From:	Merlone, Audrey (CPC)
To:	BOS Legislation, (BOS)
Cc:	Langlie, Michelle (CPC); Liang, Xinyu (CPC)
Subject:	Planning Department Response to Board File No. 251239
Date:	Monday, January 5, 2026 3:03:38 PM
Attachments:	2025-008202CUA--825 SANSOME ST CU Appeal Response.pdf

Dear Ms. Calvillo,

Attached please find the Planning Department's response to Board File No. 251239, Planning Case No. 2025-008202CUA: Appeal of Conditional Use Authorization for 825 Sansome Street.

Sincerely,

Audrey Merlone, Senior Planner
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CONDITIONAL USE AUTHORIZATION APPEAL

825 SANSOME ST

Date:	January 5, 2026
To:	Angela Calvillo, Clerk of the Board of Supervisors
From:	Sarah Dennis Phillips, Planning Director – Planning Department (628) 652-7600 Michelle Langlie, Case Planner – Planning Department (628) 652-7410
Re:	**Board File No. 251239, Planning Case No. 2025-008202CUA** **Appeal of Conditional Use Authorization for 825 Sansome Street**
Hearing Date:	January 13, 2026
Project Sponsor:	Eric Lentz, c/o Tesla, Inc., 3500 Deer Creek Road, Palo Alto, CA 94304
Appellants:	Mark Malouf, 1190 Mission St, #1922, San Francisco, CA 94103

Introduction

This memorandum is a response to the letters of appeal to the Board of Supervisors ("Board") regarding the Planning Commission's ("Commission") approval of the application for Conditional Use Authorization under Planning Department Case Number 2025-008202CUA pursuant to Planning Code Sections 210.1 (Fleet Charging and Private Parking Garage uses) and 303 (Conditional Use Authorization) for a project located at 825 Sansome Street.

This memorandum addresses the appeal to the Board, filed on December 12, 2025, by Mark Malouf.

The decision before the Board is whether to uphold, overturn, or amend the Planning Commission's approval of an application for Conditional Use Authorization to allow the proposed Project at the subject property.

Project Description

The proposed project is a change of use from the existing Public Parking Garage use with 96 parking spaces and the establishment of a private Fleet Charging use at the upper level (30 private EV chargers), a public Electric Vehicle Charging Location use (principally permitted) at the ground level (18 public EV chargers), and a Private Parking Garage use (31 parking spaces) at the basement level of the subject

property, resulting in a net reduction of 16 parking spaces. Minor exterior alterations are also included as part of this project.

Site Description & Present Use

The Project Site, Lot 003 in Assessor's Block 0164, is located on the west side of Sansome Street between Broadway and Pacific Avenue in the C-2 Community Business Zoning District and contains an enclosed two-story, multi-level Public Parking Garage with a basement. Constructed in 1922, the building is designated as a Category A historic resource and is as a contributor to the California and National Register-eligible Jackson Square Historic District Extension. The site lies outside, but immediately adjacent to the northeastern boundary of the Jackson Square Landmark District.

Surrounding Properties and Neighborhood

The Project Site is located within the C-2 Community Business Zoning District, near the Broadway Neighborhood Commercial Zoning District. The immediate context includes a mix of commercial, office and residential uses. The immediate neighborhood is characterized by masonry and concrete buildings ranging from two to six stories in height.

Background

- On September 3, 2025, a Conditional Use Application for Fleet Charging and Private Parking Garage uses were filed by Eric Lentz, on behalf of Tesla, Inc.
- On September 30, 2025, the Project was scheduled to be heard at the November 13, 2025 Planning Commission hearing and was duly noticed from October 24, 2025 to November 12, 2025.
- On November 7, 2025, the Department received a letter of opposition from Mark Gleason, Teamsters Joint Council 7, representing delivery and logistics industry workers.
- The Planning Commission voted 6-0 (Williams absent) to approve the Conditional Use Authorization under Motion No. 21868 with conditions of approval on November 13, 2025..

Conditional Use Authorization Requirements

Planning Code Section 303 establishes criteria for the Commission to consider when reviewing all applications for Conditional Use approval. To approve the project, the Commission must find that these criteria have been met:

1. That the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community;

2. That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:

    a. The nature of the proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

    b. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

    c. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

    d. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

3. That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the General Plan.

4. That such use or feature as proposed will provide development that is in conformity with the stated purpose of the applicable Use District.

5. When considering a Conditional Use application for non-accessory parking for a specific use or uses, the Planning Commission shall find affirmatively that the project satisfies the following criteria, in addition to those of subsection 303(c), as applicable:

    a. Demonstration that trips to the use or uses to be served, and the apparent demand for additional parking, cannot be satisfied by the amount of parking classified by this Code as accessory, by transit service which exists or is likely to be provided in the foreseeable future, by car pool arrangements, by more efficient use of existing on-street and off-street parking available in the area, and by other means;

    b. Demonstration that the apparent demand for additional parking cannot be satisfied by the provision by the applicant of one or more car-share parking spaces in addition to those that may already be required by Section 166 of this Code;

    c. The absence of potential detrimental effects of the proposed parking upon the surrounding area, especially through unnecessary demolition of sound structures, contribution to traffic congestion, or disruption of or conflict with transit services, walking, and cycling;

    d. In the case of uses other than housing, limitation of the proposed parking to short-term occupancy by visitors rather than long-term occupancy by employees; and

    e. Availability of the proposed parking to the general public at times when such parking is not needed to serve the use or uses for which it is primarily intended.

Appellant Issues and Planning Department Responses

ISSUE 1: Tesla has not demonstrated why this specific site is necessary when industrial areas better suited for Fleet Charging operations exist throughout the City.

RESPONSE 1: The existing building has operated as an automotive facility for over a century. Unlike alternative sites that would require constructing a parking garage or lot, this location only requires installation of charging infrastructure. Maintaining automotive use at the Project Site also preserves a contributing resource within the Eligible Jackson Square Historic District Extension, requiring only minor exterior modifications. As noted during the Planning Commission hearing on November 13, 2025, several Commissioners emphasized the Department's policy preference for distributing automotive uses throughout the city to better serve neighborhood residents and workers, and expressed support for the CUA on the basis that it represents an appropriate and balanced distribution of this use. Additionally, co-locating parking and charging facilities at this Project Site eliminates the need for fleet vehicles to travel across town to remote charging facilities, reducing inefficiencies.

ISSUE 2: Fleet Charging use serves corporate fleet needs, not neighborhood needs – it provides no benefit or service to local residents or businesses.

RESPONSE 2: The Department affirms its commitment to meeting neighborhood transportation needs by ensuring the availability of clean, accessible mobility options within areas of demonstrated demand. This policy supports the City's broader objectives of reducing greenhouse gas emissions, improving air quality, and promoting equitable access to sustainable transportation.

By prioritizing the integration of clean transportation infrastructure—such as electric vehicle charging stations and shared mobility facilities—within neighborhoods where residents and workers require immediate access, the Department seeks to:

1. **Enhance Local Accessibility:** Reduce travel distances and improve convenience for residents and employees by situating clean transportation options within the community.
2. **Advance Environmental Goals:** Contribute to the City's climate action targets by facilitating the adoption of zero-emission vehicles and other sustainable modes of transport.
3. **Promote Equity and Efficiency:** Ensure that all neighborhoods benefit from modern transportation solutions, minimizing reliance on remote facilities and reducing unnecessary vehicle miles traveled.

This approach reflects the Department's policy preference for distributed transportation resources that serve local needs while supporting citywide sustainability and mobility objectives.

ISSUE 3: The use is incompatible with the adjacent Jackson Square Historic District because Jackson Square is one of San Francisco's most significant historic districts, preserved for its unique architectural character and scale and Fleet charging operations for Autonomous Vehicles – with constant vehicle queuing, 24/7 – are fundamentally incompatible with the district's historic residential and small scale commercial character.

RESPONSE 3: The Department finds that the proposed project will have negligible impact on the adjacent Jackson Square Historic District and the Eligible Jackson Square Historic District Extension. This determination is based on a continued automotive use with net reduction of sixteen parking spaces and limited exterior modifications, restricted to in-kind replacement of an existing entry door and roll-up garage door.

ISSUE 4: This site, along with the Waymo operations site 200 feet away, will create continuous robotaxi fleet vehicles circulating including congestion, that impacts the neighborhood. Planning Staff did not consider such concentration and round-the-clock operations disrupt neighborhood peace and livability at all hours.

RESPONSE 4: The referenced Waymo operations site is not included in the Project under appeal. However, unlike the referenced Waymo public and private EV charging location**,** the Project Site's circulation plan confines all ingress, egress, and queuing to internal drive aisles, preventing spillover onto public streets. By enabling on-site charging and staging, the project is expected to reduce emissions and traffic impacts associated with off-site refueling. Pedestrian and bicycle facilities remain unobstructed, and no conflicts with Muni operations or transit stops have been identified. Accordingly, the proposed non-accessory parking and fleet charging is not anticipated to cause adverse effects related to demolition, congestion, disruption of transit, walking, or cycling.

ISSUE 5:
The proposed Fleet Charging use relies on an inadequate CEQA analysis because it fails to examine cumulative impacts of concentrated AV fleet charging facilities in the area, including those of nearby Waymo robotaxi charging locations near the project site. Environmental review analyzing concentration of other fleet operations did not occur before project approval.

RESPONSE 5: The department, pursuant to Article 19 of the CEQA Guidelines, issued a common sense exemption for the project on October 28, 2025, finding that the proposed project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061 (b)(3). The department met all of the requirements of chapter 31 of the San Francisco Administrative Code when issuing the exemption for the project. Specifically, the department found that the proposed project is categorically exempt from environmental review under CEQA on the basis that: (1) the project meets the definition of one or more of the classes of projects that the Secretary of the California Resources Agency has found do not have a significant effect on the environment, and (2) none of the exceptions specified in CEQA Guidelines section 15300.2 prohibiting the use of a categorical exemption are applicable to the project. The appellant has not demonstrated that the department's determination is not supported by substantial evidence in the record. This decision was not challenged during the CEQA appeal period and is not open for reconsideration as part of this Conditional Use appeal.

Summary Response

Across the appeal, the appellant's central claims focus on five themes: that the site is unnecessary given other industrial locations; that fleet charging provides no neighborhood benefit; that the use is

incompatible with the Jackson Square Historic District; that combined operations with nearby EV facilities will create congestion and livability impacts; and that CEQA review was inadequate. The Department's responses directly and comprehensively address each point. The record shows that the project maintains a long-standing automotive use in a historically appropriate structure, advances City policy to distribute transportation resources equitably, and introduces no meaningful physical or operational impacts to the surrounding historic district or public realm. The Department also demonstrates that environmental review was properly conducted under CEQA and remains legally final. Taken together, the responses reflect a consistent, well-supported conclusion: the project is appropriately located, policy-aligned, environmentally compliant, and unlikely to generate the adverse effects asserted by the appellant. After discussion and considering all the facts in the case as well as public comment, the Commission found the Project necessary, desirable for, and compatible with the surrounding neighborhood. Further, the Commission determined that on balance, the projects is consistent with the General Plan and Use District.

Conclusion

For the reasons stated in this document and in the Planning Department case file, the Planning Department recommends that the Board uphold the Planning Commission's decision in approving the Conditional Use authorization for the Project.