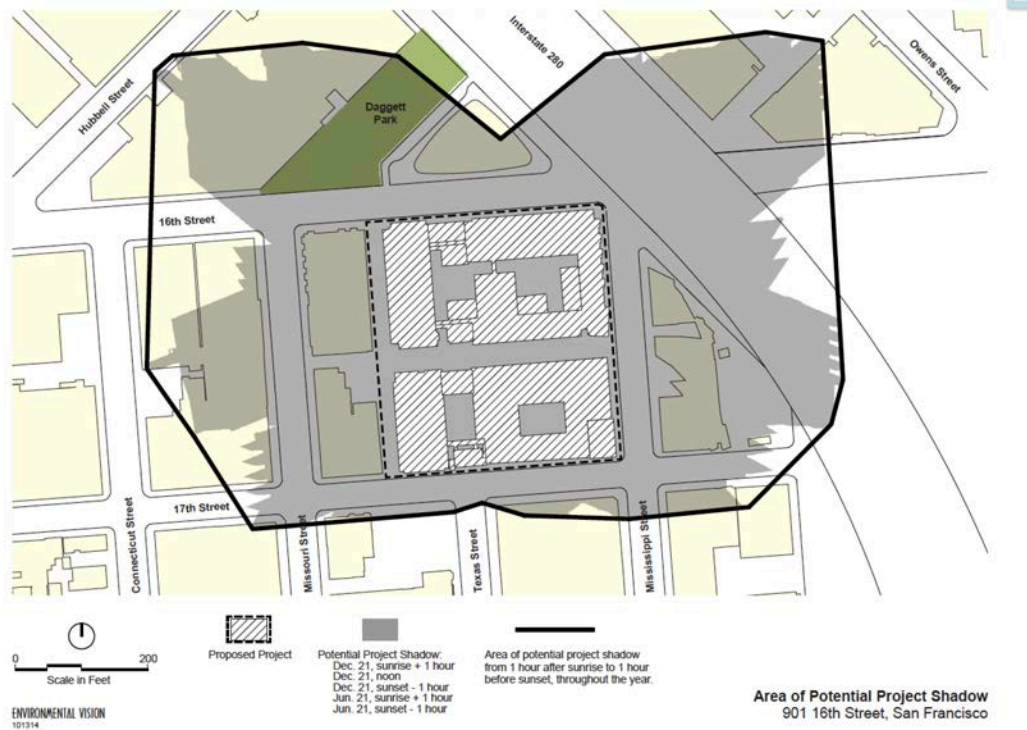
The Showplace Square/Potrero Hill Plan specifically stated that the area has “*comparatively little access to open space compared with the rest of the city and that the addition of new residents makes it imperative to provide more open space to serve both existing and new residents, workers and visitors.*”

Given the size and significant impacts of the project, specific onsite mitigation measures to include more onsite open space should be included. Additional public and private areas with setbacks, plazas and expansion of courtyards, should be included to meet this need. In the proposed design, the public promenade along the western side of the building is 30 feet in places, but then narrows to as little as 22 feet where residential stoops are located. In order to activate the passageway and increase onsite open space and opportunities for gathering, this should be increased to at least 40 feet.

Shadowing of Daggett Park

As noted above, the Showplace Square / Potrero Hill Area is already underserved in terms of open space. Any additional shadowing will compromise the neighborhoods limited recreational opportunities. Daggett Park is now a POPOS (Privately Owned Public

Open Space). As such, it falls under Section 147 of the Planning Code: “New buildings and additions to existing buildings in C-3, South of Market Mixed Use, and Eastern Neighborhoods Mixed Use Districts where the building height exceeds 50 feet shall be shaped, consistent with the dictates of good design and without unduly restricting the development potential of the site in question, to reduce substantial shadow impacts on public plazas and other publicly accessible spaces other than those protected under Section 295. In determining the impact of shadows, the following factors shall be taken into account: The amount of area shadowed, the duration of the shadow, and the importance of sunlight to the type of open space being shadowed. Determinations under this Section with respect to C-3 Districts shall be made in accordance with the provisions of Section 309 of this Code. Determinations under this Section with respect to South of Market Mixed Use and Eastern Neighborhoods Mixed Use Districts shall be made in accordance with the provisions of Section 307 of this Code.”



Because the proposed project is over 50 feet tall, and adds net and cumulative shadow to Daggett Park, particularly from mid-fall to mid-winter, the design of north side of the building should be refined to reduce shadowing, through a reduction in height along 16th Street and setbacks. Additionally the rooftop mechanical structures should be designed to minimize shadow and reduce overall height.

Support for the Metal Shed Alternative

The “Metal Shed Alternative” identified in the FEIR as the environmentally superior alternative, addresses all of the issues identified here. It provides a more balanced mix of uses, including additional open space, at a density that is notably less impactful than

the proposed project. Additionally, through adaptive reuse of buildings and materials, it honors the neighborhood's industrial past while providing a unique sense of place.

Additional Design Considerations

While the Interim Design Controls provide broad guidance, we urge Planning to carefully review and revise the final design, whatever it may be, following the Urban Design Guidelines, currently in draft form. They provide excellent guidance in terms of things like rooftop design, scale and massing, and street level experience.

Hazardous Materials

We ask that the same process for engagement with the neighbors on construction activities and hazardous materials that were a condition of approval for 1301-16th Street be followed for this project. This adds a layer of public notification and accountability that has been sorely lacking in the Maher Program.

Limit Residential Parking

The requested exception for a .85 ratio on residential parking will bring more cars to the neighborhood and contribute to already intolerable congestion at key intersections. We need to plan for the 21st century and dramatically reduce the amount of onsite residential parking places, while maintaining the level of parking necessary for businesses to thrive in the area.

A Critical Juncture

Potrero Hill is at the breaking point, facing a doubling of population, with minimal investment in community amenities and necessary infrastructure. Your decision is to continue to the point of no return and approve this project as proposed, or to take a deep breath and insist on a responsible development that will be a legacy and benefit to the neighborhood for years to come.

Thank you for your consideration.

Sincerely,



Alison Heath
For Grow Potrero Responsibly
alisonheath@sbcglobal.net

Showplace Square / Potrero Hill - Projects Completed or Under Environmental Review from 2008 to 2/23/16 (Planning Dept. Data)

Address	Block/Lot	Case No.	Date of Document	Status of Document	Net Housing Units	Net PDR
1000 16th Street (Daggett Triangle)	3833/001	2003.0527E	16-Apr-09	Published Other	470	8,000
1717 17th Street	3980/007	2004.0946E	10-Mar-10	Published Other	41	-5,000
720 & 740 Illinois Street; 2121 Third Street	4045/006 4045/021	2010.0094E	3-Feb-11	Published CPE	104	0
850-870 Brannan Street (AKA 888 Brannan)	3780/006 3780/007 3780/	2009.1026E & 2011.05	12-Jan-12	Published CPE	0	-259,079
601 Townsend Street	3799/001	2011.1175E	26-Jan-12	Published CPE	0	-72,600
444 DeHaro Street	3979/001	2012.0041E	10-May-12	Published CPE	0	0
752 Carolina Street	4096/110	2011.1086E	5-Sep-12	Published CPE	0	0
1111 8th Street	3808/004 3820/002 3820/	2011.1381E	26-Sep-12	Published Other	0	0
801 Brannan/1 Henry Adams	3783/001 3911/001	2000.618E	9-Jan-13	Published Other	824	-164,549
1001 17th Street/ 140 Pennsylvania	3987/009 3987/010	2011.0187E	9-Sep-13	Published Other	48	-11,475
1601 Mariposa	4005/001B 4006/006 4006/	2012.1398E	14-May-14	Published Other	320	-72,378
520 9th Street	3526/005	2013.0066E	16-Jun-14	Published CPE	12	0
645 Texas Street	4102/026	2012.1218E	23-Jul-14	Published CPE	93	-20,000
100 Hooper	3808/003	2012.0203E	6-Jan-15	Published CPE	1	153,700
540-552 De Haro St.	4008/002	2014.0599E	6-Apr-15	Published CPE	17	-7,147
155 De Haro St.	3913/005	2013.1520E	8-Apr-15	Published CPE	0	15,405
131 Missouri Street	3985/024	2013.0744E	21-Apr-15	Published CPE	9	-4,500
1395 22nd Street/ 790 Pennsylvania Avenue	4167/011 4167/013	2011.0671E	2-Jul-15	Published CPE	251	47,800
502 7th St.	3780/001	2014.1575ENV	6-Jan-16	Published CPE	16	0
88 Arkansas St.	3953/002	2015-000453ENV	14-Jan-16	Published CPE	127	-25,560
98 Pennsylvania Street	3948/002	2013.0517E	18-Feb-16	Active CPE	46	0
1301 16th Street	3954/016	2013.0698E	TBD	Active CPE	176	-38,600
2 Henry Adams	3910/001	2013.0689E	TBD	Active CPE	0	-245,697
249 Pennsylvania Ave.	3999/002	2014.1279ENV	TBD	Active CPE	59	-15,300
580 De Haro St.	4008/003	2013.1671E	TBD	Active CPE	3	0
901 16th Street and 1200 17th Street	3949/001 3949/001A 3949/	2011.1300E	TBD	Active Other	395	-105,000
923-939 Kansas St (951 Kansas St)	4094/044 4094/045 4094/	2013.1856E	TBD	Active CPE	9	0
975 Bryant St.	3780/044	2015-005270ENV	TBD	Active CPE	184	0
1501 Mariposa	4008/003	2014-000534ENV	TBD	Active CPE	0	0
1240 & 1250 17th St.	3950/002	2015-010660ENV	TBD	Active CPE	0	-12,995
75 Arkansas St.	3952/001B	2015-009928ENV	TBD	Active CPE	50	-19,250
828 Brannan St.	3780/004E	2015-015789ENV	TBD	Active CPE	60	-12,605
552 Berry St.	3800/003	2015-015010ENV	TBD	Active CPE	0	47,160
184-188 Hooper	3808/004	2016-001557ENV	TBD	Active CPE	0	-4,000
					3,315	-823,670

Preferred Project (approved 2008) **3180**

Option A	2294	391,980
Option B	2635	-932,369
Option C	3891	-991,463

To: Sarah B. Jones, Environmental Review Officer, SF Planning Department
Sarah.B.Jones@sfgov.org
cc.: Wade Wietgreffe, SF Planning, wade.wietgreffe@sfgov.org
Christopher Thomas, SF Planning, christopher.thomas@sfgov.org

From: Alison Heath, 333 Mississippi Street and leader of Grow Potrero
Responsibly

Submitted October 5, 2015

Re: 2011.1300E Draft EIR / 1901 16th St. & 1200 17th St.

Dear Ms. Jones,

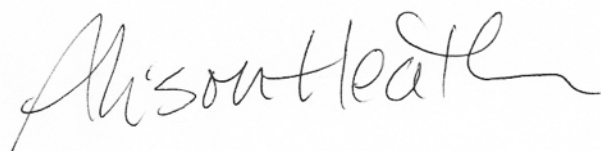
Thank you for the opportunity to submit comments on the 1901 – 16th Street and 1200 – 17th Street DEIR.

My overarching concerns include inaccurate cumulative impact assumptions, the project's incompatibility with the objectives of several established land use plans, and the loss of PDR.

The Metal Shed Adaptive Reuse Alternative includes 56,000 square feet of light PDR, artist and maker space. Contrary to the Draft EIR suggestion that transportation-related impacts would not differ between the Metal Shed Alternative and the Proposed Project, the 2008 Eastern Neighborhoods and the recent TSP Nexus Studies both show that PDR has the lowest impacts on transit. Furthermore the inclusion of PDR in place of residential units would help mitigate some of the cumulative impacts resulting from the overbuilding of residential developments throughout the Showplace Square /Potrero Area.

PDR businesses foster a diverse economy, and ensure the City's long-term economic vibrancy. The Metal Shed Alternative incorporates plaza-like areas that would encourage interaction and build community, mixing home, work, culture and recreation. It would mean jobs for a diverse workforce and reduce some of the impacts of a large development. It would be active 24/7, ensuring safe and welcoming streets. Along with 100 Hooper and CCA, the area would emerge from a dead zone and evolve with a wonderful new synergy, a true benefit to our community.

Sincerely,

A handwritten signature in cursive script that reads "Alison Heath". The signature is written in black ink and is positioned at the bottom of the letter, below the word "Sincerely,".

Land Use and Land Use Planning

Section V of the DEIR concludes that “in general” the proposed project is consistent with policies in “relevant planning documents”. In fact, the project is inconsistent with multiple objectives of several applicable plans and will have a *substantial impact on the existing character of the vicinity and land use* particularly in the context of cumulative development at levels that were not anticipated in the Eastern Neighborhoods PEIR.

Specifically, the proposed project conflicts with the Showplace Square/Potrero Area Plan, Urban Design Element, Housing Element and General Plan by disregarding policies of preserving neighborhood scale and character, providing adequate infrastructure, preserving PDR uses and protecting parks and open space from shadowing.

The project is incompatible with the existing neighborhood character and thus conflicts with the Housing Element. Objective 11 of the Housing Element states that development must “*support and respect the diverse and distinct character of San Francisco’s Neighborhoods*” and “*ensure that growth is accommodated without substantially and adversely impacting neighborhood character.*”¹

The proposed project would overwhelm the prevailing scale of development, merging four separate parcels into two covering an unprecedentedly large 3.5-acre complex over two blocks. This would result in the largest footprint of any development anywhere on Potrero Hill outside of Potrero Terrace. The large massing would be entirely out of context with the neighborhood’s traditional diversity of ownership, use and appearance that comes with smaller parcels. The Urban Design Element requires that, “*the scale of each new building must be related to the prevailing height and bulk in the area... Designs for buildings on large sites have the most widespread effects and require the greatest attention.*”²

The Eastern Neighborhoods PEIR did anticipate that overall height and scale would increase “*somewhat*” but that implementation of design guidelines would ensure compatibility with “*existing development as well as pedestrian-orientation, and articulation and appropriate massing of buildings*”.³ However the relevant PEIR analysis was done before the project site was upzoned in 2011, from 40 to 68 feet. The impacts of the project of this height and scale were not studied in the PEIR, nor was its compliance with the Urban Design Element considered. The DEIR for this project fails to consider these additional impacts.

¹ http://www.sf-planning.org/ftp/general_plan/I1_Housing.html#HOU_11

² http://www.sf-planning.org/ftp/General_Plan/I5_Urban_Design.htm#URB_MND_3

³ Eastern Neighborhoods PEIR, Section IV, p.168

The Showplace Square / Potrero Hill Plan Policy 3.1.6, states that, "*new buildings should epitomize the best in contemporary architecture, but should do so with a full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings that surrounds them*"⁴ As proposed, the project fails to match the height, mass, and articulation of older existing buildings in the vicinity and provides little awareness of surrounding structures or any sense of authenticity. The DEIR inaccurately claims the project would not conflict with Objective 1.2 to maximize development potential in keeping with neighborhood character. More specifically the project fails to follow POLICY 1.2.1, which ensures "that in-fill housing development is compatible with its surroundings."⁵

The UMU (Urban Mixed Use) zoning for this project does not adequately honor the Showplace Square/Potrero Hill Plan's Objective 6.1 to "*support the economic well being of a variety of businesses*".⁶ This project would eliminate 109,500 square feet of PDR building space and displace a number of PDR and blue collar jobs. As noted in the CPE checklist, page 26, the development "*would contribute considerably*" to significant cumulative land use impacts related to loss of PDR. Although the Eastern Neighborhoods PEIR anticipated a certain level of development, the actual cumulative loss of PDR appears to be quickly approaching projections and such uses may soon be extinct on the north side of Potrero Hill.

Although no mitigations for the cumulative loss of PDR space were identified in the PEIR and a Statement of Overriding Considerations accepted some loss of PDR in the Eastern Neighborhoods PEIR, the Metal Shed Adaptive Reuse Alternative impacts on PDR should be studied in the context of other alternatives. This analysis was omitted from the DEIR even though the Metal Shed Alternative includes a significant amount (55,000 sf) of new PDR space onsite. Arguably, with this analysis included, this would be the environmentally superior alternative as it would reduce transit impacts and maintain half of the PDR space that would be completely lost with the Reduced Density Alternative.

The Eastern Neighborhoods Plan promised, "*A full array of public benefits, to ensure the development of complete neighborhoods, including open space, improved public transit, transportation, streetscape improvements, community facilities, and affordable housing.*"⁷ Unfortunately the City has failed to provide most of the necessary infrastructure to support actual development, particularly in the context of unanticipated cumulative growth. The San Francisco Housing Element requires that infrastructure needs be planned and coordinated to accommodate new development. Objective 12 states that the City must "*balance*

⁴ <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=2545>

⁵ Showplace Square / Potrero Hill Area Plan, p.6

⁶ <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=2545>

⁷ <http://www.sf-planning.org/index.aspx?page=1677>

housing growth with adequate infrastructure that serves the city's growing population".⁸

The project conflicts with two key objectives in the General Plan by failing to respect the existing neighborhood character. Furthermore, access to sunlight at Daggett Park would be impacted with shadowing from the project, and public vistas will be compromised:

- *"That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods."*
- *"That our parks and open space and their access to sunlight and visual vistas be protected from development."⁹*

Finally the project is not consistent with Planning Code as the project sponsor is requesting six exemptions and waivers. The project would require a Large Project Authorization, a Rear Yard Exemption and Horizontal Mass Waiver as well as exemptions to loading requirements.

Population and Housing:

The DEIR relies on a document (Eastern Neighborhoods PEIR) that is eight years old and is now stale. Given the unanticipated level of development in the Showplace Square/Potrero Hill Area, the assumption that cumulative impacts were addressed is no longer true. As a result, the DEIR is deeply flawed.

The fact is that the City already has more units constructed and in the pipeline for Showplace Square/Potrero Area than were anticipated to be built in the area by 2025. In 2008, the Board of Supervisors approved a Preferred Project level of 3180 residential units in Showplace Square and Potrero Hill. The baseline condition identified consistently throughout the Eastern Neighborhoods PEIR is for the year 2000 while the date of the Notice of Preparation establishes the "existing conditions" beginning in 2005, consistent with CEQA Statute 15125. Depending on which starting point is used, the number of units constructed and in the pipeline is between 3841 and 4005 units, well over the Preferred Project level of 3180.

Despite the fact that the City has already dramatically exceeded the 2025 projections for Potrero Hill and Showplace Square, the CPE and DEIR dismiss this entirely and contain a number of errors and contradictions.

Page 27 of the CPE checklist erroneously states that, *"The proposed project's 395 residential units would be within the amount of housing development*

⁸ http://www.sf-planning.org/ftp/general_plan/I1_Housing.html#HOU_11

⁹ http://www.sf-planning.org/ftp/General_Plan/index.htm

anticipated in the Eastern Neighborhoods EIR. These direct effects of the proposed project on population and housing are within the scope of the population growth anticipated under the Eastern Neighborhoods Rezoning and Area Plans and evaluated in the Eastern Neighborhoods EIR."

Page I.5 of the DEIR correctly notes the Preferred Project total of 3180 residential units, while Page IV.5 ignores the Preferred Project total and references Options A, B, and C from the ENP EIR analysis with a range from 2,300 to 3,900 units. Planning did an analysis for the DEIR showing that 3,266 units were completed or in the pipeline as of July 2015. We were able to obtain the list of projects and discovered that everything prior to 2008 was omitted despite the 2000 baseline and the "existing conditions" established with the NOP publication in 2005. Additionally two projects, 1000 Mississippi Street with 28 units and 1001 – 17th Street with 48 units were omitted from the list. This amounts to hundreds of units. What follows is an apples to oranges comparison of housing projections beginning in 2000 (options A, B and C) to actual construction and pipeline counts beginning in 2008.

The third paragraph on Page I.5 claims that even though the residential land use category is approaching projected levels, we haven't maxed out on non-residential uses. The impacts of overall growth across all types of land use are what matters, rather than just residential uses. The assertion that the Eastern Neighborhoods Plan didn't analyze the impacts of individual land uses in isolation, and that we should combine residential and commercial uses, without regard to the imbalances and varying impacts between the two is absurd.

An adequate CEQA analysis of cumulative impacts will look at "past, present, and reasonably foreseeable future projects". Reviewing individual projects in a void, without honest consideration of the rampant development that is actually taking place is in conflict with CEQA requirements. This is particularly applicable to population and housing impacts. In combination with unanticipated development in Potrero Hill and Showplace Square, as well as nearby Mission Bay and the Central Waterfront, this project will undoubtedly "*induce substantial population growth*" in the area and demands additional study.

The omission of Warriors Arena in cumulative analysis is not justified by the fact that the DEIR for that project was published during the time of the analysis for the 901-16th Street/ 1200-17th Street DEIR. The fact is that it was a reasonably foreseeable future project at the time the analysis was done.

Transportation and Circulation

Adding thousands of residents with little investment in transit will be a disaster for the neighborhood, resulting in further dependence on cars while traffic continues to get worse. A Transit First policy should put transit first and ensure that viable options be in place before we experience significant population

growth. New studies of existing conditions and new analysis of cumulative conditions, not anticipated in the ENP FEIR, must now be done.

By relying on traffic and MUNI studies that were conducted three years ago, when there was markedly less traffic and demand for transit, the existing conditions studied in the DKS study are no longer accurate. Traffic conditions at the eastern edge of the Showplace Square / Potrero Hill area are already impacted and will continue to get worse as that area grows.

The analysis fails to fully account for “past, present, and reasonably foreseeable future projects”. The DKS study used entirely outdated growth projections from the 1998 Mission Bay Redevelopment Plan, which bears no relation to actual conditions already being experienced and those that are now anticipated.

The City has failed to provide the transit improvements promised in the Showplace Square/Potrero Hill Area Plan. As a result, lines such as the 10 are already running near capacity at rush hour. New analysis, using actual existing conditions, and projecting accurate cumulative impacts must be completed.

Construction Noise

As stated previously, the EN PEIR, did not accurately account for the current or anticipated level of cumulative development in the Showplace Square/Potrero Hill Area. Noise impacts from multiple construction projects proceeding at the same time merit additional study.

Air Quality

Impacts from cumulative conditions with multiple developments under construction within several blocks of each other should be considered as a whole rather than simply analyzed in terms of individual projects. The ENP PEIR did not anticipate the actual level of development already taking place in the Area and the mitigations contained in the PEIR are not adequate. Recently we have witnessed failures at nearby construction sites to properly control and monitor dust. Watering down is not proving to be an adequate mitigation, particularly under windy conditions. Alternate measures should be provided.

Additionally the impacts to air quality from the increased traffic due to cumulative increases in population were not considered fully in the ENP PEIR. Existing and cumulative conditions must be studied further. Air quality in the vicinity of the proposed project is already getting worse before the area has begun to experience fully anticipated levels of growth.

Shadow

The Showplace Square / Potrero Hill Area is already underserved in terms of open space and any additional shadowing will compromise the neighborhoods limited recreational opportunities.

Daggett Park is now a POPOS (Privately Owned Public Open Space). As such, it falls under Section 147 of the Planning Code: *“New buildings and additions to existing buildings in C-3, South of Market Mixed Use, and Eastern Neighborhoods Mixed Use Districts where the building height exceeds 50 feet shall be shaped, consistent with the dictates of good design and without unduly restricting the development potential of the site in question, to reduce substantial shadow impacts on public plazas and other publicly accessible spaces other than those protected under Section 295. In determining the impact of shadows, the following factors shall be taken into account: The amount of area shadowed, the duration of the shadow, and the importance of sunlight to the type of open space being shadowed. Determinations under this Section with respect to C-3 Districts shall be made in accordance with the provisions of Section 309 of this Code. Determinations under this Section with respect to South of Market Mixed Use and Eastern Neighborhoods Mixed Use Districts shall be made in accordance with the provisions of Section 307 of this Code.”*

Because the proposed project is over 50 feet, and adds net shadow to a portion of Daggett Park, impacts and appropriate mitigations must be considered. The DEIR fails to properly examine the impacts of shadowing. The Community Plan Checklist mentions only the importance of open space that would be shadowed, but does not fully consider the impact of morning shadows, or the significant cumulative impacts of shadowing from the Daggett project in combination with the 901-16th/1200-17th Street project.

Recreation

The DEIR fails to address the cumulative impacts of development on already overtaxed open space. Some of the studies and research in the PEIR analysis of Parks, Recreation and Open Space relied on data that is as old as the 2000 census.¹⁰ The conclusion on page 49 of the CPE Checklist, that *“implementation of the Eastern Neighborhoods Rezoning and Area Plans would not result in substantial or accelerated deterioration of existing recreational resources or require the construction or expansion of recreational facilities that may have an adverse effect on the environment”* is not accurate. It doesn't recognize that we are already exceeding population projections, or that there will be significant impacts resulting from the proposed project combined with past, present and reasonably foreseeable future projects.

The PEIR for the Eastern Neighborhoods and analysis done by SFRPD used a

¹⁰ <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=4005>

baseline neighborhood population from the year 2000 (page 370 of the PEIR) rather than looking at the current or projected neighborhood population. No specific mitigation measures were identified in the EIR despite the anticipation that, *“increases in the number of permanent residents without development of additional recreational resources could result in greater use of parks and recreational facilities, which could result in physical deterioration”*.¹¹

The Showplace Square/Potrero Hill Plan specifically stated that the area has *“comparatively little access to open space compared with the rest of the city and that the addition of new residents makes it imperative to provide more open space to serve both existing and new residents, workers and visitors.”*¹²

Primarily consisting of playing fields, Jackson Park is already heavily used and suffering from maintenance issues. Cumulatively, the addition of more than 3000 new residents in the immediate area will place a substantial strain on Jackson Park and result in the net loss to the neighborhood of recreational facilities, and further deterioration of the park. Unfortunately there is only one acre of additional open space proposed, and as yet undeveloped, at EQR Potrero. This is entirely contrary to the 4 acres of new space promised in the Showplace Square/Potrero Hill Plan¹³, and the 1-acre/1000 residents “Need Factor” promoted in the 2007 Eastern Neighborhoods Needs Assessment¹⁴.

It is imperative that a full analysis and project-specific mitigation measures such as the inclusion of additional open space onsite be included as part of the project EIR.

Public Services

Page 50 of the CPE Checklist states that, *“The Eastern Neighborhoods PEIR determined that the anticipated increase in population would not result in a significant impact to public services, including fire protection, police protection, and public schools. No mitigation measures were identified in the PEIR.”* As the ENP PEIR projections for cumulative impacts are no longer accurate, further study is required.

Hazardous Materials

The toxicity of soil and groundwater in this area raises questions about safety during construction and an adequate level of remediation. Known hazards

¹¹ <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=4005>

¹² <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=2545>

¹³ <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=2545>

¹⁴ <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=2585>

include petroleum hydrocarbons, heavy metals, asbestos and other materials. Because the project is within ¼ of a mile of several schools as well as a public park used by children, there are impacts peculiar to this project that were not considered in the ENP PEIR. Complete studies of the extent and nature of contamination as well as mitigations that eliminate the risk of accidental release of materials should be completed prior to the publication of the DEIR for this project.

Page 58 states that, "*Implementation of the proposed project would not result in either project-level or cumulative significant impacts that were not identified in the Eastern Neighborhoods PEIR related to listed hazardous materials sites.*" Since the PEIR doesn't accurately project cumulative growth for the Showplace Square/Potrero Hill Area, this assumption is ungrounded. New analysis must be done to account for past, present and reasonably foreseeable future projects.

Feasibility of the Metal Shed Adaptive Reuse Alternative

Because an EIR must identify ways to mitigate or avoid the significant effects that a project may have on the environment (Public Resources Code §21002.1), the discussion of alternatives shall focus on alternatives to the project or its location that are capable of avoiding or substantially lessening any significant effects of the project, even if the alternative would impede to some degree the attainment of the project objectives, or would be more costly (CEQA Guidelines §15126.6(b)). By its inclusion in the DEIR, the Metal Shed Alternative is deemed to be feasible and capable of reducing the impacts of the proposed project.

When approving a project under CEQA, an agency must make specific findings to support any determination that mitigation or alternatives are infeasible. Stating that a project may be infeasible from an economic standpoint is not appropriate. Furthermore, any such claims by the developer that a project is economically infeasible must be independently reviewed and confirmed. (Preservation Action Council. v. City of San Jose)

May 18, 2016

Re: Item 10, 2000-2070 Bryant Street

Planning Commissioners:

As someone who was closely involved in the Eastern Neighborhoods process, and subsequently, have continued to be involved through my participation in the EN CAC and in the MAP2020 process co-led by the Planning Department and Mission community members, I am very concerned about the implementation of the plan, which clearly has major flaws and shortcomings.

I am writing to urge the Planning Commission to deny the Conditional Use authorization for 2000-2070 Bryant Street.

I ask the Commission to postpone any decision on this project until the concerns of the Mission District community (who have organized their own “Beauty on Bryant” vision), the San Francisco Building Trades Council, and the San Francisco Labor Council are addressed. Please ask the developers and the community to return to the Commission when they have come up with a mutually acceptable outcome, one that both retains or replaces one-for-one the existing PDR and cultural/arts spaces and provides a majority of affordable units. This is particularly relevant given the new affordable housing requirements that will be voted on in the election less than three weeks from now.

The cumulative impact of this project and the dozens of others around it must be considered as a whole.

- This project, with 196 luxury units, will take up nearly the entire 2000 Block of Bryant St between 18th St and 19th St. Under the current proposal the project would be mostly luxury apartments with a minimum land dedication to the city with no money to build potential affordable housing units.
- The Bryant Street block—now cleared out by the owners—was home to dozens of blue-collar jobs, PDR, arts and community-serving spaces such as CELLspace, Tortilla Flats Cafe, The ACT Costume and Prop Shop, and San Francisco Auto Body, and has no plans to replace them. The developer proposes to replace the 50,000 sq. ft. of demolished PDR space with only 3,983 sq. ft.
- PDR space is being lost in the Mission at a pace of 213% faster than anticipated by the Eastern Neighborhoods Plan that governs projects like this. The demand for PDR space is growing rather than shrinking as was predicted in the Eastern Neighborhoods Plan.

This project again raises the question for the Commission of the limitations of the current Eastern Neighborhoods zoning requirements in relation to the goals of the area plan process, and the necessity of revisiting the zoning requirements. Much has already been said about the housing affordability needs in the Eastern Neighborhoods, and the nexus between market-rate housing and the demand created for affordable units. **Following are some background comments on the evolution of PDR-retention policies in the UMU:**

1. The Mission, SoMa, and Potrero industrial areas have historically had a “mixed-use” character, where industry had existed adjacent to small working-class residential enclaves, and where, at least since the 1970s, industrial spaces had been adapted for cultural/arts uses. The then-current M zoning allowed residential uses only as a conditional use, and market conditions until the mid-1990 had not created a demand for new housing construction in these industrial areas. Given the lower land values here, the City’s Housing Elements of the 1990s had identified the industrial areas as viable areas to promote AFFORDABLE housing construction.
2. In the 1990s, residential builders began to market “live-work” lofts, residential uses illegally sited in the industrial areas, and driving up land values. It was acknowledged that allowing the “highest and best use,” ie, housing, as a principally permitted use, would continue to drive up land values.
3. The consensus from the Planning Department, under long-term Planning head Amit Ghosh, was that there was an increasing loss of industrial land in San Francisco, and a need to figure out a way to regulate this loss and plan for areas where loss would be allowed and a certain amount of retention could happen. The “PDR,” Production, Distribution, and Repair, designation was developed to identify the kinds of light industrial uses that still had a future within the City limits.
4. The “mixed-use” zoning districts were intended to retain the mixed-use character of the Mission, SoMa, and Potrero industrial areas, where historically industry had existed adjacent to small working-class residential enclaves, and where, at least since the 1970s, industrial spaces had been adapted for cultural/arts uses. Throughout the EN process, the concept was that the new mixed-use zoning districts would include a strategy for PDR retention and/or replacement in any change to allowing residential as a principally permitted use. In fact, Interim Controls and policy resolutions adopted by the Planning Commission included PDR controls, and the Mosaica project conformed to these policies by including on-site PDR in their building.
5. **The 2003 Community Planning in the Eastern Neighborhoods – Rezoning Options Workbook**, calls out a proposed “Residential – Production/Distribution/Repair This new zoning district would create opportunities for housing, while retaining and creating space for PDR businesses that can coexist with residential uses. New developments would be required to provide some space for light and medium PDR businesses, which would be encouraged on the ground floor. Residential and other small commercial uses would also be permitted. This district could support mixed use neighborhoods where housing is constructed on top of or next to light industrial businesses.” (http://sf-planning.org/sites/default/files/FileCenter/Documents/3651-cp_dworkbook_part2.pdf, page 33)
6. **The 2004 Planning Commission Resolution No. 16727**, established policies and procedures for development proposals in Eastern Neighborhoods. “Those areas designated... to be a part of the Housing/PDR Overlay... PDR space should be located on the ground floor of the building. Net loss of PDR space is strongly discouraged for projects built on lots greater than 5,000 square feet. For lots less than 5,000 square feet, a ratio of 1 sq. ft. of PDR space is strongly encouraged for every 4 sq. ft of residential or commercial development. If the ratio yields less than 2000 sq. ft of PDR space, then PDR should not be required.” (<http://sf-planning.org/eastern-neighborhoods-16727>).
7. **The June 2007 Eastern Neighborhoods EIR**, on page S-3, describes the new zoning as “Urban Mixed-Use (UMU), which would encourage transitional development patterns... buffering potentially incompatible land uses. Non-PDR development would be required to also provide PDR space, at specified ratio(s).” And in page S-7 and S-8: “Requirements to construct new PDR space in mixed-use districts... would discourage the type of incompatible residential

development that has been the pattern throughout much of the Eastern Neighborhoods, reducing potential land use conflicts.” And furthermore in page S-16, “UMU districts would be established where PDR use would be a priority... Much existing PDR activity in the new... UMU districts would be expected to remain, and possibly even increase under these options in the heart of the Northeast Mission Industrial Zone...”

8. In expectation of the need to resolve adjacency issues, in 2007, Asian Neighborhood Design prepared an Industrial Mixed-Use Zoning Analysis, which was shared with Planning staff. (<http://static1.1.sqspcdn.com/static/f/633596/8723762/1285611256987/Industrial+Mixed-Use+Zoning.pdf?token=q9lKg8EoRbLrMggh8umsCIKttQM%3D>)

In 2008, however, after previous Planning staff left the Department (Amit Ghosh, Miriam Chion, Johnny Jaramillo), and with a new Planning Director and new staff assigned to the EN rezoning, the final approved “UMU” zoning did not include PDR replacement.

Clearly the “mixed-use” vision was seriously flawed, as in the absence of strong and prescriptive requirements for retention, replacement (and even expansion) of PDR, the result has in fact been once again “highest and best use” market-driven development outcomes.

Areas which had previously been mixed-use areas, such as Valencia Street which had traditionally had a great deal of auto-related uses, have become boutique retail destinations, with new condos selling at over \$2 Million. The loss of PDR continues unabated, with proposals such as the Axis development on Folsom, and the Lennar development on South Van Ness, continuing to deplete the remaining PDR spaces in the Mission District. And the Eastern Neighborhoods compromise, which was to mitigate the cumulative impacts of this loss in other parts of the neighborhood by requiring replacement space in the new “mixed-use zones,” was never fulfilled or codified, and continues unabated with projects such as 2000 Bryant.

This needs to stop. The Planning Commission should commit to action, first by denying their approval to the CU for 2000 Bryant St. project, and second by listening to the unprecedented community and labor demands for increased affordability and 1-for-1 PDR retention, and developing new policies and zoning codes to make this a reality as was the original intention of the Eastern Neighborhoods planning process.

Thank you,

Fernando Martí

Options A, B, and C vary by the degree to which they would permit lands currently zoned for industrial uses to be converted to residential and mixed-use districts: in general, Option A would permit the least amount of such conversion, while Option C would permit the greatest conversion. Under all three options, new single- and mixed-use zoning districts would be introduced to the Planning Code. Most of the existing Heavy Industrial (M-2) and Light Industrial (M-1) use districts in the Eastern Neighborhoods would be replaced with either mixed-use residential districts (MUR), new Urban Mixed-Use (UMU) Districts that would permit residential and PDR uses, or with new Employment and Business Development (EBD) Districts that would permit PDR uses only. These districts would encourage the retention and expansion of PDR uses while in some cases also allowing limited commercial or residential uses. Some existing commercial districts would be replaced, where commercial activity would continue to be permitted, with new mixed-use residential/commercial districts or with mixed-use PDR/commercial districts, although some areas would be designated neighborhood commercial as currently defined in the Planning Code. Finally, existing residential districts could be replaced, generally with new single-use residential districts. Proposed new zoning districts include:

- **Employment and Business Development (EBD)**, in which new construction would be limited to PDR space, housing would be prohibited, and only small office and retail uses would be allowed;
- **Residential-Transit Oriented (RTO)**, which would allow generally moderate-scale residential buildings, with no maximum permitted residential density and reduced parking requirements;
- **Mixed-Use Residential (MUR)**, to promote high-density housing and a flexible mix of smaller neighborhood-serving retail and commercial uses, including some PDR uses;
- **Neighborhood Commercial Transit (NC-T)**, similar to MUR, but would not permit most PDR uses;
- **Neighborhood Commercial (Moderate Scale)**, similar to the existing NC-3 (Neighborhood Commercial-Moderate Scale) district; and
- **Urban Mixed-Use (UMU)**, which would encourage transitional development patterns between EBD and predominantly residential districts, thereby buffering potentially incompatible land uses. Non-PDR development would be required to also provide PDR space, at specified ratio(s).

In addition, the Central Waterfront would include a **Heavy PDR** district, mostly covering land under Port of San Francisco Jurisdiction that is intended to remain in heavy commercial and industrial use, and a **Pier 70 Mixed-Use District**.

The *Rezoning Options Workbook* included a potential Design PDR Use Area overlay zone in the central portion of Showplace Square, where only design-related PDR uses would be permitted, to help preserve the existing cluster of design uses. Further, subsequent drafts of the Showplace Square/Potrero Hill plan delineated a separate Arts District in part of the Seventh Street corridor, near the California College of the Arts campus, to encourage compatible arts (PDR) activities.

March 12, 2015

Submitted by email

Sarah B. Jones
Environmental Review Officer
SF Planning Dept.
Email: Sarah.B.Jones@sfgov.org

Re: Case No. 2011.1300E

**Comments on the Notice of Preparation (NOP) of a focused EIR for proposed project 901
16th Street / 1200 – 1210 17th Street**

Thank you for the opportunity to comment on the Notice of Preparation for the EIR on 901 16th Street & 1200 – 1210 17th Street. I am writing on behalf of both myself and Save The Hill, a grassroots coalition of neighbors with approximately 1,000 followers. Save The Hill is dedicated to the health, culture, heritage, and scenic beauty of San Francisco's Potrero Hill neighborhood. Our mission is to protect Potrero Hill's unique identity, to support its locally run businesses, and to ensure that neighborhood growth promotes the highest standards of urban development and planning.

Overview

After reviewing the NOP I have a number of comments, detailed below, regarding its adequacy in evaluating significant potential impacts, both peculiar to this proposed project and cumulative, that were not covered or assumed by the Eastern Neighborhoods EIR and should be included in the draft and final EIR for consideration and full analysis. I also focus on the adequacy of the NOP in considering potentially feasible project alternatives that would reduce or avoid those impacts. Save The Hill urges the City recommend against approval of the project in favor of an alternative that significantly reduces impacts while achieving many of the previously declared project objectives.

Save The Hill would like the Planning Department to consider the feasibility of several alternative plans, including one with three options proposed by Save The Hill (see below, “Alternate Plans”). In regards to Save The Hill’s plan and renderings, please understand the following: The proposal reflects only what our group is thinking at this stage. It remains very much a suggestive document and design schematic. We cannot be sure that it meets the Secretary of Interior’s standards, and it has not been reviewed by a historic consultant. Our goal is to give the developers as much flexibility as they need while retaining the integrity of the original structures. We want to work with both the developer and the Planning Department in this regard. We believe City Planning would want to work on this to ensure the proposal meets the Secretary of Interior’s standards as well. Again, Save The Hill’s renderings are simply suggestive and do not represent any final design solutions.

Land Use / Planning

1). Development Density & Height Not Properly/Adequately Evaluated. As currently proposed, the developer’s project would be one of the largest in Potrero Hill history. But evidence that the density and height have been adequately or properly evaluated in prior environmental review by the City during the Eastern Neighborhoods EIR process (including Comments and Responses) remains deficient. In fact, City Planning’s analysis and study in the Eastern Neighborhoods EIR

neglected taking into account a project of this scale at this specific site – including its potentially significant impacts. The Eastern Neighborhoods EIR considered heights of 45 feet to 50 feet at the site – not 68 feet to 82 feet, which is what the developer is proposing. City Planning recently issued a community plan exemption stating the project was in compliance with development density. But this simply isn't accurate.

The project remains inconsistent with many policies and principles of the Potrero Hill Area Plan. The final Eastern Neighborhood's EIR does address heights rising 65 feet to 68 feet -- but only on the north side of 16th Street (not the south side of 16th) — which is consistent with Showplace Square/Potrero Hill Area Plan policy calling for lowered heights on the south side of 16th Street.

All of the height maps and analysis in the Draft Eastern Neighborhoods EIR for Options A, B, and C reflected heights for the 901 16th / 1200-1210 17th Street site at between 45 feet and 50 feet (the Comments & Responses cites Option B as most closely resembling the “Preferred Project” choice). Moreover, this 45' to 50' height and density were affirmed, codified and called for in the final Showplace Square/Potrero Hill. Objective 3.1/Policies 3.1.1 & 3.1.2 state: Adopt heights that respect, “the residential character of Potrero Hill.” “Respect the natural topography of Potrero Hill Lowering heights from the north to the south side of 16th Street would help accentuate Potrero Hill.”

The Comments & Responses in the Eastern Neighborhoods EIR document cited a map showing that frontages along 16th Street had been raised to 65 feet in comparison to Option B. Yet the analysis emphasized that the added height would remain on the north side of 16th Street (Showplace Square) and not the south side (Potrero Hill). As stated in “Changes by Neighborhood — Showplace Square/Potrero Hill” page C&R 12: “No changes in height limits are proposed on Potrero Hill. The Preferred Project would establish height limits of 65 - 68 feet within the core of Showplace Square between US-101 and I-280, north of 16th and south of Bryant Streets.” This is repeated on page C&R-21: “In Showplace Square/Potrero Hill plan area, height limits would be similar to those analyzed for Options B, with minor height increases (to 45 feet as opposed to 40 feet in the DEIR) proposed to areas north of Mariposa Street, between De Haro Street and Seventh/Pennsylvania Streets. Height limits in the established residential areas of Potrero Hill would remain unchanged at 40 feet. The Preferred Project establishes heights of 65-68 feet within the core of Showplace Square between U.S. 101 and I-280, north of 16th and south of Bryant Streets.”

Again, this north/south 16th Street divide is consistent with policy spelled out in the final Showplace Square/Potrero Hill Area Plan. The increased heights (48 ft. - 68 ft.) for the site were proposed as a zoning amendment late in the game by April of 2008. But again this wasn't reflected in the final Eastern Neighborhoods EIR, which did not properly evaluate or anticipate the density and height specific to the Corovan site. The final Eastern Neighborhoods EIR did not consider, evaluate or anticipate a project of the size, height or density proposed by Walden Development and Prado Group at this specific location. In fact, as stated above, all of the completed analyses anticipated a height on the Corovan parcel of between 45 feet and 50 feet. Moreover, responses to comments in the final EN EIR did not address or analyze issues raised about heights or zoning at 901 16th/1200 - 1210 17th Streets. As stated on C&R page 147: “A number of comments were directed at the proposed rezoning and area plans, and do not address the adequacy or accuracy of the EIR. Because these comments do not address the adequacy or accuracy of the EIR, no responses are required.”

For all of the above reasons, Save The Hill respectfully believes the final Eastern Neighborhoods EIR remains inadequate and did not anticipate, properly evaluate or analyze the height and density specifically at the Corovan site. Consequently, the current EIR for the Corovan property should address and evaluate this as a significant impact within the “Land Use / Planning” category.

2). Adhere To Policies Of The Potrero Hill Area Plan And City General Plan. The project conflicts with both Potrero Hill Area Plan and City General Plan objectives and policies to preserve and respect neighborhood character. The surrounding neighborhood and buildings are composed primarily of one to three story residential and commercial spaces. The project would be dramatically taller and dramatically greater in bulk, mass and scale than existing nearby structures. Adequate and robust analysis of the project’s impacts on visual quality and land-use character should be included in the project EIR.

The Prado/Walden proposal remains inconsistent with many policy objectives of both the City General Plan and Showplace/Potrero Hill Area Plan – including the following:

Objective 3 of the San Francisco General Plan’s Urban Design Element. Objective 3 calls for “Moderation of major new development to complement the city pattern, the resources to be conserved, and the neighborhood environment.” The scale and density of the Prado/Walden project are substantially greater than existing surrounding land uses and the project would be inconsistent with the established land use character of the neighborhood.

Objectives of the Showplace Square/Potrero Area Plan. The Prado/Walden project conflicts with a number of the plan objectives including Objective 1.2, which promotes development in keeping with neighborhood character. This project is inconsistent with the established neighborhood character.

Priority Policies of the City’s General Plan. The project remains inconsistent with General Plan Priority Policies including:

Policy 2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The Prado/Walden project is not consistent with this policy because scale is inconsistent with and will severely impact established neighborhood development pattern and character. The proposed development is dramatically out of scale with nearby residences and small businesses. It will destroy culturally significant industrial buildings that have existed on the 3.5-acre site dating back to at least 1908. Separately, the style, size, and use of existing buildings in the immediate vicinity to the proposed site have a distinct neighborhood character that would be greatly undermined by the introduction of a vastly taller, larger, and bulkier high-density multi-unit complex – a complex whose aesthetics and scale cry Mission Bay, not Potrero Hill.

3). Displacement of Production, Distribution, Repair (PDR). The proposed project would eliminate rather than retain valuable Production, Distribution and Repair space. According to the Corovan Company, up to 200 jobs would be displaced. The City’s quoted figure of approximately 50 jobs understates the impact. Moreover, the Eastern Neighborhoods EIR study of PDR loss and retention remains outdated and inadequate. The extent of the cumulative loss of PDR and mitigations were not adequately anticipated and evaluated in the Eastern Neighborhood’s final EIR.

Conditions have changed and the City now recognizes a greater need to retain more PDR space and the blue-collar jobs that follow. Additional analysis and consideration on displacement and loss of PDR should be included in the draft and final EIR for the Corovan site and consider cumulative impacts as well. The NOP's contention that PDR impacts have already been anticipated and addressed no longer remains valid.

Moreover, displacement and loss of PDR remain inconsistent with objectives and policies of The Showplace Square/Potrero Hill Area Plan that seek to protect PDR uses. The Urban Mixed Use zoning for this project does not honor the Area Plan's Objective 6.1 to "support the economic well being of a variety of businesses." The Prado/Walden project conflicts with a number of the plan objectives including Objective 1.7 which seeks to protect PDR uses (this project eliminates PDR).

The proposed project would destroy a 3.5 acre industrial / service sector site in Potrero Hill by demolishing existing warehouses now being used by a moving and storage company that has operated there since 1995. The site has been used for industrial purposes for more than a century and could, if protected, continue to be used for Production, Distribution and Repair (PDR) services (i.e., light manufacturing) for years to come. As such, the proposed project significantly undermines existing (and potentially future) PDR businesses that have long been integral to Potrero Hill and the City itself. Alternative plans to the project, including Save The Hill's, would ensure retention of PDR space at this site.

Aesthetics

1.) Significant Impacts On Visual Environment / Inconsistent With Area Plan. As noted above, the scale, height, and density of the proposed project (68 feet to 82 feet and 395 residential units) remain inconsistent with numerous terms set out in the Showplace / Potrero Hill Area Plan. Prior study contained in the Eastern Neighborhoods Environmental Impact Report, produced and relied upon by City Planning for all new development, is now eight-years old and did not properly and adequately evaluate, analyze, consider or anticipate a project of the size, height, or density proposed by the developer at the Corovan location. In fact, all of the analyses completed for the Eastern Neighborhoods anticipated a height on the Corovan parcel of 45 feet to 50 feet – not up to 82 feet as proposed by the developer.

The developer's drawings indicate 72' to 82' high mechanical/stair/elevator penthouses that push the building heights well above the 68' height limit. These penthouses only serve to enable private views via access to amenity rooftop decks for high-paying building tenants. The developer's proposed project will obscure a cherished landmark of Potrero Hill – scenic public views of downtown San Francisco. This conflicts with long-standing city and state policies regarding protection of public scenic vistas. The developer's project remains inconsistent with multiple Area Plan principles including provisions to "respect the natural topography of Potrero Hill", to lower building "heights from the north to south side of 16th Street", and to "promote preservation of other buildings and features that provide continuity with past development."

While recent state law has put into question consideration of significant aesthetic impacts during environmental review, City agencies nonetheless retain this authority as a discretionary power. Issues of aesthetics should not be ignored or minimally reviewed. City agencies are still faced with an obligation to consider and address visual impacts to satisfy City General Plan and Showplace Square / Potrero Hill Area Plan neighborhood design and character standards. Since both the

general public and decision-makers rely on an EIR for primary source information to make informed decisions about a project, the Planning Department should provide robust analysis of aesthetic impacts. At the very least, City Planning should provide accurate and adequate visual simulations on the impacts of the project (including stair, elevator, mechanical penthouses) to public scenic views of downtown. The visual simulations offered up by the developer remain inadequate and highly misleading.

2). Inconsistent with Priority Policy 8 of City General Plan: *That our parks and open space and their access to sunlight and vistas be protected from development.*

Potrero Hill, like San Francisco as a whole, is known for its dramatic city views and sweeping vistas. The height, bulk, and mass of the proposed project would effectively wall off a large portion of lower Potrero Hill from public views of downtown enjoyed by neighborhood visitors for generations. Just like the recent campaign against “walling off” the waterfront, we believe Potrero Hill should be protected from “walls” of out-of-scale development.

3). Inconsistent with Showplace / Potrero Hill Area Plan On Respecting Public View Corridors.

“Respect Public View Corridors”, Policy 3.1.5 of the Showplace Square/Potrero Hill Area Plan states: “San Francisco’s natural topography provides important way finding cues for residents and visitors alike, and views towards the hills or the bay enable all users to orient themselves vis-à-vis natural landmarks. Further, the city’s striking location between the ocean and the bay, and on either side of the ridgeline running down the peninsula, remains one of its defining characteristics and should be celebrated by the city’s built form.”

By proposing a single massive structure at the base of Potrero Hill the developers completely ignore the natural environment surrounding the site. The height, bulk, and mass, of their project will undermine (and in some cases destroy) Potrero Hill’s visual integration with downtown.

The significant impacts on public views have not been adequately or properly evaluated in prior environmental review and should be included in a final EIR.

Population/Housing

1). Studies Are Out Of Date / Cumulative Impacts Understated & Not Adequately Evaluated.

Recent analysis revealed the Potrero Hill / Showplace Square area has already far exceeded the number of housing units and population growth the City planned and projected for 2025. The Planning Department assumed up to 3,891 housing units would be built by 2025 in the Potrero Hill / Showplace Square area. As of late 2014, 4,701 units were already in the pipeline. The Planning Department continues to rely on stale data contained in the now eight-year old Eastern Neighborhoods final Environmental Impact Report to justify limited environmental review of the Corovan site. Moreover, the City has erred by not anticipating the current dramatic pace of development. Nor has the promised necessary public improvements (parks, transit, roads, etc.) to support thousands of new residents been provided. The now outdated Eastern Neighborhoods EIR concluded environmental impacts from growth would be limited -- an assumption that is no longer true. Development continues to outpace necessary upgrades in public infrastructure and services to support growth.

City Planning analysis remains inadequate and understates the “cumulative impacts” of large developments on our community and continues to rely on old and erroneous data from the 2008 Eastern Neighborhoods Environmental Impact Report to inform analysis in the EIRs of large projects. Assumptions and mitigations measures provided in that document are simply no longer valid.

CEQA Guidelines state: “The cumulative impact from several projects is the change in the environment which results from the incremental impact of the project when added to other closely related past, present, and reasonably foreseeable probable future projects.”

Appropriate CEQA analysis of cumulative impacts should address past, present, and reasonably foreseeable future projects. The Community Plan Exemption (CPE) checklist for 901 16th / 1200 17th Street wrongly concluded that cumulative impact has already been addressed and evaluated in the Eastern Neighborhoods Environmental Impact Report:

The proposed project’s 395 residential units would be within the amount of housing development anticipated in the Eastern Neighborhoods PEIR. These direct effects of the proposed project on population and housing are within the scope of the population growth anticipated under the Eastern Neighborhoods Rezoning and Area Plans and evaluated in the Eastern Neighborhoods PEIR.

The Eastern Neighborhood’s EIR failed to reflect or anticipate actual levels of development and a lack of infrastructure to support it. Consequently, the scope of the project EIR should be expanded to include a full analysis of Population and Housing impacts, and address public transit shortcomings, lack of community facilities, new parks and open space, and cumulative impacts related to pedestrian safety, traffic, historic resources, air quality, and hazardous materials.

Recreation & Open Space

1). Cumulative Impacts On Recreation Not Properly Evaluated. Potrero Hill suffers from inadequate parks, open space, and recreational facilities. The addition of thousands of residents from this and other large developments will put significant strain on nearby parks including Jackson Playground – already heavily used and lacking in maintenance upgrades. Highly dense development such as the proposed Corovan project will continue to contribute to the deterioration of already underfunded existing neighborhood recreational facilities. Moreover, the 901 16th /1200 17th Street NOP remains inadequate in addressing the lack of publicly accessible open space in the proposed Corovan development itself. The vast majority of purported open space offered up in the developer’s proposal (e.g., residential mews and roof-top decks) would remain in private hands and off limits to the public. Moreover, the developer’s proposed publicly accessible pedestrian walkway on the western side of the project would be primarily hardscape rather than genuine softscape green open space with recreational opportunities. The project EIR should include full analysis and evaluation of impacts (both peculiar to the project site and cumulative) on Recreation & Open Space. These significant impacts were not adequately covered or anticipated in the underlying final Eastern Neighborhoods EIR.

Noise

1). Significant Impacts Of Noise Not Adequately Addressed. The 901 16th Street / 1200 17th Street NOP, and the underlying Eastern Neighborhoods EIR, do not specifically address or adequately analyze potential noise impacts on the proposed residential project from the Bottom of The Hill music venue. Mitigations are also not adequately addressed. These should be included for additional analysis in the draft and final EIR. A noise assessment study dated October 20, 2014 provided by City Planning to Save The Hill remains inadequate. The assessment, prepared by Charles M. Salter Associates Inc., was too limited in scope. Only two weekdays in April were sampled ... which were likely not representative of busy weekend or weekday evenings at the Bottom of The Hill. Moreover, only one acoustic monitor was used on 17th Street at a mid-block location that was not accurately representative of the planned close proximity of residential housing to Bottom of The Hill. Additional study should be done for the EIR employing monitors at several locations along 17th Street over a robust period of time. This additional monitoring should reflect busy weekend and weekday evenings at Bottom of The Hill. The City's current assessment did not disclose which specific weekday evenings were sampled. Without these measures, conflicts with surrounding businesses over noise and parking will remain inevitable given that 135 units of housing are proposed by the developers on 17th Street. Robust mitigations (more than thickened glass treatments for the new residences) need to be identified.

Soil & Geology Hazards

1). Significant Impacts Of Soil & Geology Hazards Not Adequately Addressed. The property site is located on artificial bay in-fill. It sits within designated high tide and liquefaction zones that make it unsuitable and potentially dangerous for oversized development. A seismic fault (Hunters Point Shear Zone) also lies nearby -- a fact that was not addressed and evaluated in the Eastern Neighborhoods EIR or in initial geotechnical study required by the City. An analysis and review of the property by a professional engineering geologist and hydro-geologist in late 2012 raised numerous red flags about soil geology, hazardous waste, and seismic risks at the site (please see review by John O'Rourke submitted by Save The Hill to City Planning via email December 2, 2012). More recent analysis identified elevated levels of chromium, nickel, lead, asbestos, and coal tar wastes in soil and groundwater. The developer plans to excavate and truck nearly 14 million gallons of soil to an off-site landfill. The 901 16th / 1200 17th Street EIR should more specifically address how these pollutants will be mitigated and prevented from posing significant risks to public health and safety. Many families with children live within several hundred feet of the proposed development. Moreover, the project EIR should more specifically address liquefaction risks and mitigations given the absence of study acknowledging the Hunters Point Shear Zone.

As Save The Hill has previously asserted, the 901 16th & 1200 17th Street site is an environmentally inferior site due (among other reasons) to its location within a City of San Francisco designated "high-tide line" (please see maps #1Moss Jr., 1985; #2 Bay Fill; #3 USGS 1852 bay boundary in orange in email submitted to City Planning December 16, 2012). Up to 17 feet of artificial fill overlying sandy and clay soils underlie the subject property. Groundwater below the site is encountered within a matter of several feet (Treadwell & Rollo; Harold Lewis & Associates 1997).

2). The Project Is Inconsistent With Priority Policy 6 of the City General Policy: *That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.*

The proposed site is located within a designated major “Liquefaction Zone” and a City of San Francisco designated “High Tide Line” with a high potential for the presence of hazardous wastes underlying the site (Moss, Jr., 1985, Map of San Francisco showing High-Tide Line: San Francisco Department of Public Works). Apparently, there were a series of oil storage tanks located northwest of the site in 1956 that could have contributed to groundwater contamination in this area. Up to 17-feet of artificial fill overlying sandy soil underlies the subject property (Schlocker, Bonilla & Radbruch, 1958), and groundwater is encountered at a depth of approximately 10 feet (Harold Lewis & Associates, 1997).

Consequently, this area is subject to ground failure due to liquefaction, lurching or differential settlement during a major earthquake (Davis, 2005, revised, Seismic Hazard Zone Report for City & County of SF).

There may also be a concealed, potentially active, northwest-trending fault in this area as indicated by the serpentine bedrock exposed near the site. This bedrock unit also contains asbestos fibers. Excavations for the subterranean parking and drilling for building foundations in this marshy ground could spread groundwater pollution and significantly damage the street and adjacent buildings, making the City and the developer liable for damages.

At least two separate analyses illuminate the hazardous materials underlying the site. First, an environmental risk assessment concluded the hazardous materials did not pose any risk to human health as long as they were “left undisturbed.” Second, a professional engineering geologist and hydrologist, John O’Rourke, concluded in 2012: “This site is highly contaminated with coal tar, volatile organic compounds, and heavy metals (nickel, lead, chrome). The coal tar is up to 10 feet thick and covers most of the northern half of the property; see attached Emcon Drawing No. 4. If this material is excavated, it and the related contaminated soil will have to be transported to a Class 1 Landfill site hundreds of miles away. Contaminated ground water will have to be treated before it can be pumped off site, and treatment will have to be permanent if ongoing pumping of the groundwater is necessary for the underground parking structure. Site excavation and the continual pumping of groundwater for the parking structure may result in significant subsidence of the ground on the surrounding properties. There is also the possibility that the on-site coal tar could catch on fire during the excavation.” None of these potential significant environmental impacts have been adequately addressed and evaluated in prior study. The EIR for the project should cover them.

Transportation & Circulation

1). Significant Traffic Impacts Cumulative & Specific To Project Not Adequately Evaluated / Data Outdated & Inaccurate. With close to 400 units of housing and more than 24,000 square feet of commercial retail space, the project will significantly worsen traffic and parking along streets and intersections already plagued by congestion. An estimated 4,235 new trips by car will be generated daily -- with up to 12,361 trips daily by people entering and exiting the project. The Corovan site EIR traffic analysis should include robust monitoring of traffic during Giants baseball games and anticipated traffic from the new Warriors basketball stadium and entertainment events. These have not been included in study to date. Traffic analysis in the EIR should also take into

account cumulative impacts of other recent large developments as well as development in the foreseeable future – including but not limited to: 1601 Mariposa, 88 Arkansas, 1301 16th, EQR Potrero/Daggett, the removal of a lane of traffic on 16th Street, both the Warriors Stadium project and the Kilroy commercial office high-rise at Block 40 in Mission Bay, and development of the Central Waterfront Pier 70 project. These cumulative impacts should also address pedestrian safety.

The above large projects, along with possible removal of I-280, have the potential to significantly impact both traffic and transit.

Moreover, the preliminary traffic study by DKS for the project relies on “existing conditions” data from 2012 for both traffic and MUNI. This study remains inadequate. In light of accelerated growth that has worsened traffic conditions, the DKS data is no longer valid or accurate and new data on current conditions should be collected. These impacts (both specific to the site and in the cumulative) weren’t anticipated in the Eastern Neighborhoods EIR. Additionally, cumulative impact projections in the DKS study are being used from the Mission Bay Redevelopment Plan that dates back to 1998. These numbers, too, are outdated and do not capture actual current cumulative conditions. New transportation and traffic studies taking these factors into account should be done.

2). Significant Impacts of I-280 Tear Down & High Speed Rail Not Adequately Addressed.

The Transportation analysis for Eastern Neighborhood did not take into account the truncation and simultaneous re-routing of I-280 as currently advocated by the Mayor’s Office. This change will directly affect the 16th and 7th Streets intersection and would be a major change with serious implications for this project site. The 901 16th / 1200 17th Street EIR must be supplemented to incorporate a modification that cuts off the elevated I-280 freeway north of Mariposa and re-routes the traffic on that freeway. Without analysis of the changes indicated in that rerouting near this site, the traffic and circulation analysis in the Eastern Neighborhood’s EIR cannot be relied on by Planning. It is therefore inappropriate and any reliance on that EIR for “tiering” violates CEQA. Additionally, the Eastern Neighborhoods EIR did not evaluate potential significant impacts of routing High Speed Rail (HSR) adjacent to the project site.

3). Conflicts with Policy 4 of City General Plan: *That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking.*

The proposed project site is located in an area with steep traffic challenges. The significant impact of the proposed project on already bad traffic congestion will be untenable. Muni transit will be impeded by an expected explosion of traffic caused by this and other large nearby development projects. The project’s dependence on Mississippi Street for all vehicle access to the site will severely worsen traffic on this small, two-lane road already crippled by commuting traffic on and off I-280 at Mariposa Street. Additionally, the potential inclusion of a high-speed rail line (HSR) at the intersection of 16th and Mississippi Streets has not been realistically evaluated in prior environmental study. Public transportation to the site is limited to a single future bus line that is already overburdened, underfunded, and suffering maintenance and scheduling difficulties. The San Francisco Municipal Transportation Agency’s (SFMTA) own projections state that the future 22-Fillmore line serving an extended 16th Street transit corridor will be overburdened from the start -- constrained by funding challenges, inadequate bus capacity and service, rising amounts of automobile and truck congestion, and uncertainty about the future of the Caltrain tracks, High Speed Rail, and the I-280 freeway. SFMTA’s own forecast through 2035 projects that the intersection at 7th, 16th, and Mississippi Streets will “degrade” to a

service level of “F” – among the worst in the city.

The project sponsor touts the City’s long-term goal to make 16th Street a “major transit corridor” in a “greener, more transit-friendly city.” But the developer’s proposal does nothing to either support or invest in this vision. Instead, Walden/Prado’s proposed two-story 388-space underground parking garage mocks the City’s “Transit First” policy by perpetuating a car-dependent model of development.

Historic / Cultural Resources

1). Importance of Cultural/Historic Resource & Significant Cumulative Impacts Not Adequately Or Accurately Evaluated. The developer’s proposed project would demolish historic industrial metal-skinned buildings that date back to approximately 1908. Constructed for use as the factory headquarters of pioneering San Francisco-based steel fabricator Pacific Rolling Mill, the buildings embody an important part of Potrero Hill's industrial and working-class history. The Showplace / Potrero Hill Area Plan specifically calls for the retention, rehabilitation, and adaptive reuse of significant cultural and historic properties. Katherine Petrin, a highly respected architectural historian hired by Save The Hill concluded that any alterations of the metal buildings happened before the end date of the Period Of Significance, 1947. And regardless, as noted by Petrin, modifications in industrial spaces are to be expected given the utilitarian purpose of these buildings and the need for flexible space. City Planning should embrace the historic integrity conclusions of Katherine Petrin’s report.

Christopher VerPlanck’s follow-up report (completed December 2014) remains, in the view of Save The Hill, fatally flawed on several critical points: 1). As addressed in Katherine Petrin’s March 2014 evaluation of integrity, the Period of Significance for the Pacific Rolling Mill buildings spanned a much greater length of time — from 1899 through 1947. 2). As noted in Petrin’s report, the complex of Pacific Rolling Mill buildings satisfy all legal criteria and standards for retaining historic integrity and eligibility of listing on the California historic register:

With regard to integrity of the steel warehouses, the document Historic Resource Evaluation Part II, 1200 Seventeenth Street, suggests that the basic building forms were originally constructed as sheds, open along the perimeter; and, that walls were constructed at a later date to transform the sheds into enclosed structures. Additional new information, including historic photographs, indicates that the buildings attained their present form before the end date of the period of significance, 1947.

The overall finding of this evaluation is that the steel-frame warehouses retain sufficient integrity to convey the historic significance of the Pacific Rolling Mill Company site during its period of significance, 1899 - 1947.

Additionally, Petrin’s report concluded that the building complex remains historically significant under both California Register Criterion 1 (association with significant events) and Criterion 2 (association with significant persons).

As we’ve previously noted, the Historic Preservation Commission and City Planning upheld an appeal by the developer in 2011 that was based on incomplete and inaccurate factual information and without adequate public notification. Moreover, the cumulative loss of culturally significant

industrial spaces was not adequately evaluated in the Eastern Neighborhood's EIR and subsequent area surveys of potential historic properties. Assumptions around the loss of these buildings in the Eastern Neighborhood's EIR have turned out to be inaccurate with demolition far more impactful and detrimental than originally anticipated.

2). Inconsistent With City General Plan Priority Policy And Showplace / Potrero Hill Area Plan.

The proposed project conflicts with Priority Policy 7 of the San Francisco General Plan:

That landmarks and historic buildings be preserved.

The project sponsor plans to demolish culturally significant industrial buildings erected by the Pacific Rolling Mill between 1908 and 1926.

Policy 3.1.9 of the Showplace / Potrero Hill Area Plan, under Objective 3.1, states: "Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development." As outlined above, the proposed project demonstrates a complete lack of "continuity" with past development in Potrero Hill by introducing large-scale Mission Bay type development into the neighborhood and by destroying existing buildings of historic and cultural value that currently stand on the proposed site.

Air Quality

Insufficient Study. Increased traffic from the proposed high-density development will significantly impact air quality and erode quality of life in the neighborhood. This impact was not adequately addressed in previous environmental study both specifically at the Corovan site and in the cumulative because City Planning continues to rely on outdated analysis from the Eastern Neighborhoods Environmental Impact Report produced in 2007 - 2008. The Potrero Hill area continues to develop at a greater pace than originally anticipated by City Planning yet there appears to be no baseline analysis of current air conditions. Recent study and news reports have raised alarm about the growing danger and risk to public health of traffic-related pollution – most especially to children. The project specific and cumulative impacts on air quality should be fully considered and evaluated in the draft and final EIR.

Alternate Plans

Include Several Alternative Plans. Several alternative plans to the project sponsor's current proposal should be included for consideration and full analysis in the EIR. Among these would be the following:

- **Save The Hill Alternate Plan.** Save The Hill has proposed an alternate plan (Mixed Reuse Community Gateway Plan) for the site. This urban mixed-use plan contains three options for inclusion of residential housing and would achieve many objectives previously stated by the developer. As previously noted, the Save The Hill proposal reflects only what our group is thinking at this stage. It remains very much a suggestive scheme. We cannot be sure that this proposal meets the Secretary of Interior's standards and it has not been reviewed by a historic consultant. Our goal is to give the developers as much flexibility as they need while retaining the

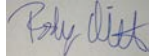
integrity of the original structures. We want to work with both the developer and the Planning Department. We believe that City Planning would want to work on this to ensure the proposal meets the Secretary of Interior's standards as well. Again, Save The Hill's renderings are just suggestive and do not represent any final design solutions.

- **Low-Density Alternate Plan.** A mixed-use project with minimal density.

- **Reduced Density Alternate Plan.** A mixed-use project with moderate density.

In conclusion, we look forward to working with City Planning on the above items of concern.

Respectfully,



Rod Minott, on behalf of Save
The Hill

Re: 901 16th / 1200 17th Streets, Case No. 2011.1300E

10/05/2015

Dear Ms. Jones:

Thank you for the opportunity to comment on the draft Environmental Impact Report on 901 16th / 1200 17th Street. I'm writing on behalf of both myself and Save The Hill, a grassroots coalition of neighbors numbering upwards of 1,000 followers. Save The Hill is dedicated to the health, culture, heritage, and scenic beauty of San Francisco's Potrero Hill neighborhood. Our mission is to protect Potrero Hill's unique identity, to support its locally run businesses, and to ensure that neighborhood growth promotes the highest standards of urban development and planning.

Overview

After reviewing the draft EIR I have a number of comments, detailed below, regarding its adequacy and accuracy in evaluating significant potential impacts, both peculiar to this proposed project and cumulative, that were not covered or assumed by both the DEIR and the underlying Eastern Neighborhoods EIR and should be included in the final EIR for consideration and full analysis. I also focus on the adequacy and accuracy of the draft EIR in considering potentially feasible project alternatives that would reduce or avoid those impacts.

Save The Hill urges the City to reject the Project Sponsor's plan in favor of the "Metal Shed Reuse Alternative" (subject to some modifications) that significantly reduces various negative impacts while achieving many of the previously declared project objectives.

My comments below include recent issues around feasibility versus infeasibility of the Metal Shed Reuse Alternative, concerns raised by the Historic Preservation Commission, and modifications to the Metal Shed Reuse Alternative that Save The Hill would find acceptable.

1) Inadequate and Inaccurate Study of Historic Buildings

The DEIR does not adequately or accurately address issues related to the historic merit and integrity of the existing metal warehouses. The draft rejects arguments supporting historic integrity for the metal buildings. Evidence, including the research and opinion of a highly respected architectural historian, Katherine Petrin, demonstrates these buildings remain historic despite alterations and company mergers over the years.

Petrin wrote a compelling report that documented a strong case for historic integrity. Among other things, the Period of Significance was longer than City Planning's claim of 1906 – 1928 (it should be extended through at least 1946/mid-1947). And while the steel warehouses may have been altered to some degree over the years (they were built between 1908 and 1926), as Petrin points out modifications in industrial spaces are to be expected given the utilitarian purpose of these buildings and the need for flexible space.

Collectively, the Potrero Hill industrial complex contains the last remaining structures of the Pacific Rolling Mill, which began operating in the Central Waterfront in 1868 before reorganizing and relocating to Potrero Hill in the early 1900s. The buildings are also the last remaining extant structures of the merged companies, Judson-Pacific Company (1928), and Judson-Pacific-Murphy Company (1945) in San Francisco.

Photos of the buildings at 17th & Mississippi Streets from 1941 verify the intimately linked heritage

and history of the Pacific Rolling Mill and its successor companies. Two SF News Call Bulletin photos show the following sign on the red brick office building: “Judson-Pacific Co. Successor To Pacific Rolling Mill Co. Established 1868.”

A photograph from 1941 demonstrates that the corrugated steel building at 1200 17th Street was not simply an unenclosed shed with open side walls up until December 1947. A photograph of the structure clearly suggests an enclosed building that matches its present day aesthetic (*see Petrin, Evaluation of Integrity pg. 9*).

In her report, Petrin expands on this fact:

The Historic Resource Evaluation also notes that a building permit, dated 3 December 1947, was obtained to re-clad the corrugated steel structures at 1100, 1200, and 1210 17th Street. The 1941 photograph suggests that the re-cladding effort replaced already existing corrugated steel siding.

Overall, the complex retains many key elements of the original construction, plan, forms, massing, proportions, architectural vocabulary, and overall expression of a large-scale industrial operation. The site retains integrity of design....

*The integrity of the basic building form of the steel warehouses has been debated based on the possibility that the steel structures were originally designed as sheds, open along the perimeter. The Historic Resource Evaluation suggests corrugated metal walls or siding was added at a later date to transform the sheds into enclosed structures.¹⁰ While this may be accurate, no photographs exist depicting the shed type construction. However, based on the 1941 photograph below, it is clear that the warehouse at right, 1200 17th Street, had corrugated steel walls at least by 1941. Even if the structures were open sheds at one point, they attained the present form before the end date of the period of significance, 1947. (*Petrin, Evaluation of Integrity, pages 9 – 10*).*

Moreover, the DEIR remains inadequate and inaccurate because it overlooks the continuity of the Pacific Rolling Mill’s influence and heritage over many decades along with the successive role of the Noble family. Edward Noble (the son of Patrick Noble who founded the reorganized Pacific Rolling Mill) headed the company as President after his father’s death in 1920 and continued running the firm long after the first of two mergers. He remained at the helm until 1945 and was aided along the way by employees who had been hired at the original Pacific Rolling Mill at both the Potrero Hill and Central Waterfront sites.

There remains a “fair argument” that even though the metal shed buildings have not been listed on any register they qualify as a “historical resource” and demolition would have a significant impact.

As noted in Petrin’s evaluation, among other things, the metal steel buildings should be added as historic resources because the 1,200 square foot red-brick office building alone insufficiently conveys the historic significance of the Pacific Rolling Mill site.

The DEIR also fails to include significance due to association with persons. As stated in Petrin’s report:

...Previous research, accepted and acknowledged by the City of San Francisco Planning Department, has established that the site is significant at the local level under California

Register Criterion 1, as it is associated with patterns of events that have made a significant contribution to the broad patterns of local history of California, in this case the construction of buildings and infrastructure and the industrialization of San Francisco and the West. The site is also significant at the local level under California Register Criterion 2, for its association with persons, Patrick Noble, Edward B. Noble, H.F. Hedrick and Frank Lester, among others, who founded, built, and ran the company, which resulted in the construction of some of San Francisco's most important structures. (Petrin, Evaluation of Integrity, page 5).

Recently, members of the San Francisco Historic Preservation Commission applauded the DEIR's "Metal Shed Reuse Alternative" and encouraged the project sponsor to incorporate more of it into a final design. The HPC concluded the developer's current plan would impact a historic resource – the red-brick building (a position that contradicts the DEIR). The HPC also determined that more consideration should be given to the negative impact of scale and massing of the developer's current proposal upon the entire building site. The DEIR does not adequately address these impacts nor does it propose mitigations to avoid and reduce them.

Among the key concerns stressed by the HPC related to how the developer's current proposal does not comply with the Secretary of the Interior's Standard #9 on compatibility of massing, size, scale in relation to the entire building site and surrounding environment. This standard states the following:

...9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment. (Secretary of the Interior's Standards for Rehabilitation)....

Again, the DEIR does not adequately address the above nor does it propose mitigations to avoid or reduce them to a less than significant level.

The Metal Shed Reuse alternate plan proposed by City Planning incorporates the historic metal structures with new construction. This reasonable compromise should be modified to achieve an environmentally superior status and adopted as the preferred alternative. The City should revise the DEIR to reflect the historic significance and integrity of these buildings based on Petrin's report. Moreover, in response to the HPC's list of concerns, the DEIR should address and propose mitigations that would avoid significant and negative impacts due to mass and scale upon the entire building site and environment.

As we've previously noted, the Historic Preservation Commission and City Planning upheld an appeal by the developer in 2011 that was based on incomplete and inaccurate factual information and without adequate public notification. The DEIR remains deficient because it does not address the inadequacy of public notification of an appeal by the developer in 2011. Moreover, the cumulative loss of culturally significant industrial spaces was not adequately evaluated in the Eastern Neighborhood's EIR and subsequent area surveys of potential historic properties. Assumptions around the loss of these buildings in the Eastern Neighborhood's EIR have turned out to be inaccurate with demolition far more impactful and detrimental than originally anticipated.

Inconsistent With City General Plan Priority Policy And Showplace / Potrero Hill Area Plan.

The proposed project conflicts with Priority Policy 7 of the San Francisco General Plan:

That landmarks and historic buildings be preserved.

The project sponsor plans to demolish culturally significant industrial buildings erected by the Pacific Rolling Mill between 1908 and 1926. Policy 3.1.9 of the Showplace / Potrero Hill Area Plan, under Objective 3.1, states: “Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.” As outlined above, the proposed project demonstrates a complete lack of “continuity” with past development in Potrero Hill by introducing large-scale Mission Bay type development into the neighborhood and by destroying existing buildings of historic and cultural value that currently stand on the proposed site. The DEIR remains deficient on addressing and remedying this.

2) Inaccurate and Inadequate Study of Alternative Project Proposal

“Metal Shed” Reuse Alternative Plan

The DEIR includes City Planning’s modified version of an alternate project plan submitted by Save the Hill. While some aspects of this alternate, lower-density “adaptive reuse” proposal are commendable, other aspects are inadequate and some of the data from which this proposal is driven is simply flawed. City Planning appears to have taken Save The Hill’s original suggestive renderings and skewed numbers to suggest that PDR space set aside for artists would generate volumes of vehicle traffic equal to the developer’s vastly bigger project proposal. The effect was to deny awarding the adaptive reuse alternate plan the designation of “environmentally superior”. Save The Hill questions the adequacy and accuracy of City Planning’s methodology to analyze the traffic impact of light or low impact PDR Trade Shop / artist workspaces.

Moreover, the DEIR fails to address the project sponsor’s allegation that the Metal Shed Reuse Alternative is infeasible. City Planning has not conducted “independent analysis” of Prado/Walden (Potrero Partners) claims that the Metal Shed Reuse Alternative remains infeasible.

We ask that City Planning acknowledge the “suggestive” nature of the proposed adaptive reuse renderings submitted by Save The Hill, and more specifically that the PDR / Trade Shop component of the proposal was intended for light and low impact purposes. City Planning’s version of an adaptive reuse plan (Metal Shed Reuse Alternative) should be revised such that inclusion of light or low impact PDR / Trade Shop workspaces achieve environmental superiority. Again, Save The Hill questions the adequacy and accuracy of City Planning’s methodology in the DEIR to analyze the traffic impact of these light or low impact PDR Trade Shop / artist workspaces – analyses which, according to recent communication between myself and Chris Thomas of City Planning, appear to reflect traffic generated by high impact office use rather than low-impact PDR use.

This is puzzling in light of the City’s own Environmental Impact Report for the Eastern Neighborhoods which states that PDR generates less traffic than office or retail:

.... PDR uses generate fewer vehicle trips per 1,000 square feet than retail or office uses. (Page 295, EN Rezoning & Area Plans, Case No. 2004.0160E, IV. Environmental Setting and Impacts E. Transportation).

Moreover, the City, again, needs to independently review and confirm with qualified experts any information provided by the Prado/Walden (Potrero Partners) regarding economic feasibility or

infeasibility of the Metal Shed Reuse Alternative, per state court case *Preservation Action Council v. City of San Jose, 2006, 141 Cal. App.4th 1336*. To date, no substantial evidence finding infeasibility of the Metal Shed Reuse Alternative has been provided/submitted.

Currently the adaptive reuse alternative project allows for 177 units of housing and retains the existing metal buildings. While Save The Hill is willing to support this plan with height limits at 58 feet along 16th Street (including mechanical penthouses) and 48 feet along 17th Street (including mechanical penthouses), we ask that any added height for mechanical/stair penthouses reflected in the current Metal Shed Reuse renderings (16th Street northeast corner) be capped at 68-feet, instead of 74.5 feet. Save The Hill is more than willing to work with both the developer and City Planning to improve this alternative as a workable solution.

Finally, I'd like to underscore that the Metal Shed Reuse Alternative was inspired by an adaptive reuse proposal put together by Save The Hill – a proposal that was the result of substantial community outreach by Save The Hill over the last three years. This alternative (and not the Project Sponsor's proposal) is by far the preferred choice of the community (see [STH transcript enclosure of one meeting that took place with the Project Sponsor on 2/15/14](#)).

“Reduced Density” Alternative Plan

The DEIR includes analysis of a “Reduced Density” alternate plan that is identified as “environmentally superior”. While Save the Hill supports reduced density, this plan does not nearly go far enough. Under this alternate plan, the height, scale and massing of the developer's current project proposal would remain essentially unchanged. The “Reduced Density” plan would contain 122 fewer residential units. However, the subtraction of space from these units is used to expand an interior private “pedestrian mews” for residents of the project. Thus, the private space is replaced with a different type of private space rather than the provision of open space. Moreover, commercial space that would benefit the community is dramatically reduced in this plan.

The DEIR should include a meaningful reduced density alternative – one that eliminates at least one story or more of the residential building complex along 16th Street, widens the pedestrian “alley” along the western side of the development by at least 20 feet, and includes commercial space along 17th Street. The east-west “pedestrian mews” should be open and accessible to the general public. Heights (including mechanical penthouses) should be capped at 48 feet along 17th Street and 58 feet along 16th. If added height is required for a mechanical/stairway penthouse on the northeast 16th Street corner of the proposed project then this additional height should be capped at 68 feet.

3) Inadequate & Inaccurate Analysis of Traffic, Parking and Transit Impacts

The DEIR acknowledges that the proposed Corovan project will significantly and unavoidably worsen traffic congestion. It identifies at least four intersections that will be severely impacted. These include:

- 17th & Mississippi Streets
- Mississippi & Mariposa Streets
- Mariposa & Pennsylvania Streets
- 7th/16th & Mississippi Streets.

The DEIR indicates there's currently no way of feasibly mitigating the increased traffic congestion at the above intersections, either due to lack of funding or practicality. The DEIR is inadequate because traffic data used in the draft report was collected on a single day in 2012 during the peak

evening commute. The DEIR does not consider data collected over a period of time, or that includes the morning peak commute or a Giants game day. The DEIR also fails to consider cumulative impacts on traffic and parking from recent, present, imminent and long-range development projects.

The DEIR fails to adequately mitigate or address expected queuing in and out of the proposed project's Mississippi Street parking garage. With close to 400 units of housing and more than 24,000 square feet of commercial retail space, the project will generate an estimated 4,233 new car trips daily — with up to 12,361 trips daily by people entering and exiting the project. In spite of this compelling data, the report claims lines won't be significant and it defers responsibility for further studies or mitigation proposals until after the project is built. Additionally, the DEIR fails to sufficiently address expected pedestrian and vehicular hazards posed by the proposed development's single vehicle entry and exit point along Mississippi Street.

While the DEIR acknowledges the traffic-generating problems posed by the dense development, it does not adequately address the gravity of the situation nor does it satisfactorily assess proposed solutions. It ignores consideration of traffic reducing and/or calming measures proposed in previous years by the San Francisco Municipal Transportation Agency's (SFMTA) and community members for the Mariposa & Mississippi Street intersection as well as other intersections along Mariposa, and it relies on outdated data and a limited study of traffic conditions. In this way, the DEIR fails to identify solutions to predictable problems and neglects an invaluable opportunity to work with the community to mitigate those problems.

Parking Spillover

The DEIR concludes the planned development will create spillover demand of between 358 - 458 parking spots — cars that will clog surrounding streets.

The DEIR shirks responsibility for parking problems posed by the dense development by claiming no legal obligation, but it should acknowledge the degree to which an alternate proposal and further requirements of the developers would prevent unnecessarily negative impacts.

Larger Traffic Impacts

What the DEIR Says:

Golden State Warriors Event Center: Due to the relative timing of the proposals, the Warriors' event center project was not included in the cumulative analysis of the proposed project (T)he Event Center project would not cause any significant change to the results given in this report and may potentially reduce the percent contribution to the impacted intersection from the proposed project. (page 124, Part 2, Draft EIR, 901 16th St & 1200 17th Street, August 2015)

The passage above is another example of how the DEIR's analysis relies on outdated and inadequate traffic data from 2012 and 1998. The DEIR not only fails to adequately consider and analyze the traffic and parking impacts of the Warriors Arena proposed for 3rd & 16th Streets, it claims that the Warriors Arena might actually help by shrinking the Corovan development's proportional contribution to traffic congestion. This absurd and unsubstantiated argument minimizes one of the most troubling aspects of the project sponsor's proposal.

Finally, the DEIR references only one large development in the area, 1000 16th Street (Daggett), while ignoring many other impactful projects in the pipeline including 1301 16th Street, 1601

Mariposa Street, 88 Arkansas Street, 249 Pennsylvania, 98 Pennsylvania, 1001 17th / 140 Pennsylvania, 790 Pennsylvania & 22nd Street, 580 De Haro Street, 540 – 522 De Haro, 131 Missouri Street, 1150 16th Street, 801 Brannan Street, 975 Bryant Street, 645 Texas Street, and 1717 17th Street. The DEIR should include consideration and analysis from recent, present, imminent and reasonably foreseeable future development projects per CEQA.

Interstate 280 Ramps at Mariposa

The DEIR perpetuates the false claim that traffic impacts caused by the Corovan project to the I-280 on and off ramps at Mariposa Street will be significantly lessened through various mitigations – for example, new traffic signals and the expansion of Owens Street to connect Mariposa and 16th Street. These so-called mitigation measures were identified in the Mission Bay Environmental Impact Report – a study that is now 17 years old and outdated. Both the Mission Bay EIR and the recent Warriors Arena transportation report fail to offer adequate mitigations and analysis to reduce increased volume of traffic to and from Potrero Hill from past, present, and reasonably foreseeable future development.

Inadequate Public Transit

Adding thousands of residents with inadequate investment in public transit will significantly impact the neighborhood, resulting in further dependence on cars while traffic congestion grows and degrades our quality of life. For example, the 10 Townsend bus is already at 95% capacity yet the Corovan DEIR claims no mitigation measures are needed. Public transportation to the site is limited to a single future bus line that is already overburdened, underfunded, and suffering maintenance and scheduling difficulties. SFMTA projections state that the future 22-Fillmore line serving an extended 16th Street transit corridor will be overburdened from the start -- constrained by funding challenges, inadequate bus capacity and service, rising amounts of automobile and truck congestion, and uncertainty about the future of the Caltrain tracks, High Speed Rail, and the I-280 freeway. SFMTA's own forecast through 2035 projects that the intersection at 7th, 16th, and Mississippi Streets will “degrade” to a service level of “F” – among the worst in the city. Yet the DEIR fails to adequately address and mitigate these significant impacts.

A “Transit First” policy should put transit first and ensure that viable options be in place before we experience significant population growth. New studies of existing and cumulative conditions, inadequately addressed in the Corovan DEIR and not anticipated in the Eastern Neighborhoods Environmental Impact Report, must now be a priority and undertaken.

City Planning should conduct additional traffic studies that are more current and robust. Significant traffic calming and/or reducing measures (such as bulb-outs and pedestrian/green-scape islands) should be approved and implemented. Save the Hill agrees with SFMTA about certain traffic signal calming measures, and these and other options should be carefully considered. Furthermore, the project sponsor should be expected to invest in more traffic reducing strategies and should collaborate with both the community and City Planning on an alternate proposal to achieve this outcome. The project sponsor proposes a very ambitious, large-scale development for a very sensitive site, and it is reasonable that they shoulder more of the responsibility for traffic reducing measures in the surrounding area. A significant reduction in the density of the project is only one way they could positively mitigate traffic problems posed by their proposal.

4) Inadequate & Inaccurate Study of Land Use (And Planning Policies Ignored)

Largest & Densest

As proposed, the developer's project (72 ft. – 83 ft. / 395 housing units) would be one of the largest, densest building developments in Potrero Hill history. Yet City Planning's previous environmental studies and projections for Potrero Hill fail to take into account a project of this scope at this site – including its impacts. Official environmental analysis currently on record in the Eastern Neighborhoods Plan considered heights of between 45 feet - 50 feet at the property, not 72 feet to 82 feet. The DEIR fails to address this discrepancy.

Evidence that the density and height have been adequately or properly evaluated in prior environmental review by the City during the Eastern Neighborhoods EIR process (including Comments and Responses) remains deficient. City Planning recently issued a community plan exemption stating the project was in compliance with development density. But this simply isn't accurate.

The project remains inconsistent with many policies and principles of the Potrero Hill Area Plan. The final Eastern Neighborhood's EIR does address heights rising 65 feet to 68 feet -- but only on the north side of 16th Street (not the south side of 16th) — which is consistent with Showplace Square/Potrero Hill Area Plan policy calling for lowered heights on the south side of 16th Street.

All of the height maps and analysis in the Draft Eastern Neighborhoods EIR for Options A, B, and C reflected heights for the 901 16th / 1200-1210 17th Street site at between 45 feet and 50 feet (the Comments & Responses cites Option B as most closely resembling the "Preferred Project" choice). Moreover, this 45' to 50' height and density were affirmed, codified and called for in the final Showplace Square/Potrero Hill. Objective 3.1/Policies 3.1.1 & 3.1.2 state: Adopt heights that respect, "the residential character of Potrero Hill." "Respect the natural topography of Potrero Hill Lowering heights from the north to the south side of 16th Street would help accentuate Potrero Hill."

The Comments & Responses in the Eastern Neighborhoods EIR document cited a map showing that frontages along 16th Street had been raised to 65 feet in comparison to Option B. Yet the analysis emphasized that the added height would remain on the north side of 16th Street (Showplace Square) and not the south side (Potrero Hill). As stated in "Changes by Neighborhood — Showplace Square/Potrero Hill" page C&R 12: "No changes in height limits are proposed on Potrero Hill. The Preferred Project would establish height limits of 65 - 68 feet within the core of Showplace Square between US-101 and I-280, north of 16th and south of Bryant Streets." This is repeated on page C&R-21: "In Showplace Square/Potrero Hill plan area, height limits would be similar to those analyzed for Options B, with minor height increases (to 45 feet as opposed to 40 feet in the DEIR) proposed to areas north of Mariposa Street, between De Haro Street and Seventh/Pennsylvania Streets. Height limits in the established residential areas of Potrero Hill would remain unchanged at 40 feet. The Preferred Project establishes heights of 65-68 feet within the core of Showplace Square between U.S. 101 and I-280, north of 16th and south of Bryant Streets."

Again, this north/south 16th Street divide is consistent with policy spelled out in the final Showplace Square/Potrero Hill Area Plan. The increased heights (48 ft. - 68 ft.) for the site were proposed as a zoning amendment late in the game by April of 2008. But again this wasn't reflected in the final Eastern Neighborhoods EIR, which did not properly evaluate or anticipate the density and height

specific to the Corovan site. The final Eastern Neighborhoods EIR did not consider, evaluate or anticipate a project of the size, height or density proposed by Walden Development and Prado Group at this specific location. In fact, as stated above, all of the completed analyses anticipated a height on the Corovan parcel of between 45 feet and 50 feet. Moreover, responses to comments in the final EN EIR did not address or analyze issues raised about heights or zoning at 901 16th/1200 - 1210 17th Streets. As stated on C&R page 147: "A number of comments were directed at the proposed rezoning and area plans, and do not address the adequacy or accuracy of the EIR. Because these comments do not address the adequacy or accuracy of the EIR, no responses are required."

For all of the above reasons, Save The Hill respectfully believes the final Eastern Neighborhoods EIR and the DEIR for 901 16th / 1200 17th Street remain inadequate. Height and density at the Corovan site were not properly evaluated and data remains inconsistent with prior environmental review. Consequently, the current EIR for the Corovan site should remedy this and address and evaluate height and density as a significant impact within the "Land Use / Planning" category.

Topography of Potrero Hill

The developer's project violates multiple Area Plan principles including provisions to "respect the natural topography of Potrero Hill", to lower building "heights from the north to south side of 16th Street", and to "promote preservation of other buildings and features that provide continuity with past development." The DEIR fails to adequately address these issues.

Loss of Production, Distribution, Repair (PDR)

The proposed project would eliminate rather than retain 109,000 square feet of valuable Production, Distribution, and Repair space. The DEIR acknowledges this loss as a significant impact but nonetheless defends it as consistent with planning goals. The DEIR does not consider this proposed development in the context of broader, unanticipated, PDR losses across the City. This is yet another example of how the DEIR fails to incorporate new and accurate data. A clear remedy at this site would be to retain some portion of the project for light PDR, or "Trade Shop", uses.

Area Plan & City Policy Objectives And Principles Ignored

The DEIR remains inadequate and inaccurate because it fails to consider that the proposed project conflicts with the Showplace Square / Potrero Area Plan, and the Urban Design and Housing Elements of the City's General Plan by disregarding policies of preserving neighborhood scale and character, providing adequate infrastructure, and preserving PDR uses. Both the Corovan development project and the DEIR fail to address the following consistency issues:

- A. *Objective 3 of the San Francisco General Plan's Urban Design Element:*
"Moderation of major new development to complement the city pattern, the resources to be conserved, and the neighborhood environment."

The scale and density of the Prado/Walden project are substantially greater than existing surrounding land uses and the project would be inconsistent with the established land use character of the neighborhood. The DEIR fails to acknowledge and consider that the Daggett Triangle development at 1000 16th Street in Showplace Square, as well as other large developments in nearby Mission Bay, are in separate and distinct neighborhoods that are not part of the Corovan site in Potrero Hill.

B. Objectives of the Showplace Square / Potrero Area Plan

The Prado/Walden project conflicts with a number of Area Plan objectives including Objective 1.2, which promotes development in keeping with neighborhood character. This project is inconsistent with the established neighborhood character of Potrero Hill. The Showplace Square/Potrero Hill Area Plan, in Policy 3.1.6, states that, “new buildings should epitomize the best in contemporary architecture, but should do so with a full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings that surrounds them.” As proposed, the project fails to match the height, mass, and articulation of existing buildings in the Potrero Hill vicinity and provides little awareness of surrounding structures.

C. Policy 2 of the City’s General Plan: “That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.”

The Prado/Walden project is not consistent with this policy because scale, mass, bulk and height are inconsistent with and will negatively impact established neighborhood development pattern and character. The proposed development is dramatically out of scale with nearby residences and small businesses.

For the DEIR to fulfill its purpose, it must include updated data reflecting neighborhood growth and it must acknowledge Area Plan principles developed and accepted by the community. Among other things, the cumulative loss of PDR to the City has not been accurately addressed and evaluated in the DEIR, and we ask that this study be conducted. Since the extent of the cumulative loss of PDR space was not fully anticipated in the 2008 Eastern Neighborhoods’ Environmental Impact Report and no mitigations were identified, these impacts require further study in the EIR for this project. Analysis should include a full exploration of feasible mitigations such as the inclusion of new low impact PDR space onsite.

We ask that the DEIR adequately address, analyze, and mitigate the aforementioned growth and planning policies and consider an alternate to the developer’s proposal so as to honor these considerations. Moreover, the DEIR fails to acknowledge and consider that the south side of 16th Street in this area remains part of Potrero Hill and not Showplace Square or Mission Bay, which are separate and distinct neighborhoods. Showplace Square’s 1000 16th Street (Daggett Triangle) project is neither appropriate for or consistent with the character of Potrero Hill. This fact is clearly established in City planning policy and principle and should be respected and complied with. This issue should be addressed by City Planning in a final EIR.

Aesthetics

Significant Impacts On Visual Environment / Inconsistent With Area Plan. As noted above, the scale, height, and density of the proposed project (68 feet to 83 feet and 395 residential units) remain inconsistent with numerous terms set out in the Showplace / Potrero Hill Area Plan. Prior study contained in the Eastern Neighborhoods Environmental Impact Report, produced and relied upon by City Planning for all new development, is now eight-years old and did not properly and adequately evaluate, analyze, consider or anticipate a project of the size, height, or density proposed by the developer at the Corovan location. In fact, all of the analyses completed for the Eastern Neighborhoods anticipated a height on the Corovan parcel of 45 feet to 50 feet – not up to 83 feet as proposed by the developer.

The developer’s drawings indicate 72’ to 83’ high mechanical/stair/elevator penthouses that push

the building heights well above the 68' height limit. These penthouses only serve to enable private views via access to amenity rooftop decks for high-paying building tenants. They should not be credited as legitimate open space. The developer's proposed project and penthouses will also contribute to obscuring a cherished landmark of Potrero Hill – scenic public views of downtown San Francisco. This conflicts with long-standing city and state policies regarding protection of public scenic vistas. The developer's project remains inconsistent with multiple Area Plan principles including provisions to "respect the natural topography of Potrero Hill", to lower building "heights from the north to south side of 16th Street", and to "promote preservation of other buildings and features that provide continuity with past development."

While recent state law has put into question consideration of significant aesthetic impacts during environmental review, City agencies nonetheless retain this authority as a discretionary power. Issues of aesthetics should not be ignored or minimally reviewed. City agencies are still faced with an obligation to consider and address visual impacts to satisfy City General Plan and Showplace Square / Potrero Hill Area Plan neighborhood design and character standards. Since both the general public and decision-makers rely on an EIR for primary source information to make informed decisions about a project, the Planning Department should provide robust analysis of aesthetic impacts. At the very least, City Planning should provide accurate and adequate computer generated 3-D modeling visual simulations on the impacts of the project (including stair, elevator, mechanical penthouses) to public scenic views of downtown. The visual simulations offered in the DEIR remain inadequate and highly misleading.

Inconsistent with Showplace / Potrero Hill Area Plan On Respecting Public View Corridors.

"Respect Public View Corridors", Policy 3.1.5 of the Showplace Square/Potrero Hill Area Plan states: "San Francisco's natural topography provides important way finding cues for residents and visitors alike, and views towards the hills or the bay enable all users to orient themselves vis-à-vis natural landmarks. Further, the city's striking location between the ocean and the bay, and on either side of the ridgeline running down the peninsula, remains one of its defining characteristics and should be celebrated by the city's built form."

By proposing a single massive structure at the base of Potrero Hill the developers completely ignore the natural environment surrounding the site. The height, bulk, and mass, of their project will undermine (and in some cases destroy) Potrero Hill's visual integration with downtown.

The significant impacts on aesthetics including public views have not been adequately or properly evaluated in the DEIR and should be included in a final EIR.

5) Inadequate & Inaccurate Analysis of Recreation & Open Space

Inadequate Parks

The DEIR fails to adequately consider the impact of the project sponsor's proposal on our open and recreational space. Potrero Hill currently suffers from inadequate parks, open space, and recreational facilities. The addition of thousands of residents from this and other new large developments will put significant additional strain on nearby parks including Jackson Playground – already heavily used and lacking in maintenance upgrades. Moreover, the vast majority of so-called open space provided in the developer's currently proposed project would remain private and off limits to the public. The DEIR fails to acknowledge or address this.

The DEIR should include data and projections accounting for the dearth of recreation and open space and the degree to which developments already in the pipeline will further tax these

inadequate resources. Planning should offer mitigations, including the addition of new parks that achieve the four acres promised by the City in prior planning reports. The project sponsor's proposal should be revised to provide more open space accessible to the general public. For example, Planning should require the east-west "pedestrian mews" remain open to the public and not privately closed off space. The north-south pedestrian alley of the developer's project should also be widened by 20 feet and include more green soft-scape.

6) Inadequate Study and Mitigation of Soil Hazards & Geologic Risks

Contamination Risks

The DEIR fails to adequately address the hazardous materials that will be exposed during construction. The Project Sponsor plans to excavate and truck nearly 14 million gallons of soil to an off-site landfill. Furthermore, the DEIR does not acknowledge nor consider the fact that a kindergarten through 8th grade school (a sensitive site receptor) operated by the ALT School plans to open its doors in an adjacent building (99 Missouri Street) in the Fall of 2016. A change of use for the building was filed on or around 9/03/15.

An analysis and review of the property by a professional engineering geologist and hydro-geologist in late 2012 raised numerous red flags about soil geology, hazardous waste, and seismic risks at the site (please see review by John O'Rourke submitted by Save The Hill to City Planning via email December 2, 2012). More recent analysis identified elevated levels of chromium, nickel, lead, asbestos, and coal tar wastes in soil and groundwater.

The DEIR should be revised to include more specific information about hazardous soils and measures to protect children (who are more vulnerable) and neighbors from exposure during demolition, excavation, and remediation. To date the City and the DEIR have not treated this issue seriously enough. The DEIR should address and analyze the potential risks of a new children's school (AltSchool) locating next to the Corovan site and detail mitigation measures that go well beyond what is currently planned. The California Department of Toxic Substances should also be involved in monitoring and coordinating this effort to ensure the safety of both children and neighbors.

Geologic Hazards

The property site is located on artificial bay in-fill. It sits within designated high tide and liquefaction zones that make it unsuitable and potentially dangerous for oversized development. Up to 17 feet of artificial fill overlying sandy and clay soils underlie the subject property. Groundwater below the site is encountered within a matter of several feet. A seismic fault (Hunters Point Shear Zone) also lies nearby -- a fact that was not addressed and evaluated in the DEIR, the Eastern Neighborhoods EIR, or in the initial geotechnical study required by the City. The DEIR should more specifically address liquefaction risks and mitigations given the absence of study acknowledging the Hunters Point Shear Zone.

7) Inadequate and Inaccurate Study of Population / Housing

Excessive Density & Outdated Data

Recent analysis shows the Potrero Hill / Showplace Square area has already exceeded the number of housing units and population growth the City planned and projected for 2025. The City approved the Eastern Neighbors Plan assuming up to 3,181 housing units would be built by 2025 in the Potrero Hill / Showplace Square area. But as of 2015, close to 4,000 units were already in

the pipeline or built. The City failed to anticipate the dramatic pace of development and has not delivered on its promise to provide necessary public improvements (parks, transit, roads, etc.) to support thousands of new residents. City Planning analysis understates the “cumulative impacts” of large developments on our community by continuing to rely on outdated data from the 2008 Eastern Neighborhoods Environmental Impact Report to inform analysis in the EIRs of large projects, including the proposed Corovan development. Assumptions and mitigation measures provided in that document are simply no longer valid.

More recent and relevant data to account for the extraordinary changes in this area’s density should be included in the DEIR. In order for the DEIR to be constructive for the neighborhood and for the City, it must incorporate new and accurate population and housing data, and it must acknowledge the degree to which public improvements lag behind the neighborhood’s growth. City Planning needs to acknowledge that Potrero Hill has already exceeded development targets projected for 2025. Environmental study and mitigations should reflect this fact to help inform current and future planning.

8) Inadequate and Inaccurate Study of Noise

The DEIR for 901 16th / 1200 17th Streets, and the underlying Eastern Neighborhoods EIR, do not specifically address or adequately analyze potential noise impacts on the proposed residential project from the Bottom of The Hill music venue. Mitigations are also not adequately addressed. These should be included for additional analysis in the draft and final EIR. A noise assessment study completed for the City dated October 20, 2014 remains inadequate. The assessment, prepared by Charles M. Salter Associates Inc., was too limited in scope. Only two weekdays in April were sampled ... which were likely not representative of busy weekend or weekday evenings at the Bottom of The Hill. Moreover, only one acoustic monitor was used on 17th Street at a mid-block location that was not accurately representative of the planned close proximity of residential housing to Bottom of The Hill. Additional study should be done for the EIR employing monitors at several locations along 17th Street over a robust period of time. This additional monitoring should reflect busy weekend and weekday evenings at Bottom of The Hill. The City’s current assessment did not disclose which specific weekday evenings were sampled. Without these measures, conflicts with surrounding businesses over noise and parking will remain inevitable given that 135 units of housing are proposed by the developers on 17th Street. Robust mitigations (more than thickened glass treatments for the new residences) need to be identified in the DEIR.

9) Inadequate and Inaccurate Study of Air Quality

Increased traffic from the proposed high-density development will significantly impact air quality and erode quality of life in the neighborhood. This impact was not adequately addressed in the DEIR, nor in the underlying Eastern Neighborhoods EIR -- both specifically at the Corovan site and in the cumulative. City Planning continues to rely on outdated analysis from the Eastern Neighborhoods Environmental Impact Report produced in 2007 - 2008. The Potrero Hill area continues to develop at a greater pace than originally anticipated by City Planning yet there appears to be no baseline analysis of current air conditions. Recent study and news reports have raised alarm about the growing danger and risk to public health of traffic-related pollution – most especially to children. The project specific and cumulative impacts on air quality have not been fully considered and evaluated in the DEIR.

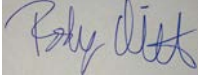
Conclusion

I regret to say that we are dealing with tone-deaf Project Sponsors in Walden/Prado (Potrero Partners). They have simply refused to listen to and respect the wishes of the Potrero Hill

community. A majority voice has repeatedly expressed opposition to what these developers are currently proposing. Save The Hill shared its alternative adaptive reuse plan with the developers earlier this year and offered to meet with them -- an offer they quickly rebuffed. Their so-called community outreach has been, frankly, a sham, designed to ignore and minimize neighbor input and to market a vastly oversized project. Despite a personal pledge that they wouldn't build a Mission Bay-type development after Save The Hill succeeded in getting their Kaiser Medical project relocated to Mission Bay ... Walden/Prado are once gain attempting to steamroll the community with another Mission Bay-type development.

We look forward to working with City Planning on the above items of concern.

Respectfully,

A handwritten signature in blue ink, appearing to read "Rod Minott", is placed over a light gray rectangular background.

Rod Minott, on behalf of Save The Hill

May 4, 2016

Rodney Fong, Commission President
Dennis Richards, Commission Vice President
Cindy Wu, Commissioner
Michael J. Antonini, Commissioner
Rich Hillis, Commissioner
Christine D. Johnson, Commissioner
Kathrin Moore, Commissioner

Re: 901 16th / 1200 17th Streets
Case No. 2011.1300

Dear Commissioners,

I am writing on behalf of Save The Hill, a grassroots neighborhood group dedicated to the health, culture, heritage and scenic beauty of Potrero Hill.

As of May 4, 2016, 330 people from the Potrero Hill community have signed our petition calling on the developers of 901 16th / 1200 17th to make a number of reasonable modifications to their proposed project. Each one of you has received a copy of this petition along with more than 135 comments by signers. Many of these community signers have left very thoughtful comments regarding the importance of this project to the future of the neighborhood. Additionally, a number of neighbors have submitted letters to you in support of Save The Hill's proposed project modifications. To date, the developers have offered no concessions or meaningful modifications on any of the points of community concern – concerns that are highlighted below.

We worry that a development much larger in scale and impact than nearby Daggett Place (1010 16th Street at 7th) will soon rise, despite wide support from the community favoring reasonable modifications. The 3.5-acre development site is a “Gateway” location to the neighborhood but the developer's current proposal fails to treat it as such.

Numerous community meetings and extensive outreach organized by Save The Hill over the past few years have informed the following list of community priorities:

*** Reduce Height, Scale, Massing On 16th Street:**

- Reduce the project's height and massing on 16th Street to respect the topography of the hill and to reduce shadowing of the project's proposed pedestrian alleyway and the new Daggett Park. Attendees at multiple Save The Hill meetings over the past few years have called for breaking up the mass of the 16th Street buildings. (“Make 16th Street look more like 17th Street”.) The currently proposed 16th Street structures have the effect of creating a canyon on 16th and walling off Potrero Hill. Moreover, the Potrero Hill Area Plan specifically calls for following topography and reducing height starting on the south side of 16th Street.

- Reduce or eliminate eyesore rooftop mechanical/elevator/stair penthouses. Cap all heights (including penthouses) on the 16th Street side of the project to between 58 feet to 68 feet. The developer's current plan proposes heights of between 72 feet and 83 feet due to sizable clusters

of rooftop mechanical/stair/elevator penthouses. Especially egregious is the Northwest corner building that is adjacent to the pedestrian alleyway and utilizes oversized rooftop elevator and stairway penthouses.

*** Increase Public Open Space:** Increase publicly accessible open space by widening the proposed North/South pedestrian promenade to at least 40 feet throughout the development site. The proposed public open space in the project remains inadequate; the planned private open space is double the size offered for public open space. The so-called public pedestrian North-South alleyway should be widened from the planned 22 feet to at least 40 feet throughout the passageway. There should be more green soft-scape and less hard-scape for the pedestrian alleyway. A 40-foot wide promenade would significantly improve the pedestrian experience, enlarge publicly accessible open space, encourage public gathering, and mitigate shadowing. The developers of 1601 Mariposa agreed to dramatically widen a similar pedestrian passageway for that project — a model of goodwill that the developers of 901 16th / 1200 17th have so far refused to emulate.

*** Amplify Authenticity / Adaptive Reuse:** Reuse distinctive materials and features of the current metal warehouses in order to create visual and historic continuity between old and new uses at the site. The Final Environmental Impact Report (EIR) has now identified the Metal Shed Reuse Alternative as the environmentally superior project. We support this alternative as the preferred choice. The developer should do more to include elements of adaptive reuse in the project that go beyond tokenism. This would entail retaining and incorporating into the proposed project more signature features and materials of the existing metal warehouses. Save The Hill submitted to the developers specific examples of what could be retained and repurposed. As one example, the steel framing of the western metal warehouse (currently the green/red warehouse running between 17th and 16th Streets) could be retained and utilized as a “canopy” for the pedestrian promenade. The overall effect of incorporating original features and materials would be more respectful of existing neighborhood character.

*** Increase Commercial / Retail On 17th Street, More Diverse Uses:** Replace housing on 17th Street with more diverse commercial uses such as space for artists, makers (light PDR), non-profit groups, and neighborhood serving retail, which will help reduce conflicts between the Bottom of the Hill nightclub and new residents, as well as providing neighborhood services and amenities.

*** Traffic:** Reduce parking and traffic congestion by shrinking the project and limiting the amount of stalls in the off-street parking garage.

*** Formula Retail:** Prohibit formula retail within the development

A number of other items related to project impacts remain points of controversy and concern. The Environmental Impact Report and Response to Comments for 901 16th / 1200 17th Street inadequately or inaccurately addressed the following:

Metal Shed Reuse Alternative – Economic Feasibility

The DEIR and Response to Comments inadequately address or consider economic feasibility of the Metal Shed Reuse Alternative thus impairing informed decision-making. Per California

Superior Court case Preservation Action Council v. City of San Jose, 2006, 141 Cal. App.4th 1336, the City of San Francisco needs to independently review and confirm with qualified experts any information provided by the developer regarding economic feasibility or infeasibility. The Planning Department continues to duck this issue. Various drafts of the draft EIR and Response to Comments contain verbal acrobatics in addressing and considering economic feasibility. The following timeline of excerpts from various drafts addressing the Metal Shed Reuse Alternative serves as an example (**bold font my emphasis**):

May 2015 / DEIR: *It is **unknown** if this alternative would meet the objective to develop a financially feasible project.*

August 2015 / DEIR: *The project sponsors contend that this alternative **would fail** to meet the objective to develop a financially feasible project.*

April 2016 / DEIR RTC: *As noted in the Draft EIR, the financial feasibility of the alternatives **has not been proven or disproven** through substantial evidence (Draft EIR pages S.24, VI.5, VI.13, and VI.34), though it was noted that the project sponsor contended the Metal Shed Reuse Alternative **would not be financially feasible** (VI.27). Page IV.27 of the Draft EIR is revised as follows to clarify that the alternative is considered to be **potentially feasible**:While the City considers this alternative to be **potentially feasible**, **The project sponsors contend that this alternative ~~✗~~ could fail to meet the objective to develop a financially feasible project.***

As seen in the above editing revisions, the Planning Department (under pressure by the developers who were allowed to revise and edit various EIR/RTC drafts) is simply dodging an answer to the economic feasibility issue that would be resolved by further study and analysis. To date, no substantial evidence finding infeasibility of the Metal Shed Reuse Alternative has been provided/submitted even though the developer continues to assert the Metal Shed Reuse Alternative “would” or “could” be infeasible.

Inadequate & Inaccurate Study of Land Use (And Planning Policies Ignored)

The DEIR and Response to Comments as well as City Planning’s previous environmental studies and projections for Potrero Hill fail to take into account a project of this scope at this site – including its impacts. Official environmental analysis currently on record in the Eastern Neighborhoods Plan considered heights of between 45 feet - 50 feet at the property, not 72 feet to 83 feet. There is deficient evidence that the density and height have been adequately or properly evaluated in prior environmental review by the City during the Eastern Neighborhoods EIR process (including in Comments and Responses to both the 901 16th Street /1200 17th Street and final Eastern Neighborhoods EIRs).

The proposed project remains inconsistent with many policies and principles of the Potrero Hill Area Plan. In accordance with the Showplace Square/Potrero Hill Area Plan policy calling for lowered heights on the south side of 16th Street, the underlying final Eastern Neighborhood EIR (which the 901 16th / 1200 17th Street EIR tiers off from) does address heights rising 65 feet to 68 feet – but only on the north side of 16th Street (not the south side of 16th where the proposed project is located). As cited in the Eastern Neighborhood EIR: “Height limits in the established residential areas of Potrero Hill would remain unchanged at 40 feet. The Preferred Project establishes heights of 65-68 feet within the core of Showplace Square between U.S. 101 and I-

280, north of 16th and south of Bryant Streets.”

Moreover, this 45 to 50 feet height and density were affirmed, codified and called for in the final Showplace Square/Potrero Hill. Objective 3.1/Policies 3.1.1 & 3.1.2 state: Adopt heights that respect, “the residential character of Potrero Hill.” “Respect the natural topography of Potrero Hill Lowering heights from the north to the south side of 16th Street would help accentuate Potrero Hill.”

Area Plan, City Policy Objectives & Principles Ignored

The DEIR and Response to Comments remain inadequate and inaccurate because they fail to adequately consider that the proposed project conflicts with the Showplace Square / Potrero Area Plan, and the Urban Design and Housing Elements of the City’s General Plan, by disregarding policies of preserving neighborhood scale and character, providing adequate infrastructure, and preserving PDR uses. Both the Corovan development project and the DEIR/Response to Comments fail to adequately address the following consistency issues:

A. Objective 3 of the San Francisco General Plan’s Urban Design Element:

“Moderation of major new development to complement the city pattern, the resources to be conserved, and the neighborhood environment.”

The scale and density of the Prado/Walden project are substantially greater than existing surrounding Potrero Hill land uses and the project would be inconsistent with the established land use character of the neighborhood. The DEIR and Response to Comments fail to acknowledge and consider that the Daggett Triangle development at 1010 16th Street in Showplace Square, as well as other large developments in nearby Mission Bay, are in separate and distinct neighborhoods that are not part of the Corovan site in Potrero Hill.

B. Objectives of the Showplace Square / Potrero Area Plan:

The Prado/Walden project conflicts with a number of Area Plan objectives including Objective 1.2, which promotes development in keeping with neighborhood character. This project is inconsistent with the established neighborhood character of Potrero Hill. The Showplace Square/Potrero Hill Area Plan, in Policy 3.1.6, states that, “new buildings should epitomize the best in contemporary architecture, but should do so with a full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings that surrounds them.” As proposed, the project’s 16th Street building fails to match the height, mass, and articulation of existing buildings in the Potrero Hill vicinity and provides little awareness of surrounding neighborhood structures.

C. Policy 2 of the City’s General Plan: “That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.”

The Prado/Walden project is not consistent with this policy because scale, mass, bulk and height are inconsistent with and will negatively impact established neighborhood development pattern and character. The proposed development is dramatically out of scale with nearby residences and

small businesses.

Aesthetics – Not Adequately Addressed or Analyzed

As noted above, the scale, height, and density of the proposed project (72 feet to 83 feet and 395 residential units) remain inconsistent with numerous terms set out in the Showplace / Potrero Hill Area Plan. This was not adequately addressed in the DEIR and Response to Comments. Prior study contained in the Eastern Neighborhoods Environmental Impact Report, produced and relied upon by City Planning for all new development, is now eight years old and did not properly and adequately evaluate, analyze, consider or anticipate a project of the size, height, or density proposed by the developer at the Corovan location. In fact, all of the analyses completed for the Eastern Neighborhoods EIR anticipated a height on the Corovan parcel of 45 feet to 50 feet – not 72 feet to 83 feet as proposed by the developer.

The developer's drawings indicate 72' to 83' high mechanical/stair/elevator penthouses that push the building heights well above the 68 feet height limit. These penthouses only serve to enable private views via access to amenity rooftop decks; they should not be credited as legitimate open space. The developer's proposed project and penthouses will also contribute to obscuring a cherished landmark of Potrero Hill – scenic public views of downtown San Francisco. This conflicts with long-standing city and state policies regarding protection of public scenic vistas. Even though the general public and decision-makers rely on an EIR for primary source information to make informed decisions about a project, the Planning Department has failed to provide a robust analysis of aesthetic impacts. City Planning ignored calls to provide accurate and adequate computer generated 3-D modeling visual simulations on the impacts of the project (including stair, elevator, mechanical penthouses) to public scenic views of downtown. The visual simulations offered in the DEIR remain inadequate and highly misleading. The DEIR and Response to Comments do not adequately address the above issues.

Inconsistent with Showplace / Potrero Hill Area Plan On Respecting Public View Corridors

“Respect Public View Corridors”, Policy 3.1.5 of the Showplace Square/Potrero Hill Area Plan states: “San Francisco’s natural topography provides important way finding cues for residents and visitors alike, and views towards the hills or the bay enable all users to orient themselves vis-à-vis natural landmarks. Further, the city’s striking location between the ocean and the bay, and on either side of the ridgeline running down the peninsula, remains one of its defining characteristics and should be celebrated by the city’s built form.”

By proposing a single massive structure at the base of Potrero Hill the developers completely ignore the natural environment surrounding the site. The height, bulk, and mass, of their project will undermine (and in some cases destroy) Potrero Hill’s visual integration with downtown. The significant impacts on aesthetics including public views have not been adequately or properly evaluated in the DEIR and Response to Comments, and have been ignored by the developers.

Inadequacy of Addressing Cumulative Impacts

Recent analysis shows the 395 units proposed for 901 16th / 1200 17th project will result in the Potrero Hill / Showplace Square area exceeding the number of housing units the City planned and projected for 2025. Under its Preferred Project Option approved in 2008, the Planning

Department planned for up to 3,180 housing units built by 2025 in the Potrero Hill / Showplace Square area. But as of February 2016, recent City Planning analysis shows 3,315 units already in the pipeline or built. The City failed to anticipate the dramatic pace of development and has not delivered on its promise to provide necessary public improvements (parks, transit, roads, etc.) to support thousands of new residents. City Planning analysis understates the “cumulative impacts” of large developments throughout Potrero Hill/Showplace Square by continuing to rely on outdated data from the 2008 Eastern Neighborhoods Environmental Impact Report to inform analysis in the EIRs of large projects, including the proposed 901 16th / 1200 17th Street development. Assumptions and mitigation measures provided in that document are simply no longer valid. The DEIR and Response to Comments do not adequately address cumulative impacts.

Loss of PDR

The project would eliminate 109,500 square feet of PDR space. The DEIR and Response to Comments inadequately address the pace of PDR loss and the need for greater diversity of uses (other than residential) in the proposed project. The project should be revised to include light PDR / trade spaces.

Historic Resource

Collectively, the Potrero Hill industrial complex at 901 16th / 1200 17th Streets contains the last remaining structures of the Pacific Rolling Mill, which began operating in the Central Waterfront in 1868 before reorganizing and relocating to Potrero Hill in the early 1900s. The buildings are also the last remaining extant structures of the merged companies, Judson-Pacific Company (1928), and Judson-Pacific-Murphy Company (1945) in San Francisco.

Recently, members of the San Francisco Historic Preservation Commission applauded the DEIR’s “Metal Shed Reuse Alternative” and recommended the project sponsor incorporate more of it into a final design – a recommendation the developer has continued to ignore (see 9/21/15, HPC letter to Sarah B. Jones, SF Planning Department).

The DEIR, Response to Comments, and developers fail to address and propose mitigations that would avoid significant and negative impacts due to mass and scale upon the *entire* building site (which includes the metal warehouses) and environment in accordance with the Secretary of Interiors standards.

Among many other reasons noted by architectural historian Katherine Petrin, the metal steel buildings should be added as historic resources because the 1,200 square foot red-brick office building alone insufficiently conveys the historic significance of the Pacific Rolling Mill site. Moreover, Petrin made other determinations of historic integrity and merit that have been inadequately addressed or ignored by the DEIR and Response to Comments including the following: 1) a continuity of heritage existed through various mergers of the Potrero Hill company 2) association with important or significant persons other than the company’s original founder, Patrick Noble 3) expanded Period of Significance (POS) to 1946/1947. For these and the other above reasons, the DEIR and Response to Comments remain inadequate.

Transportation / Circulation – Inadequacies and Inaccuracies:

1. The change in traffic study impact methodology from LOS to VMT distorts and minimizes real and significant traffic congestion impacts. Thus these impacts are inadequately addressed and mitigated in the DEIR and Response to Comments. Moreover, the change in study methodology to VMT occurred after the DEIR comment period for 901 16th Street closed and thus without adequate opportunity for public comment.

2. Under Response TR-8, page RTC.69 in the Response to Comments:

... neither 17th Street nor Mississippi Street are identified as routes having significant truck traffic and San Francisco does not otherwise designate "Truck Routes."

This is simply inaccurate. Mississippi to 17th is a designated truck route that is heavily used by trucks – especially trucks exiting off or entering I-280. Mariposa Street between Connecticut and Mississippi Street is a restricted truck route (no vehicles over three tons). There is signage on Mariposa at Mississippi Streets stating: "Truck Route" directing large trucks to turn North onto Mississippi. The EIR does not adequately address significant impacts of the proposed project regarding truck traffic.

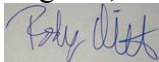
3. The EIR and Response to Comments do not address impacts of the project related to SFMTA's proposal to place a commuter Shuttle stop at the 17th and Mississippi Street intersection.

Exceptions Should Be Rejected

The Project Sponsor seeks waivers or exceptions for the following: 1) Rear Yard 2) Parking 3) Horizontal Massing. These exception requests are unnecessary and improper, and, if granted, would contribute to an inferior and poorly designed project.

For all of the above reasons, we respectfully urge you to support and insist on the reasonable modifications called for by the community. I would be happy to discuss this matter with you at your convenience ahead of the May 12th hearing – my phone and email are listed below.

Regards,



Rodney Minott
On behalf of Save The Hill
rodneyminott@outlook.com
(415) 407-7115

May 11, 2016

Re: Follow Up comments 901 16th /1200 17th Streets

Dear Commissioners,

After reviewing the recent submissions and findings by the Planning Department and Project Sponsor, I wanted to follow up with a few additional comments on behalf of Save The Hill.

901 16th Street Building

The proposed building is oversized in relation to the residential and small business character of Potrero Hill. The building takes design cues from Mission Bay and fails to make enough of a distinction between large Mission Bay style institutional buildings and residential neighborhoods. Potrero Hill remains threatened by Mission Bay creep. The 16th Street component of the project should be smaller, reduced in height, mass, and scale. Rooftop penthouses should be more dramatically minimized or eliminated through better design and sensitivity to neighbors. As currently designed by the Project Sponsor, this building ignores multiple Showplace Square / Potrero Hill Area Plan policies, including Objective 3.1, Policy 3.1.1, 3.1.2, and 3.1.9: Adopt heights that respect, “the residential character of Potrero Hill” ... “Respect the natural topography of Potrero Hill Lowering heights from the north to the south side of 16th Street would help accentuate Potrero Hill,” and to “promote preservation of other buildings and features that provide continuity with past development.”

Public Open Space

-North/South Pedestrian Alleyway. The Project Sponsor’s lawyer/lobbyist Steve Vettel repeatedly and erroneously writes that, “... *A 30-foot wide heavily landscaped pedestrian alley runs along the western property line ...*” Moreover, the Project Sponsor writes:

.... the width of the Pedestrian Promenade at grade has been voluntarily increased from the required width of 20’ to a width that varies between 26’ to 32’.

These statements are simply inaccurate. The Project Sponsor’s own plans included in the Commission packet show the alley varies in width between approximately 20 feet and 30 feet. Stoops and balconies jutting into the walkway limit the width to less than 30 feet for most of the entire length. We would like to see the Project Sponsor emulate the 1601 Mariposa Street project and include at least a true 40 foot wide public pedestrian alleyway along the Western length of the project that is not reduced in width by horizontal and vertical obstructions of building stoops and balconies.

-East/West Mews. The Project Sponsor proposes to keep this common area gated and off-limits to public access. We would like to see the East/West mews ungated and accessible to the public as an additional walkway, again emulating the precedence established by the 1601 Mariposa Street development.

Reuse of Metal Warehouses

- **Historic Preservation Commission.** The full Historic Preservation Commission at its September 2015 meeting recommended that the Project Sponsor incorporate more of the Metal Shed Reuse Alternative (per HPC 9/21/15 letter: “...(*redesign*) includes appropriate concepts, such as materials, scale and massing from the Metal Shed Reuse alternative...”) into a FINAL building design — a recommendation later ignored by both the Project Sponsor and the Architectural Review Committee (ARC) of the HPC. The latest renderings that reflect use of some trusses and the water tank were never reviewed by the HPC or ARC. We would like the Planning Commissioners to direct the Project Sponsor to better incorporate distinctive features and materials of the existing metal warehouses in order to create visual and historic continuity between old and new uses at the site, and to ensure that these elements are integral to the final design rather than treated as an afterthought. We would also like the HPC to review a final design.

- **Adaptive Reuse.** The Project Sponsor proposes “...incorporating the few interesting elements of the metal warehouses, such as some roof trusses and a water tank, into the landscape design.” Conceptual drawings by Lundberg Design were included in your packets. These preliminary drawings should be improved upon in order to make elements of the metal warehouses truly integral to the overall design, rather than slapped on afterthoughts as they appear to be now. The Project Sponsor continues to squander an opportunity to treat this sensitive location as an important “gateway” into the Potrero Hill neighborhood.

- **Retail/PDR.** The Metal Shed Reuse Alternative offers nearly as much neighborhood serving retail and commercial space as the Project Sponsor’s plan, plus it includes light PDR/trade shop space (unlike the Project Sponsor). These facts were misrepresented by City Planning findings. According to one of the Project Sponsor’s own consultants, Seifel Associates, the Metal Shed Reuse Alternative would contain more than 20,000 square feet of leasable retail space versus 23,000 square feet leasable retail space proposed by the Project Sponsor plan.

- **Economic Infeasibility.** As far as economic feasibility of the Metal Shed Reuse Alternative, which envisions generous light PDR/trade space, the Planning Department fails to cite independent analysis of experts in justifying a conclusion that the Metal Shed Reuse Alternative remains infeasible. Instead it merely recites conclusions from a memorandum prepared by a consultant for the Project Sponsor — a report paid for by the Project Sponsor. The Planning Department’s findings appear to be based largely on statements or information provided by the developer applicant. According to California legal cases, Courts remain skeptical of this kind of analysis lapse. Per *Preservation Council v. City of San Jose*, City Planning needs to independently review and confirm (with qualified experts) any information provided by the developer regarding economic feasibility or infeasibility. There’s no apparent evidence in the record of City Planning doing this.

Historic Integrity Study

It’s regrettable that the Planning Department gave more weight to a historic integrity report prepared for the City by consultant Christopher Ver Planck rather than the one prepared for Save

The Hill by architectural historian Katherine Petrin. While City Planning had numerous communications with its historic resource consultant there is no evidence on the record of Planning contacting Petrin as part of an objective investigative process — even though Save The Hill recommended that City Planning should do this as part of an independent investigation. This neglect occurred despite the fact that City Planning acted as a final arbiter empowered to choose between experts dueling over the merits of historic integrity of the metal warehouses.

Project Sponsor Letters of Support. As you review the Project Sponsor’s letters of support, we ask that you consider the following: Very few of the letters were written by Potrero Hill residents. Most are from large property owners who are land-banking, friends of the Project Sponsor, non-profits who benefit from donations, and Dogpatch residents who live nearly a mile away from the project site. Furthermore, a number of the letters were submitted back in 2015 in response to the DEIR, before the final design was submitted.

I’d be more than happy to discuss any of the above with you at your convenience.

Regards,

Rodney Minott
on behalf of Save The Hill
rodneyminott@outlook.com
(415) 407-7115

5 October 2015

Sarah B. Jones
Planning Department
1650 Mission Street, Suite 400
San Francisco, California 94103

Re: 2011.1300E DEIR Pacific Rolling Mills, 901 16th Street / 1200 17th Street

Ms. Jones:

I am writing with regard to the discussion of Historic Resources within the *Draft Environmental Impact Report* for the proposed project at 901 16th Street, 1200 17th Street, the historic Pacific Rolling Mills site.

In 2013, I was requested by Save the Hill to provide professional consulting services as an Architectural Historian and Preservation Planner with regard to whether the Pacific Rolling Mills site retains sufficient integrity to convey its significance as a historic resource for purposes of the *California Environmental Quality Act* (CEQA).

It was my finding that overall, the complex retains many key elements of the original construction, its plan, forms, massing, proportions, architectural vocabulary, and its overall expression of a large-scale industrial operation. Because the complex retains these elements, it is sufficiently intact to convey its historical association with the Pacific Rolling Mills Company and to convey enough of its historic character to be recognizable as a historic resource. The site's metal shed components, together with the brick office building, comprise the historic resource and are subject to the protections afforded by CEQA.

The Metal Shed Reuse Alternative incorporates the historic metal structures with new construction and is the preferable option because it better conveys the impressive scale of the Pacific Rolling Mill operations. This alternative provides a fantastic opportunity to convey the industrial heritage of Potrero Hill. I request the Planning Department revise the DEIR to accurately recognize the site's historic resources and to work with the developer to achieve a reasonable compromise and successful project.

Professional Qualifications

Since 2000 I have practiced in San Francisco as an Architectural Historian and Preservation Planner. As such, I regularly use the National Register and California Register criteria of evaluation for historic buildings. In the course of my work, I utilize local, state, and national preservation regulations and regularly prepare historic significance assessments for environmental review documents. I meet the *Secretary of the Interior's Historic Preservation Professional Qualifications Standards* in History and Architectural History.

Sincerely,



Katherine Petrin

Pacific Rolling Mill Co.
1200 - 1210 17th Street
San Francisco, California

.....

Evaluation of Integrity



prepared for
Save The Hill

prepared by
Katherine Petrin Consulting
Maybeck Building
1736 Stockton Street, Suite 4
San Francisco, California 94133

.....

February 2014

I. Executive Summary

At the request of *Save the Hill*, a neighborhood organization, this analysis has been prepared to address the issue of integrity with regard to the industrial structures located at 1200-1210 17th Street, San Francisco. The approximately 3.5-acre site is located on parts of Blocks 3949 and 3950 and includes APNs: 3949/001, 001A, and 002, and 3950/001. This complex, mostly comprised of large-scale, utilitarian warehouses, originally functioned as the foundries, sheds, machine shops, and offices of the Pacific Rolling Mill Company, at one time the West's largest steel fabricating concern. The subject site sits on Blocks 3949 and 3950 (now one block) and is bounded by 16th and 17th Streets (north and south) and Mississippi Streets (east). Pacific Rolling Mill built four of the site's five buildings:

- 1200 17th Street, a brick office building (dating to 1926)
- three interconnected, steel-frame warehouses:
 - 1210 17th Street (and 975 16th Street), a warehouse with a green-painted facade on 17th Street and a red-painted facade on 16th Street (dating to 1908)
 - 1200 17th Street, gray steel warehouse (dating to 1926)
 - 1100 17th Street, gray steel warehouse (dating to 1908)
- 901 16th Street, a modular office structure (erected 1996)¹

Comprising approximately 109,500 total square feet, the buildings are currently occupied by Corovan Moving and Storage. They remain in warehouse use with associated office use in the modular structure.

In recent years, there has been equivocation on the matter of the historic status of the site. As is noted in the *Showplace Square Historic Context Statement* (2009), "parts of the old Pacific Rolling Mills complex survive intact, including the large corrugated steel warehouse at 1200 17th Street. The Pacific Rolling Mills facility is notable as an early example of corrugated steel construction in the survey area."²

As part of the Showplace Square survey effort, the Planning Department assigned the buildings (excluding the modular structure) a California Historical Resource Status Code of 3CS, meaning the property appears eligible for the California Register through survey evaluation. The property owner disputed this determination, and, in 2011, retained the firm Page & Turnbull to assess the property's historic significance. Page & Turnbull determined the brick office building qualifies as a historic resource, but that the rest of the site merited a California Historical Resource Status Code of 6Z, meaning that the buildings are ineligible for designation. The Historic Preservation Commission concurred. As of the present date, the Planning Department agrees that the site is historically significant for its association with the Pacific Rolling Mill Company, established in San Francisco in the 1860s.³ The Planning Department further agrees that the brick office building retains a Status Code of 3CS and is a "known historical resource." The steel warehouses are not, at present, considered historic resources based on insufficient integrity.

As expected at a continually active industrial site, alterations, most unrecorded and unpermitted, have occurred over time. While dilapidated, these structures, industrial vernacular in style, retain a high degree of original material. In addition, they retain the original massing, architectural vocabulary, and overall expression of a large-scale industrial operation, coupled with the pared-down simplicity of utilitarian forms.

¹ Summarized from *Historic Resource Evaluation Part II, 1200 Seventeenth Street, San Francisco, California* by VerPlanck Historic Preservation Consulting, dated 21 March 2013.

² Kelley & VerPlanck Historical Resources Consulting. *Showplace Square Historic Context Statement*. October 2009.

³ Correspondence related to the historic significance of the Pacific Rolling Mill site from the Planning Department to Rod Minott of *Save the Hill*, dated 8 October 2013.

With regard to integrity of the steel warehouses, the document *Historic Resource Evaluation Part II, 1200 Seventeenth Street*, suggests that the basic building forms were originally constructed as sheds, open along the perimeter; and, that walls were constructed at a later date to transform the sheds into enclosed structures.⁴ Additional new information, including historic photographs, indicates that the buildings attained their present form before the end date of the period of significance, 1947.

The overall finding of this evaluation is that the steel-frame warehouses retain sufficient integrity to convey the historic significance of the Pacific Rolling Mill Company site during its period of significance, 1899-1947. (See section below on Period of Significance for further discussion.)



Figure 1: Three men stand alongside a grade-level truck scale in front of the Judson-Pacific Co. building at 1200 17th Street. Extant building features include: the brick facade, sills, and arched portal; multi-light steel sash windows; and cast-cement sign. The sign notes the company's establishment date as 1868. Image dated 1941. Source: Bancroft Library, University of California, Berkeley.

⁴ VerPlanck, Christopher. *Historic Resource Evaluation Part II, 1200 Seventeenth Street, San Francisco, California*. 21 March 2013.

II. Methodology

The methodology used to prepare the following integrity assessment has been informed by multiple site visits (confined to the public right of way without interior access), documentary research compiled by *Save the Hill*, and an evaluation of integrity based on the criteria of the National Register of Historic Places and the California Register of Historical Resources. Other historical background information has been gathered from the records of the San Francisco Planning Department, Sanborn Fire Insurance maps, aerial photographs, and historic and existing conditions photographs of the surrounding area, site, exterior, and interior. Structural or economic assessments are outside the scope of this analysis. An evaluation of historic significance is also outside the scope of this analysis, though a summary of previous research follows.

III. Summary of the Historical Development of the Pacific Rolling Mill Company⁵

The historic significance of the Pacific Rolling Mill Company and its role in the development of the construction of the West, including the post-earthquake reconstruction of San Francisco, has already been established and acknowledged by the Planning Department.⁶ A brief summary follows.

In 1866, the Pacific Rolling Mill Company was established in San Francisco as the first major iron-producing venture in the West. The company's heavy industrial manufacturing facilities were located at Potrero Point (now Pier 70). For approximately 30 years, an era marked by the dramatic growth of San Francisco and the West, the Pacific Rolling Mill Company aided the region's expansion, successfully producing and supplying steel from the Potrero Point site. Due to financial setbacks, the company suspended operations in 1898 and closed. Within a year, the Pacific Rolling Mill Company reorganized. Under the auspices of former Superintendent and General Manager Patrick Noble, a successor company (of the same name) emerged and built new structural steel manufacturing facilities on Potrero Hill on parcels bounded by 17th, Mississippi, and Texas Streets. An issue of the *San Francisco Call Newspaper*, dated 23 December 1899, carried a notice of a building contract for a new structure for the Pacific Rolling Mill Company described as "a building of steel, wrought and cast iron work" costing \$13,500, establishing the company's presence by that date.

The venture was immediately successful. As early as 1905, the facilities expanded to create a substantial, heavy industrial complex on, and in close proximity to, the present site. That complex included a foundry, core oven, blacksmith, machine shop, five small furnaces, and a pattern shop.⁷ In the post-1906 era, the company supplied steel to the Fairmont Hotel, the Crocker Building, the Flood Building, the St. Francis Hotel, the Chronicle Building, San Francisco City and County Hospital (General), San Francisco Main Library, and the California State Capitol building in Sacramento, to name just a few projects.

The late 1920s and early 1930s represented an era of further success and expansion for the company. New structures costing approximately \$120,000 were built at the site and an additional \$200,000 was spent on new machinery and other necessities. The company was also in a position to purchase the land, which had been leased until that time.

After the 1928 merger between the Pacific Rolling Mill Company and the Judson Manufacturing Company, the new enterprise formed the largest steel fabricating concern in the West. The company then known as

⁵ The information in this section is summarized from *Building the West*. More detailed and cited information in that document confirms the historic significance of the Pacific Rolling Mill Company.

⁶ Correspondence related to the historic significance of the Pacific Rolling Mill site from the Planning Department to Rod Minott of *Save the Hill*, dated 8 October 2013.

⁷ See *Building the West*.

Judson-Pacific prospered in spite of the Great Depression. During the 1930s Judson-Pacific provided steel for many important individual buildings in addition to public infrastructure projects including: Hoover Dam, the Golden Gate and Bay Bridges, San Francisco's Grace Cathedral and Pacific Telephone and Telegraph Building, and the Colorado Aqueduct. In 1945, Judson-Pacific Company merged with the J. Philip Murphy Corporation to create Judson-Pacific-Murphy Corporation, which remained at the 17th Street address until 1947, before moving to Emeryville.

During the lifetime of the Pacific Rolling Mill Company, it played a key role in the post-earthquake reconstruction of San Francisco through World War II. It contributed to the emergence of steel-frame building technology at the beginning of the 20th century. It was responsible for supplying steel from the Potrero Hill site to some of the region's most important buildings and infrastructure projects. These projects, undertaken from the company's start through the 1920s, 30s, and the build-up of the Bay Area's industrial capacity for the 1940s war effort, are important not only in the context of the history of Potrero Hill and San Francisco, but also the State of California and the nation.

IV. Eligibility as a Historic Resource

As stated above, previous research, accepted and acknowledged by the City of San Francisco Planning Department, has established that the site is significant at the local level under California Register Criterion 1, as it is associated with patterns of events that have made a significant contribution to the broad patterns of local history of California, in this case the construction of buildings and infrastructure and the industrialization of San Francisco and the West.

The site is also significant at the local level under California Register Criterion 2, for its association with persons, Patrick Noble, Edward B. Noble, H.F. Hedrick and Frank Lester, among others, who founded, built, and ran the company, which resulted in the construction of some of San Francisco's most important structures.

V. Period of Significance

The guidelines of the National Register of Historic Places state that a Period of Significance is "the length of time when a property was associated with important events, activities or persons, or attained the characteristics which qualify it for listing."⁸

The period of significance of the Pacific Rolling Mill Company site at 17th and Mississippi Streets, based on the criteria stated above, spans from 1899 to 1947. Planning for the site began in 1899, as evidenced by the date of the contract to erect the first buildings. The construction phase followed immediately as steel production was underway in mid-1900. By 1900, the newly reorganized enterprise established its manufacturing facilities at the site, a few blocks from Potrero Point, the initial location of the earlier incarnation of the company.

A major building campaign dating to 1928-1931 resulted in substantial new structures, which are extant. The 1928 merger created Judson-Pacific, then the largest steel fabricating concern in the West. The year 1947, the end date of the period of significance, marks the date that the newly merged Judson-Pacific-Murphy Corporation moved to new facilities in Emeryville, California, concluding almost five decades of steel manufacturing at the site. The innovations of the Pacific Rolling Mill Company continued at the site through successive mergers until at least mid-1947. Since 1900, the facilities have been continually occupied and retain their original warehouse use at present.

⁸ National Register Bulletin 16A, *How to Complete the National Register Registration Form*, p. 42.

VI. Character-Defining Features

This section lists the character-defining features related to the extant structures of the former Pacific Rolling Mill site. A character-defining feature is an aspect of a building's design, construction, or detail that is representative of the building's function, type, architectural style or expression. Generally, character-defining features include specific building systems, construction details, massing, materials, craftsmanship, architectural ornament, and site characteristics that existed within the period of significance. An understanding of a building's character-defining features is a crucial step in developing a rehabilitation plan that incorporates an appropriate level of restoration, rehabilitation, maintenance, and protection.

At the former Pacific Rolling Mill site, there remain elements of historic importance. In some instances, it appears that modern materials obscure historic fabric. Further investigation should be undertaken to determine the exact locations and extent of historic materials. It is not feasible or desirable to suggest that every character-defining feature would need to be retained in any future reuse scenario. However, for a historic resource to convey its significance, its character-defining features should be retained to the greatest extent possible.

Brick Office Building (1926)

two-story, timber-frame brick structure
principal, street-facing façade
arched entry portal (presently obscured) with decorative brickwork and keystone
secondary pedestrian entrance to east
multi-light, steel industrial windows, fixed and pivoting sash
molded window sills, brick
cast-cement sign with incised capital lettering reading "Judson-Murphy Corporation"
corbelled brick cornice
stepped parapet
sloping roof behind parapet
raised skylights at roof level
wood flagpole at roof level

Warehouses (earliest 1908)

axial arrangement on site
industrial scale massing
three-bay industrial form (1200 17th Street)
large-volume, utilitarian structures
steel frame construction, steel posts
corrugated steel cladding
alternating shed and flat roof forms, parallel roof forms
rooftop water tower with conical roof and supporting framework
full span north-facing monitors
north-facing roof monitors, three, short-span
bands of horizontal ribbon windows
transom windows
multi-light steel sash windows
squared door openings
angled canopies

*Interior Warehouse Character-Defining Features*⁹

lofty, open interior spaces
overheight, industrial-scale volumes
exposed structural elements (posts, beams and columns)
exposed truss system, wood trusses
concrete floors

VII. Evaluation of Integrity

For a building to be considered a historic resource for purposes of the California Environmental Quality Act (CEQA), it must be determined to be historically significant and retain integrity. Integrity is a key component of an overall building evaluation. The National Register of Historic Places and the California Register of Historical Resources have specific language regarding integrity. For both the National and California Registers, integrity is the authenticity of an historical resource's physical identity, evidenced by the survival of characteristics that existed during the resource's period of significance. When a property retains its integrity, it is able to convey its significance, its association with events, people, and designs.

The *National Register of Historic Places Bulletin 15* defines integrity as the ability of a property to convey its significance. Integrity involves several aspects, including location, design, setting, materials, workmanship, feeling, and association. To retain historic integrity, a property will always possess several, and usually most, of the aspects. The California Register requires that a resource retain enough of its historic character or appearance to be recognizable as a historical resource.

With the exception of the brick office building, which is vacant, all original structures on the site have remained in continual industrial warehouse use (or related office use) since constructed. After the Judson-Pacific-Murphy Corporation left the site in 1947, other users occupied the premises and, as would be expected, modified the spaces to accommodate the demands of an industrial workplace as necessary. With the exception of the 1990s demolition of the structures at the northeast corner of the site (used as a parking lot at present), the types of changes that have occurred mostly pertain to the interior, such as the removal and replacement of machinery and equipment, the construction of wooden and chain-link partition walls within the open span areas, and door replacement. Other exterior changes include the removal of fencing, modifications to the loading docks, and removal of roof signage. In general, changes have been related to shifting warehouse functions and for the most part are additive and removable.

Changes over time have not affected the essential forms and massing that indicate the industrial nature of the site. To a large degree, primary massing and building configurations have been retained. The principal street-facing wall planes retain a high degree of historic fabric and convey the buildings' original expression.

A high degree of historic fabric appears to remain in place. It appears that original window sash, transoms, clerestories and doors have been covered over on the exterior. While boarded up on the exterior, some are visible from the interior.

⁹ Interior character-defining features of the warehouses are included for information purposes only. The interiors of the subject property have not been assessed to determine levels of integrity. Interiors are sometimes, but not typically, considered in determining historic resource eligibility.



Figure 2: This aerial view shows the Pacific Rolling Mill Co. buildings at 1200 17th Street at the center of this photograph. The location of the site's extant buildings is unchanged. The original footprint of the site's principal buildings has remained virtually unchanged to the present. Image dated 1938. Source: David Rumsey Map Collection (online).

Location

Location is the place where the historic property was constructed or the place where the historic event occurred. Except in rare cases, the relationship between a property and its historic associations is destroyed if the property is moved. The early 20th century structures associated with the Pacific Rolling Mill Company industrial complex remain in their original location at 1200-1210 17th Street in San Francisco. Major structures were added to the existing buildings of the complex during an expansion campaign of the late 1920s. Since that time, the footprint of the site's principal buildings has remained virtually unchanged to the present day. The site retains integrity of location.

Design

Design is the combination of elements that create the form, plan, space, structure, and style of a property. The design approach differed for the small-scale brick building and the corrugated steel warehouses. Though not of the same architectural vocabulary, the two facades are complementary. Their architectural expressions indicated their diverse functions; the front office operations were housed in the brick building and steel manufacturing occurred in the adjacent utilitarian steel warehouses. The two elements are evaluated separately, as follows:

Brick Office Building (1926)

The principal (and only visible exterior) elevation of this two-story, timber-frame brick structure faces 17th Street and retains all original elements. These original elements include: a central arched principal entrance with keystone; a corbelled brick cornice; stepped parapet; molded window sills; multi-light steel

sash windows; and cast-cement sign. The brick elements and ornamentation indicate a more formal expression.

Corrugated Steel Warehouses (earliest 1908)

The steel warehouses can be characterized as industrial vernacular in style. As was typical of early 20th century industrial structures, the warehouses were not architect-designed; as such, design intent was not a concern. They are large-volume, utilitarian structures with lofty, open interior spaces designed for flexibility. Regular in plan, the structures were built and organized to optimize functionality and manufacturing processes. On the exterior there is an absence of ornamentation though the structures had large-scale, roof-mounted signage during the period of significance, which no longer exists.

Their original form and elements include: corrugated wall surfaces, flat and shed roofs, bands of ribbon windows, north-facing roof monitors and clerestories, solid wall planes, open areas for production and transportation of materials, canopies over large-scale openings, and a water tower at the roof level.

The integrity of the basic building form of the steel warehouses has been debated based on the possibility that the steel structures were originally designed as sheds, open along the perimeter. The *Historic Resource Evaluation* suggests corrugated metal walls or siding was added at a later date to transform the sheds into enclosed structures.¹⁰ While this may be accurate, no photographs exist depicting the shed type construction. However, based on the 1941 photograph below, it is clear that the warehouse at right, 1200 17th Street, had corrugated steel walls at least by 1941. Even if the structures were open sheds at one point, they attained the present form before the end date of the period of significance, 1947.



Figure 3: Brick and corrugated steel buildings at 1200 17th Street. Note the corrugated steel façade of the warehouse at right. Image dated 1941. Source: Bancroft Library, University of California, Berkeley.

¹⁰ VerPlanck, Christopher. *Historic Resource Evaluation Part II, 1200 Seventeenth Street, San Francisco, California*. 21 March 2013.

The *Historic Resource Evaluation* also notes that a building permit, dated 3 December 1947, was obtained to re-clad the corrugated steel structures at 1100, 1200, and 1210 17th Street. The 1941 photograph suggests that the re-cladding effort replaced already existing corrugated steel siding.

Overall, the complex retains many key elements of the original construction, plan, forms, massing, proportions, architectural vocabulary, and overall expression of a large-scale industrial operation. The site retains integrity of design.

Setting

Setting is the physical environment of an historic property, constituting topographic features, vegetation, manmade features, and relationships between buildings or open space. Setting refers to the character of the place in which the property played its historical role.

Historically, the location of the Pacific Rolling Mill site was defined by nearby rail lines, the working industrial waterfront, and residential neighborhoods of worker housing stock. At present, the overall neighborhood character and setting is urban and mixed in use, including residential, commercial and light industrial. The complex is currently set amidst a collection of 20th century buildings, representing a range of styles and an overall compatible scale. While many older buildings have been demolished and open lots infilled, the setting has not significantly changed over time. The gridded street pattern serves to reinforce the historic setting. Though some other areas of San Francisco were dramatically altered during the 20th century, many aspects of this setting are largely the same as at the time of construction.

The complex pre-dates the construction of the 280 Freeway Extension of 1973, however this has little impact on the setting itself. In fact, the elevated highway serves to buffer the historic development of Potrero Hill from the incompatible, large-scale new development of nearby Mission Bay.

The site retains integrity with regard to setting.

Materials

Materials are the physical elements that were combined or deposited during a particular period of time and in a particular pattern or configuration to form an historic property. When these utilitarian structures were constructed, the selection of materials was based on functionality and practical concerns. The building materials used are typical of the era and many appear to be original.

Brick Office Building (1926)

The materials of this two-story, timber-frame structure include: brick at the facade, sills, and arched portal; multi-light steel sash windows and cast-cement sign.

Corrugated Steel Warehouses (earliest 1908)

The materials of the warehouse structures include: corrugated cladding and wall surfaces; multi-light steel sash windows; wood framed windows; exposed interior structural elements; steel posts; an exposed wood truss system; and reinforced concrete.

Throughout the site, exterior materials exhibit varying degrees of weathering, deferred maintenance, and dilapidation; however, the structures appear to retain a large amount of original materials. In both the brick and steel structures, doors have been boarded over. Lower portions of the brick facade have been painted as has the glazing of some windows. The fenestration on the first floor level of the corrugated structure at 1200 17th Street has been obscured by other materials. Interior photos appear to indicate that original fenestration exists, but has been covered over on the exterior. The buildings retain integrity of materials.

Workmanship

Workmanship is the physical evidence of the crafts of a particular culture, people, or artisan during any given period in history or pre-history. The original construction techniques are typical of early 20th century industrial structures, as is evident by exposed structural elements and framing and exterior brickwork. The structures retain integrity with regard to workmanship.

Feeling

Feeling is a property's expression of the aesthetic or historical sense of a particular period of time. It results from the presence of physical features that, taken together, convey the property's historic character. Due to large amount of original materials, the retention of the basic building forms, lack of additions, an intact setting, and continual warehouse use, the property retains integrity of feeling as a 20th century industrial facility.

Association

Association is the direct link between an important historic event or person and a historic property. A property retains association if it is the place where the event or activity occurred and is sufficiently intact to convey that relationship to an observer. A property retains association if it is sufficiently intact to be recognizable to the individuals who played a role during the property's period of significance. Like feeling, association requires the presence of physical features that convey a property's historic character.

Because the complex retains its original physical forms, industrial-scale volumes, and a large degree of original materials, including industrial sash windows and other elements, the property is sufficiently intact to convey its historical associations with the Pacific Rolling Mill Company. It retains a high degree of association. Consequently, its association contributes to the property's overall integrity.

In summary, these industrial vernacular style structures convey their characteristics and historical associations, as they existed during the period of significance, 1899-1947. There is no question that the site was altered during its period of significance to accommodate the changing requirements of production of an ever-expanding successful enterprise. Alterations that pre-date 1947 were unpermitted and unrecorded. Alterations after 1947 have not obliterated the forms, massing, materials, or design of the Pacific Rolling Mill Company structures. Weighing all seven aspects together, the Pacific Rolling Mill Company site retains sufficient integrity to convey its historic significance and a chapter of San Francisco's industrial heritage. As required by California Register criteria, the site retains enough of its historic character or appearance to be recognizable as a historical resource.

VIII. Conclusion Regarding Eligibility as a Historic Resource

For a building to be considered a historic resource for purposes of CEQA, it must be determined to be historically significant and retain integrity. As stated above, the San Francisco Planning Department acknowledges that the site is historically significant at the local level under California Register Criterion 1 and 2. Because the Pacific Rolling Mill Company site also retains sufficient integrity to convey its historic significance, it meets the criteria for listing on the California Register of Historical Resources.¹¹

¹¹ The preparer of this report meets the *Secretary of the Interior's Historic Preservation Professional Qualifications Standards* in History, Historic Preservation Planning, and Architectural History and regularly uses the criteria of the National Register of Historic Places in the course of evaluating historic buildings.

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EXHIBIT C

**Link to video of May 12, 2016 Planning
Commission hearing in which testimony was
given on the Project:**

http://sanfrancisco.granicus.com/MediaPlayer.php?view_id=20&clip_id=25373

EXHIBIT D

CASE NUMBER:
 For Staff Use only

APPLICATION FOR Board of Supervisors Appeal Fee Waiver

1. Applicant and Project Information

APPLICANT NAME:		
APPLICANT ADDRESS:		TELEPHONE: ()
		EMAIL:
NEIGHBORHOOD ORGANIZATION NAME:		
NEIGHBORHOOD ORGANIZATION ADDRESS:		TELEPHONE: ()
		EMAIL:
PROJECT ADDRESS:		
PLANNING CASE NO.:	BUILDING PERMIT APPLICATION NO.:	DATE OF DECISION (IF ANY):

2. Required Criteria for Granting Waiver

(All must be satisfied; please attach supporting materials)

- The appellant is a member of the stated neighborhood organization and is authorized to file the appeal on behalf of the organization. Authorization may take the form of a letter signed by the President or other officer of the organization.
- The appellant is appealing on behalf of an organization that is registered with the Planning Department and that appears on the Department's current list of neighborhood organizations.
- The appellant is appealing on behalf of an organization that has been in existence at least 24 months prior to the submittal of the fee waiver request. Existence may be established by evidence including that relating to the organization's activities at that time such as meeting minutes, resolutions, publications and rosters.
- The appellant is appealing on behalf of a neighborhood organization that is affected by the project and that is the subject of the appeal.

For Department Use Only

Application received by Planning Department:

By: _____

Date: _____

Submission Checklist:

- APPELLANT AUTHORIZATION
- CURRENT ORGANIZATION REGISTRATION
- MINIMUM ORGANIZATION AGE
- PROJECT IMPACT ON ORGANIZATION

- WAIVER APPROVED WAIVER DENIED



**SAN FRANCISCO
PLANNING
DEPARTMENT**

**FOR MORE INFORMATION:
Call or visit the San Francisco Planning Department**

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San Francisco CA 94103-2479

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FAX: **415.558.6409**
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Planning Information Center (PIC)
1660 Mission Street, First Floor
San Francisco CA 94103-2479

TEL: **415.558.6377**
*Planning staff are available by phone and at the PIC counter.
No appointment is necessary.*

SAVE THE HILL

www.savethehill.com

June 4, 2016

Re: Board of Supervisors Appeal Fee Waiver

To Whom It May Concern:

My name is Rodney Minott. I am co-founder/President of Save The Hill/Potrero Neighbors. As an officer I am authorized to act on behalf of Save The Hill/Potrero Neighbors to file an appeal and request for granting of fee waiver.

Please let me know if you have any additional questions. Thanks for your consideration.

Regards,



Rodney Minott
Chairman/President, Save The Hill/Potrero Neighbors
Mariposa Street
San Francisco, CA
(415) 407-7115
rodneyminott@outlook.com
www.savethehill.com

City Planning List of Neighborhood Groups - Potrero Hill

FIRST	LAST	TITLE	ORGANIZATION	ADDRESS	CITY	STATE	ZIP	TELEPHONE	EMAIL	NEIGHBORHOOD OF INTEREST
Corinne	Woods		Mission Creek Harbor Association	300 Channel Street, Box 10	San Francisco	CA	94158	415-902-7635	corinnewoods@cs.com	Potrero Hill, South of Market
Janet	Carpinelli	Board President	Dogpatch Neighborhood Association	934 Minnesota Street	San Francisco	CA	94107	415-282-5516	jc@carpinelli.com	Potrero Hill, South of Market
Joyce	Book	President	Vermont St. Neighborhood Association	740 Vermont Street	San Francisco	CA	94107	415-206-9537	joyce@vermontneighbors.com	Potrero Hill
Keith	Goldstein		Potrero-Dogpatch Merchants Association	800 Kansas Street	San Francisco	CA	94107		0 keith@everestsf.com	Mission, Potrero Hill, South of Market
Malia	Cohen	Supervisor, District 10	Board of Supervisors	1 Dr. Carlton B Goodlett Place, Room #244	San Francisco	CA	94102-4689	415-554-7670	Malia.Cohen@sfgov.org; Yoyo.Chan@sfgov.org; Andrea.Bruss@sfgov.org; cohenstaff@sfgov.org	Bayview, Potrero Hill, Visitacion Valley
Mary	Ratcliff	Editor	SF Bay View Newspaper	4917 Third Street	San Francisco	CA	94124	415-671-0789	editor@sfbayview.com	Bayview, Potrero Hill, Visitacion Valley
Rodney	Minotti	Chair	Potrero Hill Neighbors/Save the Hill	1206 Mariposa Street	San Francisco	CA	94107	415-553-5969	rodminotti@hotmail.com	Potrero Hill, South of Market
Scott	Simons	Friend	Friends of Kansas Street	903 Kansas Street #201	San Francisco	CA	94107	415-704-4747	friendsofkansasstreet@gmail.com	Potrero Hill
Sean	Quigley	President	Valencia Corridor Merchant Association	766 Valencia Street, 3rd Floor	San Francisco	CA	94110		0 seanq@paxtongate.com	Castro/Upper Market, Mission, Potrero Hill
Sue	Mortensen	Secretary	Esprit Owners Association	900 Minnesota Street	San Francisco	CA	94107	916-316-3555	smortens@earthlink.net	Potrero Hill
J.R.	Eppler	President	Potrero Boosters Neighborhood Association	1459 - 18th Street, Suite 133	San Francisco	CA	94107	650-704-7775	president@potreroboosters.org	Mission, Potrero Hill, South of Market
Francesca	Panullo	Manager	Sherwin Williams	1415 Ocean Ave	San Francisco	CA	94112	203-376-6868	sw6644@sherwin.com	Bayview, Bernal Heights, Crocker Amazon, Diamond Heights, Excelsior, Glen Park, Inner Sunset, Lakeshore, Noe Valley, Ocean View, Outer Mission, Outer Sunset, Parkside, Potrero Hill, South Bayshore, Twin Peaks, Visitacion Valley, West of Twin Peaks

◀ ▶ Mission Nob Hill Noe Valley North Beach Ocean View Outer Mission Outer Richmond Outer Sunset Pacific Heights Parkside **Potrero Hill** Presidio Presidio Heights Russian +

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**THE PLANNING DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO**

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SE
Rodney Minott
Chair
Potrero Hill Neighbors/Save the Hill
1206 Mariposa Street
San Francisco CA 94107

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March 4, 2014

John Rahaim, Director of San Francisco Planning
City of San Francisco
via email John.Rahaim@sfgov.org

Subject: New Information Supporting Historic Status
1200-1210 17th Street

Dear John Rahaim,

On behalf of **Save the Hill**, I enclose an Evaluation of Integrity prepared by noted architectural historian and preservation planner Katherine T. Petrin. This report confirms the integrity of industrial structures located at 1200-1210 17th Street in Potrero Hill. Gretchen Hilyard has explained to Save the Hill that although the three buildings on 17th Street are significant for their association with the Pacific Rolling Mill, additional information is required in order to confirm their sufficient historic integrity to convey significance under California Register Criterion One.

The enclosed report responds to staff's direction and documents the integrity of the 17th Street buildings. On that basis Save the Hill requests that the buildings be determined historic for purposes of CEQA.

Please let me know if this determination will now be confirmed.

Thank you very much.

Sincerely,



Susan Brandt-Hawley

cc: Sarah Jones
Wade Wietgreffe
Gretchen Hilyard
Supervisor Malia Cohen
Tim Frye
Members of the Historic Preservation Commission
Andrea Ruiz-Esquide, Esq.


RODNEY G MINOTT
1206 MARIPOSA ST
SAN FRANCISCO, CA 94107

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MP