Subject to: (Select only if applicable)

☐ Inclusionary Housing (Sec. 315)

☐ Downtown Park Fee (Sec. 139)

- ☑ First Source Hiring (Admin. Code)☐ Child Care Requirement (Sec. 314)
- ☐ Jobs Housing Linkage Program (Sec. 313)
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- □ Other

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Planning Commission Motion No. 18153

HEARING DATE: JULY 22, 2010

Date: July 15, 2010 Case No.: **2009.1117C**

Project Address: 1100 OCEAN AVENUE

Zoning: Ocean Avenue NC-T (Neighborhood Commercial Transit)

55-X Height and Bulk District

Block/Lot: 3180/001

Project Sponsor: Steve Rajninger

Herman Coliver Locus Architecture

363 Clementina Street San Francisco, CA 94103

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ADOPTING FINDINGS RELATED TO THE APPROVAL OF A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 737.11 TO ALLOW DEVELOPMENT ON A LOT EXCEEDING 9,999 SQUARE FEET, AND TO ALLOW A PLANNED UNIT DEVELOPMENT PER PLANNING CODE SECTIONS 303 AND 304, WITH EXCEPTIONS FROM PLANNING CODE SECTIONS 134 (REAR YARD); 135 (OPEN SPACE DIMENSIONS); AND 136 (PERMITTED OBSTRUCTIONS WITHIN REQUIRED OPEN AREAS), FOR A PROJECT TO DEMOLISH AN EXISTING BUS SHELTER AND SURFACE PARKING LOT AND TO CONSTRUCT A NEW FIVE-STORY MIXED-USE BUILDING WITH 71 DWELLING UNITS OVER GROUND FLOOR COMMERCIAL SPACE. THE RESIDENTIAL COMPONENT OF THE PROJECT WOULD BE 100% AFFORDABLE, INTENDED FOR OCCUPANCY BY YOUNG ADULTS TRANSITIONING OUT OF FOSTER CARE AND HOUSEHOLDS AT OR BELOW 50% OF AREA MEDIAN INCOME. FIVE OFF-STREET PARKING SPACES WOULD BE PROVIDED. THE PROJECT IS LOCATED WITHIN THE OCEAN AVENUE NC-T (NEIGHBORHOOD COMMERCIAL TRANSIT) DISTRICT AND A 55-X HEIGHT AND BULK DISTRICT. THE APPROVAL ALSO INLCUDES ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL **QUALITY ACT.**

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PREAMBLE

On December 14, 2009, Steve Rajninger, from Herman Coliver Locus Architecture acting on behalf of Bernal Heights Neighborhood Center ("Project Sponsor") filed an application with the San Francisco Planning Department (hereinafter the "Department") requesting, under Sections 737.11, 303, and 304, Conditional Use Authorization to allow development on a lot exceeding 9,999 square feet, to establish a planned unit development (PUD), for a development on a 25,772 square-foot site (Lot 001 in Assessor's Block 3180) at 1100 Ocean Avenue (a.k.a. 11 Phelan Avenue), between Plymouth and Phelan Avenues ("Project Site"). The project proposed to demolish an existing bus shelter and surface parking lot and to construct a mixed-use, five-story, 55-foot-tall buildings totaling approximately 86,500 gross square feet (gsf) with five- off-street parking spaces. The project would include 71 affordable dwelling units and approximately 7,300 gsf of ground-floor commercial space (tenants not yet determined). The project requires subdividing the 30-acre lot creating a 25,772 square-foot lot with approximately 137-feet of frontage on Ocean Avenue.

Pursuant to CEQA Guidelines Section 15168, the Planning Department conducted a program-level EIR for the *Balboa Park Station Area Plan*. The area plan EIR was also a project-level EIR that analyzed the proposed project at 11 Phelan Avenue (the "Phelan Loop Site"). The analysis was performed at a project level to address the environmental effects associated specifically with the proposed housing project at 11 Phelan Avenue. Pursuant to CEQA Guidelines Section 15090, the Planning Commission certified the Final EIR on December 4, 2008, in its Motion No. 17774. No appeal of the certification was filed with the Department. The Commission found significant unavoidable environmental impacts for the Balboa Park Station Area Plan and related approvals that could not be mitigated to a level of non-significance. Pursuant to CEQA Guidelines Section 15093, the Commission adopted a statement of overriding considerations for approving the Plan on December 4, 2008, in its Motion No. 17776. The Board of Supervisors made the same findings in Ordinance Nos. 58-09, 59-09, 60-09, and 61-09. Said motion and ordinances are incorporated herein by reference. As part of the Planning Commission's actions related to the 11 Phelan Avenue, the Commission is adopting additional CEQA findings specific to this development project.

The Planning Department, Linda Avery, is the custodian of records, located in the File for Case No. 2004.1059E, at 1650 Mission Street, Fourth Floor, San Francisco, California.

Department staff prepared a Mitigation Monitoring and Reporting program ("MMRP"), which material was made available to the public and this Commission for this Commission's review, consideration and action.

On July 22, 2010, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2009.1117C, at which time the Commission reviewed and discussed the findings for approval prepared for its review by Department staff.

The Commission has reviewed and considered reports, studies, plans and other documents pertaining to the Project.

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

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2009.1117C, 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. Project Description. The request is for Conditional Use Authorization pursuant to Planning Code Sections: 737.11, for development of a lot that is greater than 9,999 square-feet; and Planning Code Sections 303 and 304 to allow a Planned Unit Development, with a request for exceptions from Planning Code Sections: 134 (rear yard); 135 (open space dimensions); and 136 (permitted obstructions over streets and alleys).

The proposal is to demolish the existing bus shelter and surface parking lot and to construct a mixed-use, five-story, 55-foot-tall building totaling approximately 86,466 gross square feet (gsf) with five- off-street parking spaces. The project would include 71 affordable dwelling units and approximately 7,300 gsf of ground-floor commercial space (tenants not yet determined). The project requires subdividing the 30-acre lot creating a 25,772 square-foot lot with approximately 137-feet of frontage on Ocean Avenue.

The project is a joint partnership between the Mayor's Office of Housing and the Bernal Heights Neighborhood Center. The building will have four levels of residential occupancy above ground-floor retail space. The residential units will be provided as follows: (18) studio units, (18) one-bedroom units, (21) two-bedroom units, and (13) three-bedroom units. Forty-eight percent of the units contain two-bedrooms or more. The units are 100% affordable with approximately 21 of the units intended for occupancy by young adults transitioning out of foster care. The remaining residential units are intended for occupancy by households earning less than 50% of area median income. The parking garage is located at grade level and is accessed from the Lee Avenue extension. The garage contains five- off-street parking spaces including a handicap accessible space and a car share space. The building will have 32 class 1 bicycle parking spaces for the commercial space. The remainder of the ground floor will provide supportive service and community space.

The Project includes approximately 7,841 square-feet of on-site residential open space with the remainder of the open space requirement being met by the proposed adjacent

public open space. The adjacent open space will be developed by the City separate from the project. The primary areas of on-site open space are located within the courtyard at the podium level and the rear yard.

3. **Site Description and Present Use.** The Project Site (Assessor's Block 3180, Lot 001) is a City owned parcel located on the north side of Ocean Avenue, between Phelan and Plymouth Avenues. The lot measures 30-acres in area with frontage on both Ocean and Phelan Avenues. The project site is located just west of Highway 280 and San Francisco City College. The property is improved with the PUC water reservoir at the rear, the Phelan Loop bus turnaround and layover area, a surface parking lot for 23 vehicles, and a fire station. The property is on the border of the Westwood Park and Ingleside neighborhoods. The Project Site is within the boundaries of the Balboa Park Station Area Plan and was recently rezoned from NC-2 (Small-Scale, Neighborhood Commercial) Zoning District to the Ocean Avenue NCT (Neighborhood Commercial Transit) Zoning District and the height limit for the property was changed in the process from 65-A Height and Bulk District to a 55-X Height and Bulk District.

The Balboa Park Station Area Plan calls for rerouting the Phelan Loop bus turnaround to circle the fire station.

- 4. **Surrounding Properties and Neighborhood.** The Ocean Avenue NCT District is mixed use, transitioning from a predominantly one- and two-story retail district to include taller buildings at its eastern end. The Kragen site, which the Commission approved in May 2009, is one such taller building adjacent to the site to the west. The "Kragen" development includes 173 dwelling units and a ground floor grocery store. The grocery store requires a truck hammerhead easement that is partially located with in the required rear yard of the subject property. To the north, the property abuts an empty PUC water reservoir that is currently used by City College of San Francisco for parking. To the east the site abuts the existing fire station Across Ocean Avenue, to the south of the site, is a vacant corner lot, a McDonald's restaurant, and a modern, four-story mixed-use building as well as two smaller scale mixed use buildings. The MUNI K-Ingleside line travels down the center of Ocean Avenue with east and west bound MUNI stops in front of the site. The MUNI stops continue the length of the block and consist of raised platforms with barriers, ADA accessible boarding ramps, and covered bus shelters. City College of San Francisco's main campus is located northeast of the site. The single-family neighborhoods of Westwood Park and Ingleside flank Ocean Avenue to the north and south respectively.
- 5. **Public Comment**. The Department has received no correspondence from the public regarding this project.
- 6. **Balboa Park Station Area Plan.** As part of the Better Neighborhoods Program, the Balboa Park Station Area Plan has been identified as one of the areas studied. The "plan

area" for the Balboa Park Station Area Plan is in south central San Francisco. The area comprises approximately 210 acres and includes the Ocean Avenue Campus of City College of San Francisco (CCSF), the Ocean Avenue Neighborhood Commercial District, Balboa Park, and the Balboa Park BART station. More specifically, the plan area consists primarily of those parcels fronting on Ocean, Geneva and San Jose Avenues. The area provides a diverse range of uses including; institutional, recreational, retail, housing, and transportation. Seven neighborhoods surround the Plan Area: Westwood Park, Ingleside, Ingleside Terraces, Miraloma Heights, Sunnyside, Oceanview, and Balboa Terraces. The plan area is best characterized by four distinct areas; the Transit Station Neighborhood, City College of San Francisco, the Reservoir, and the Ocean Avenue Commercial District. The Plan's objectives and policies are informed by three key principles;

- a. Improve the area's public realm,
- b. Make the transit experience safer and more enjoyable,
- c. And improve the economic vitality of the Ocean Avenue Neighborhood Commercial District.
- 7. Ocean Avenue NC-T (Neighborhood Commercial Transit). The Ocean Avenue Neighborhood Commercial Transit District is located on Ocean Avenue from Phelan to Manor Avenues. Ocean Avenue is a multi-purpose transit-oriented small-scale commercial district that is modeled on the NC-T-2 District. Ocean Avenue was developed as a streetcar-oriented commercial district in the 1920s and continues to serve this function, with the K-line streetcar on Ocean Avenue. Numerous other bus lines serve the area, especially the eastern end, where the Phelan Loop serves as a major bus terminus. The eastern end of the district is anchored by the main City College campus at Phelan and direct linkages to the Balboa Park BART/MUNI rail station two blocks to the east, which serves as the southernmost San Francisco station for BART and the terminus of the J, K, and M streetcar lines. Because of the immediate proximity of the BART/MUNI station the district has quick and easy transit access to downtown.

The Ocean Avenue NC-T District is mixed use, transitioning from a predominantly oneand two-story retail district to include neighborhood-serving commercial uses on lower floors and housing above. Housing density is limited not by lot area, but by the regulations on the built envelope of buildings, including height, bulk, setbacks, and lot coverage, and standards for residential uses, including open space and exposure, and urban design guidelines. Access (i.e. driveways, garage entries) to off-street parking and loading is generally prohibited on Ocean Avenue to preserve and enhance the pedestrian-oriented character and transit function of the street. Residential and commercial parking are not required.

The Ocean Avenue NC-T District is intended to provide convenience goods and services to the surrounding neighborhoods as well as limited comparison shopping goods for a wider market. The range of comparison goods and services offered is varied and often includes specialty retail stores, restaurants, and neighborhood-serving offices. Buildings may range in height, with height limits generally allowing up to four or five stories. Lots are generally small to medium in size and lot consolidation is prohibited to preserve the

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fine grain character of the district, unless the consolidation creates a corner parcel that enables off-street parking to be accessed from a side street.

Rear yard requirements above the ground story and at residential levels preserve open space corridors of interior blocks.

Commercial uses are required at the ground level and permitted at the second story. Large Fast Food uses are not permitted.

Housing development in new buildings is encouraged above the ground story. Existing residential units are protected by limitations on demolition and upper-story conversions.

8. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

A. Rear Yard.

Planning Code Section 134 requires a 25% rear yard. Planning Code Section 737.12 requires the yard to be located at the second story and above and at all residential levels.

The Project would have a rear yard located at grade but because a portion of the building would encroach into this required open space an exception is required. See Finding 9A below.

B. Open Space.

Planning Code Section 135 requires that usable open space be located on the same lot as the dwelling units it serves. Either 100 square feet of private usable open space per dwelling unit or 133 square feet of common usable open space per dwelling unit or any combination thereof must be provided for the project.

The Project, with 71 dwelling units, is required to provide approximately 7,100 sf of private open space, or 9,443 sf of common open space, or an equivalent combination of private and common open space. The Project provides approximately 7,841 sf of combined common and private open space on-site, thereby partially meeting open space requirement on site. The remainder of the requirement is met off-site by the proposed adjacent public plaza. See Finding 9B below.

C. Density.

Planning Code Section 737.91 places no limits on residential density in the District. Density is only restricted by physical building envelope.

The project would provide 71 dwellings which is a ratio of one dwelling per 363 square-feet of lot area.

D. Street Trees.

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Planning Code Section 143 requires the owner or developer of a new building in a NC District to install one 24-inch box street tree for every 20-feet of lot frontage.

The project meets the requirement by adding five new street trees at the Ocean Avenue frontage and five new street trees at the proposed Lee Avenue frontage.

E. Permitted Parking (Residential).

Planning Code Section 737.94 requires no residential parking and permits up to one parking space for each dwelling unit. Parking above a ratio of 1:1 is not permitted.

The project would provide five residential parking spaces which is .07 parking space for each dwelling unit.

F. Permitted Parking (Commercial).

Planning Code Section 737.22 requires no commercial parking and permits up to one space per 1,500 square-feet of occupied floor area, not permitted above.

The project would not provide any commercial parking.

G. Off-Street Loading.

Planning Code Section 152 requires one off-street loading space for retail uses between 10,001 and 30,000 square feet and zero off-street loading space for residential uses between 0 and 100,000 sf.

An off-street loading space is not required because the project has 7,300 gross square-feet of commercial space and 79,200 sf. of residential space. The project includes a non-Code complying freight space within the parking garage.

H. Height and Bulk.

The subject property is located within the 40-X, 55-X, and 65-A Height and Bulk Districts.

The Project reaches a finished roof height of 55 feet. The Project therefore complies with the basic height limitation for the property. Pursuant to Section 270, projects within "-X" Bulk Districts are not subject to specific bulk controls.

I. Floor Area Ratio.

In the Ocean Avenue NCT District, Section 124 allows a Floor Area Ratio (FAR) of up to 2.5. In NC Districts the FAR requirement does not apply to residential uses.

The Project Site has an area of 25,772 square feet; therefore the allowable FAR would permit up to 64,430 square feet of gross floor area of nonresidential space. The Project would provide approximately 7,300 gross square feet of nonresidential space, and therefore complies with the maximum allowable FAR.

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J. Car Sharing.

Section 166 of the Planning Code does not require any car share parking spaces if a project has 0-49 off-street parking spaces.

The Code does not require any car share space because the Project proposes no off-street parking, however, the project would provide one car share space for use by residents of the building.

K. Shower and Locker Facilities.

Section 155 of the Code does not require a shower or locker facility for retail uses that are less than 25,000 sf.

The Project would not provide any shower or locker facilities.

L. Bicycle Parking.

Section 155 of the Code requires no bicycle parking for commercial uses less than 10,000 sf. and requires 25 Class 1 spaces plus 1 Class 1 space for every 4 dwelling units over 50.

No bicycle parking is required for the commercial uses because it is only 7,300 sf. However, the project would provide four Class 1 bicycle spaces for the commercial uses. The Code requires 30 Class 1 bicycle parking spaces for the residential uses. The Project would provide 32 Class 1 spaces.

M. Dwelling Unit Mix.

Section 207.6 of the Planning Code requires that a minimum of 40 percent of all dwelling units in NC-T-Districts have at least two-bedrooms or more to ensure an adequate supply of family-sized units.

The project proposes 34- dwellings with two or more bedrooms, or 48 percent of the total number of units.

N. Lot Size per Development.

Planning Code Section 737.11 permits development of lots larger than 9,999 square-feet within the Ocean Avenue NC-T with conditional use authorization.

The subject lot would be subdivided from lot 001 in assessor's block 3180 and measure 25,772 square-feet thus requiring conditional use authorization to develop.

O. Inclusionary Housing.

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Planning Code Section 315 requires that a minimum of 15 percent of the total dwelling units constructed be affordable to and occupied by qualifying persons and families as defined in the Code.

The Project proposes 100 percent of the total units to be affordable. Twenty-one of the dwellings would be for young adults transitioning from foster care. According to the sponsor, the remaining 50 dwellings would be for qualifying households earning less than 50% of area median income which is subject to change based upon financing. The Sponsor has submitted the "Declaration of Intent" to memorialize his intent.

P. Balboa Park Community Improvements Fund.

Pursuant to Section 331 of the Code, the project requires payment of \$8.00 per net occupied square foot of residential development and \$1.50 per square-foot of net additional commercial square-footage for the Balboa Park Community Improvement Fund, prior to issuance of site permit.

The project includes 79,166 gross square-feet of residential uses and 7,300 gross square-feet of commercial uses. Per the Balboa Park Community Improvements Fund the project requires a payment of approximately \$633,328 for residential uses and \$10,950 for commercial uses.

9. **Planning Code Exceptions:** Planning Code Section 304 allows exceptions from the Code for larger development sites. The Commission finds that the following exceptions are hereby approved for the project.

A. Rear Yard.

Section 134 of the Planning Code requires a 25 percent rear yard at the second story and at all residential levels.

The proposed project would provide open space at the rear of the site, but the space is not large enough to meet the Code's rear yard requirements. The project proposes an interior open space courtyard that when combined with the open space at the rear of the property will provide more useable and accessible open space for residents of the project than would a single rear yard.

B. Open Space.

Section 135 of the Planning Code requires at least 100 sf of private open space, 133 sf of common open space, or some equivalent combination of both, per dwelling unit. Furthermore, the Code section requires that open space meet certain minimum dimensions.

The Project, with 71 dwelling units, is required to provide approximately 7,100 sf of private open space, or 9,443 sf of common open space, or an equivalent combination of private and common open space. The Project provides approximately 7,841 sf of combined common and private open space on-site, thereby partially meeting the open space requirement on site. The remainder of the requirement is met off-site by the proposed adjacent public plaza. The Project provides 3,615 sf of common open space at the podium within the courtyard, 1,230 sf

of open space within the covered children's play area, 2,112 sf of open space within the rear yard, 724 sq of open space at the courtyard entry, and 160 sf of open space for four top floor dwellings with balconies. The Project is not deficient in total required amount of open space but the private open space provided does not meet minimum dimensions or area required by Code and the children's playground does not meet the Code's open space exposure requirement.

C. Permitted Obstructions.

Sections 136 and 136.1 of the Planning Code requires maximum dimensions for each bay window or balcony and each awning or canopy that extends over streets and alleys.

Due to the scale of the building and the amount of street frontage, the project would include several bay windows and a continuous ground floor awning that are larger than permitted by Code. The larger bay windows are appropriate because they articulate the building's façade and add more visual interest to a large street wall. The larger continuous awning is appropriate to reduce glare on the ground floor windows and provide a pedestrian scale at the base of the building.

- 10. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use authorization. On balance, the Project complies with the criteria of Section 303, in that:
 - A. 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.

The proposed project is necessary and desirable for the community because it fills multiple needs in the City of San Francisco. The currently proposed project will augment the City's supply of affordable housing by 71 units, 48% of which would be designed for families. According to the sponsor, 21 of the dwellings will be provided for young adults transitioning out of foster care, a unique and underserved population.

The proposed project will also provide approximately 7,300 gross square-feet of commercial space. The commercial space will be accessible by walking, MUNI and car. In combination, the proposed residential and retail uses, at the densities and scale contemplated, will enhance the existing mixed-use character of the neighborhood and create needed amenities in this area.

As found in the Area Plan, this project is compatible with the neighborhood at the proposed size and intensity at this location. The project is located adjacent to City College's main campus along a major transit and vehicular corridor, providing direct access to Highway 280 from this part of the City. The project's transit rich location will make it easier for the households living in the dwellings to forego vehicle ownership, thus saving money on thes expenses of vehicle ownership. Furthermore, the close proximity of City College makes it

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easier for the young adult and adult population to obtain higher education and other needed skills if desired.

- B. The 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:
 - i. The nature of the proposed site, including its size and shape, and the proposed size, shape, and arrangement of structures.

The project site is much larger than the average lot within the Ocean Avenue NC-T. However, the site is located at the edge of the District near an institutional use that is comprised of large buildings. The project is a transitional property from the larger buildings of CCSF to the finer grained buildings of the Ocean Avenue NC-T. The Project Site is an irregularly-shaped lot that is adequately sized to accommodate the development. The building is generally arranged as a unified form occupying the majority of the lot, similar to other large structures in the area. In addition, the base of the Project is differentiated by being inset from the upper floors and transparent along the Ocean Avenue frontage. This differentiation activates the streetscape and reinforces a human scale for the pedestrian. The shape and size of development on the subject property will not be detrimental to persons or adjacent properties in the vicinity.

The project will have no significant or detrimental shadow or wind impacts. There is no existing Recreation and Park Department open spaces near the project site. The proposed Phelan Loop Plaza open space is new and will not be acquired by the Recreation and Park Department. The project will not create any new shade on any protected Recreation and Park Commission properties, nor would it produce shading not commonly expected or experienced in urban areas such as the project site.

The project will include the demolition of the existing one-story bus shelter structure. This structure is not mentioned in the Area Plan Draft EIR as an historic resource. Thus, its demolition will not constitute a significant impact, and it will not be detrimental to those residing and working in the area.

ii. 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 and of proposed alternatives to off-street parking, including provisions of car-share parking spaces, as defined in Section 166.

The program-level EIR that was done for the project as part of the Balboa Park Station Area Plan did not identify any transportation or circulation impacts beyond those generally anticipated by an infill urban project. The Project includes minimal off-street parking, however, the area is served by ample public transit, so that many of the

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employees, residents, and patrons can be expected to arrive by transit or other means beyond private automobiles. While no off-street loading is required by the Planning Code, the Project includes a small loading area within the parking garage to accommodate deliveries associated with the building.

As proposed, the traffic patterns, off-street loading, and the lack of off-street parking will not be detrimental to persons or adjacent properties in the vicinity.

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

Since this will be a predominantly residential project with small scale, neighborhood-serving retail uses and a medium-sized commercial use, the project will not generate unusual noise, odor, dust and glare as a result of its operations. The buildings will comply with Title 24 standards for noise insulation. The materials for the facades of the buildings will not result in glare. The project would generate additional night lighting, but not in amounts unusual for an urbanized area. Design of exterior lighting could ensure that off-site glare and lighting spillover would be minimized.

In terms of dust, the City's standard Building Code requirement regarding construction dust is sufficient to prevent negative impacts to the surrounding community from dust blowing during construction.

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

The project will provide an interior, landscaped open space on top of a one-story podium, and street trees consistent with code requirements will be installed along Ocean and Lee Avenues. The Project Sponsor will continue to work with Department staff to refine details of lighting, signage, materials, street trees, and other aspects of the design.

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

The Project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.

D. Such use or feature as proposed will provide development that is in conformity with the state purpose of the Ocean Avenue NCT.

The Project is consistent with the stated purposed of Ocean Avenue NC-T District in that the intended commercial uses are located at the ground, and the Project as a whole will provide a compatible convenience service for the immediately surrounding neighborhoods during daytime hours as well as providing 71 new residential units to San Francisco's housing stock.

11. **Planning Code Section 121.1 Findings.** In addition to the criteria of Section 303(c) of this Code, the City Planning Commission has considered the extent to which the following criteria are met for a project site exceeding 9,999 square feet in the Ocean Avenue NC-T zoning district:

E. The mass and facade of the proposed structure are compatible with the existing scale of the district.

The project will be compatible with the existing scale of the district. The project site is located on Ocean Avenue, a major transit and commercial corridor in the City. The Area Plan reduced the height limit from 65 to 55 feet. The project will not exceed this height limit. The large bay windows and defined storefronts help to further break down the scale of the building.

F. The facade of the proposed structure is compatible with the design features of adjacent facades that contribute to the positive visual qualities of the district.

Existing buildings in the area exhibit an eclectic architectural character, with no prevailing style establishing a dominant visual pattern for the neighborhood. The style of the proposed building is contemporary, however, the relatively uniform massing is comparable to the uniform massing of many of the early twentieth century structures. The bay windows add depth and shadow across the Ocean Avenue elevation. The southeast corner of the building rises up to frame the future plaza entrance.

- 12. **Planned Unit Development**. Planning Code Section 304(d) establishes criteria and limitations for the authorization of PUD's over and above those applicable to Conditional Uses in general and contained in Section 303(c) and elsewhere in the Code. PUD's must:
 - A. Affirmatively promote applicable objectives and policies of the General Plan.

This Project is consistent with the objectives and policies of the General Plan as outlined in Section 12 below.

B. Provide off street parking adequate for the occupancy proposed.

The project includes 71 dwelling units and ground floor commercial space. Consistent with City policy for projects along transit corridors, the project includes minimal amounts of off-street parking. The location is transit rich making it more feasible for households to live without personal vehicles.

C. Provide open space usable by the occupants and, where appropriate, by the general public, at least equal to the open spaces required by the Code.

The Project, with 71 dwelling units, is required to provide approximately 7,100 sf of private, or 9,443 sf of common open space, or an equivalent combination of private and common open space. The Project proposes a total of approximately 7,841 square feet of open space on the subject lot which includes the rear yard, the courtyard, the kids' play area, and private decks. The remainder of the open space requirement would be met off-site by the proposed adjacent plaza.

D. Be limited in dwelling unit density to less than the density that would be allowed by Article 2 of this Code for a District permitting a greater density, so that the PUD will not be substantially equivalent to a reclassification of property.

There is no density limit for projects within the Ocean Avenue NC-T.

E. In R Districts, include commercial uses only to the extent that such uses are necessary to serve residents of the immediate vicinity, subject to the limitations for NC-1 (Neighborhood Commercial Cluster) Districts under the Code.

The Project Site is not located within an R-District.

F. Under no circumstances be excepted from any height limit established by Article 2.5 of this Code, unless such exception is explicitly authorized by the terms of this Code. In the absence of such an explicit authorization, exceptions from the provisions of this Code with respect to height shall be confined to minor deviations from the provisions for measurement of height in Sections 260 and 261 of this Code, and no such deviation shall depart from the purposes or intent of those sections.

The project site is within a 55-X Height and Bulk District. The project does not exceed a height of 55 feet.

G. In NC Districts, be limited in gross floor area to that allowed under the Floor Area Ratio limit permitted for the district in Section 124 and Article 7 of this Code.

The Project Site has an area of 25,772 square feet; therefore the allowable FAR would permit up to 64,430 square feet of gross floor area of nonresidential space. The Project would provide approximately 7,300 gross square feet of nonresidential space, and therefore complies with the maximum allowable FAR.

H. In NC Districts, not violate the use limitations by story set forth in Article 7 of this Code.

Consistent with the District controls, the project provides general commercial space at the ground floor and residential units at the floors above.

13. **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 enhanced.

The Project Site is located within Ocean Avenue Neighborhood Commercial Transit District and is thought to enhance the commercial vitality of the area. With approximately 7,300 gross sf. of ground floor retail development, the project will complement the district's small-scale retail environment.

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

The Project would increase the City's housing supply by 71 units. The existing buildings that will be demolished do not contribute to the character of the Ocean Avenue NC-T. Furthermore, the Project will not result in the loss of existing housing. The project would promote the economic diversity of the neighborhood by providing residents a rental housing option.

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

The Project will provide 71 affordable housing units thereby enhancing the City's supply of affordable housing.

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

The Site is well served by multiple transit lines, including MUNI's K-Ingleside metro line. It is anticipated that smaller households in the surrounding neighborhood will visit the Project by alternative modes, including transit. The increase in transit demand anticipated by the Project would not have a significant or noticeable impact upon transit services in the neighborhood or affect transit operations.

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 will not displace any service or industry establishment due to commercial office development. The project will not affect industrial or service sector uses or related employment opportunities. Ownership of industrial or service sector businesses will not be affected by this project.

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

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

G. That landmark and historic buildings be preserved.

The existing buildings on the Site are not landmarks or historic buildings.

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

The Project will have no negative impact on parks or open space.

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

COMMERCE AND INDUSTRY ELEMENT:

Objectives and Policies

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.10:

Promote neighborhood commercial revitalization, including community-based and other economic development efforts where feasible.

The Project would replace an underutilized parcel with a building that will provide affordable housing opportunities to the area. In addition, the ground-floor commercial space will activate the streetscape and enhance the pedestrian realm compared with the existing uses on the site.

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1:

INDENTIFY AND MAXIMIZE OPPORTUNITIES TO INCREASE THE POTENTIAL SUPPLY OF HOUSING IN APPROPRIATE LOCATIONS CITYWIDE.

Policy 1.4:

Locate in-fill housing on appropriate sites in established residential neighborhoods.

The Project will create up to 71 units of new housing, all of which would be Below Market Rate units, in a location well-served by transit with access via BART and MUNI to several employment centers around the region.

The residential neighborhoods surrounding the Ocean Avenue NC-T District are established family-oriented residential neighborhoods. The subject site is suitable for residential development because it is underutilized and well served by transit.

BALBOA PARK STATION AREA PLAN: Objectives and Policies

OBJECTIVE 1.2

STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT.

Policy 1.2.2:

Encourage mixed-use residential and commercial infill within the commercial district.

The Project would provide an infill mixed-use building that would strengthen the commercial district by extending and connecting it to the City College campus.

OBJECTIVE 3.1

ESTABLISH PARKING STANDARDS AND CONTROLS THAT PROMOTE QUALITY OF PLACE, AFFORDABLE HOUSING, AND TRANSIT-ORIENTED DEVELOPMENT.

Policy 3.1.1

Provide flexibility for new residential development by eliminating minimum off-street parking requirements and establishing reasonable parking caps.

Policy 3.1.2

Provide flexibility for non-residential development by eliminating minimum off-street parking requirements and establishing parking caps generally equal to the previous minimum requirements.

The project's transit rich location and lack of off-street parking will encourage residents, employees, and patrons to use alternative means of transportation.

OBJECTIVE 4.2

STRENGTHEN THE OCEAN AVENUE NEIGHBORHOOD COMMERCIAL DISTRICT BY PROVIDING AN APPROPRIATE MIX OF HOUSING.

Policy 4.2.1

Encourage mixed-use commercial and residential infill within the commercial district while maintaining the district's existing fine-grained character.

Policy 4.2.2

Redevelop the parcels in the Phelan Loop Area with new mixed-use development.

The project would provide a well designed mixed-use building on the Phelan Loop site.

OBJECTIVE 4.5

PROVIDE INCREASED HOUSING OPPORTUNTIES AFFORDABLE TO A MIX OF HOUSEHOLDS AT VARYING INCOME LEVELS.

Policy 4.5.1

Give first consideration to the development of affordable housing on publicly-owned sites.

The project is a public/private partnership between the City and the Bernal Heights Neighborhood Center (BHNC) to provide 71 dwelling units that are 100% affordable on a City owned parcel commonly known as the Phelan Loop.

OBJECTIVE 5.2

DEVELOP AND IMPLEMENT PARKING POLICIES FOR AREAS WELL SERVED BY PUBLIC TRANSIT THAT ENCOURAGE TRAVEL BY PUBLIC TRANSIT AND ALTERNATIVE TRANSPORTATION MODES AND REDUCE TRAFFIC CONGESTION.

Policy 5.2.1:

Eliminate minimum off-street parking requirements and establish parking caps for residential and commercial parking.

Policy 5.2.3:

Minimize the negative impacts of parking on neighborhood quality.

The Project provides minimal off-street parking, creating an incentive for employees, patrons, and students of the facility to travel by means other than the private automobile. The area is well-served by public transit, and is within walking distance of many retail goods and services. The lack of parking will not negatively impact the quality of the surrounding neighborhood.

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- 15. 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.
- 16. The Project has completed the requirements of the First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator as they apply to permits for residential development (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.
- 17. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Project Sponsor, 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 Conditional Use Application No. 2009.1117C** subject to the following conditions attached hereto as EXHIBIT A which is incorporated herein by reference as though fully set forth, and in general conformance with the plans stamped EXHIBIT B, dated July 7, 2010 and on file in Case Docket No. 2009.1117C.

The Planning Commission has reviewed and considered the program-level EIR for the *Balboa Park Station Area Plan* and the record as a whole and finds that there is no substantial evidence that the Project will have a significant effect on the environment with the adoption of the mitigation measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and hereby adopts the MMRP.

The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Resolution/Motion by this reference thereto. All required mitigation measures identified in the program-level EIR for the *Balboa Park Station Area Plan* and contained in the MMRP are included as conditions of approval.

The Planning Commission further finds that since the program-level EIR for the *Balboa Park Station Area Plan* was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the EIR.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 18153. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94012.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on July 22, 2010.

Linda Avery Commission Secretary

AYES: Commissioners Olague, Antonini, Borden, Lee, Moore, and Sugaya

NAYES: None

ABSENT: Commissioner Miguel

ADOPTED: July 22, 2010

Exhibit A Conditions of Approval

Wherever "Project Sponsor" is used in the following conditions, the conditions shall also bind any successor to the Project or other persons having an interest in the Project or underlying property.

This Conditional Use Authorization is to demolish the existing bus shelter and surface parking lot and to construct a mixed-use, five-story, 55-foot-tall buildings totaling approximately 79,166 gross square feet (gsf) with five- off-street parking spaces all as part of a Planned Unit Development (PUD). The project would include 71 affordable dwelling units and approximately 7,300 gsf of ground-floor commercial space (tenants not yet determined). The project requires subdividing the 30-acre lot creating a 25,772 square-foot lot with approximately 137-feet of frontage on Ocean Avenue. The project site is located at 1100 Ocean Avenue (a.k.a. 11 Phelan Avenue), Lot 001 in Assessor's Block 3180, within the Ocean Avenue Neighborhood Commercial Transit District and a 55-X Height and Bulk District, in general conformance with the revised plans dated July 7, 2010, and marked "Exhibit B", except as modified herein.

1. MITIGATION MEASURES

Mitigation measures described in the MMRP attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor. Their implementation is a condition of project approval.

2. COMPLIANCE WITH OTHER REQUIREMENTS

This decision conveys no right to construct. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply. The conditions set forth below shall remain in effect for the life of the Project, unless specifically noted otherwise

3. GENERAL CONDITIONS

A. Recordation. Prior to the issuance of any building permit for the construction of 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, which notice shall state that construction of the Project has been authorized by and is subject to the conditions of this Motion. From time to time after the recordation of such notice, at the request of the Project Sponsor, the Zoning Administrator shall affirm in writing the extent to which the conditions of this Motion have been satisfied, and record said writing if requested.

B. Construction.

(1). The Project Sponsor shall ensure the construction contractor will coordinate with the City and other construction contractor(s) for any concurrent nearby Projects that are planned for construction so as to minimize, to the extent possible, negative impacts on traffic and nearby properties caused by construction activities.

- (2). The contractor(s) shall arrange for off-street parking for construction workers.
- C. Performance. The Planning Commission may, in a public hearing, consider the revocation of this conditional use authorization if a site or building permit has not been issued within three (3) years of the date of the Motion approving the Project. 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 thenceforth diligently to completion. The Commission may also consider revoking this conditional use authorization if a permit for the Project has been issued but is allowed to expire and more than three (3) years have passed since the Motion was approved. This authorization may be extended at the discretion of the Zoning Administrator only if the failure to issue a permit by the Department of Building Inspection is delayed by a City, state or federal agency or by appeal of the issuance of such permit.
- D. The commercial tenant(s) shall obtain all necessary approvals from the appropriate City agencies prior to establishing a commercial use.
- E. Severability. 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 of the remaining provisions, clauses, sentences, or sections of these conditions. It is hereby declared to be the intent of the Commission that these conditions of approval would have been adopted had such invalid sentence, clause, or section or part thereof not been included herein.
- F. First Source. The Project is subject to the requirements of the First Source Hiring Program (Chapter 83 of the Administrative Code) and the Project Sponsor shall comply with the requirements of this Program.
- G. Violation of the conditions contained in this Motion or of any other provisions of the Planning Code may be subject to abatement procedures and fines up to \$500 a day in accordance with Sections 176 and 176.1 of the Planning Code and actions to abate violations of this conditional use authorization in accordance with Section 303(f).
- H. Should monitoring of these Conditions of Approval be required, the Project Sponsor or successors shall pay fees as established in Section 351(e)(1) of the Planning Code.

I. The Property Owner shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean condition. Such maintenance shall include, at a minimum, daily litter pickup and disposal, and washing or steam cleaning of the main entrance and abutting sidewalks at least once each week.

- J. Noise and odors shall be regulated so as not to be a nuisance to nearby businesses or residents.
- K. Ground level storefronts and glazing in general conformity with Exhibit B shall be maintained in an attractive manner, providing transparency into the tenancy behind. Visibility of the interiors and activity through all windows shall be maintained in order to ensure that the ground level of the building remains visually active, provides visual interest to pedestrians, and enhances sidewalk security. Interior layouts should be designed with these requirements in mind. Generally, windows should not be visually obscured with the following: blinds, shades or curtains; shelving; equipment; darkly tinted, translucent or opaque film; painted, stenciled or adhesive signage applied to individual window surfaces that has an overall transparency of less than 50%, or any signage that covers more than 1/3 of the area of any individual window; full or partial height interior partition walls placed directly against or within 10 feet from the window glazing; or any other items that significantly block the vision of pedestrians through the storefront windows into the occupiable commercial space. Solid roll-down security gates shall not be installed in storefront openings. The Property Owner shall ensure that this condition of approval is incorporated into all commercial leases.
- L. An enclosed waste storage area shall be provided within the establishment. All trash and recycling containers shall be kept within the building until pick-up by the disposal company.

4. <u>CONDITIONS TO BE MET PRIOR TO THE ISSUANCE OF A FIRST SITE OR</u> BUILDING PERMIT

- A. Design. The Project Sponsor and the Project architects shall continue to work on design development with the Department, with particular attention given to details regarding reveal dimensions at all windows, moldings, and other details, as well as building materials and colors.
- B. Balboa Park Community Improvements Fund. The Project Sponsor shall satisfy the requirements of Planning Code Section 331 either through a payment to the Fund or through the provision of in-lieu improvement, as specified within this Section.

5. <u>CONDITIONS TO BE MET PRIOR TO THE ISSUANCE OF AN ARCHITECTURAL</u> ADDENDUM TO A BUILDING (OR SITE) PERMIT

A. Except as otherwise provided in this Motion, the Project shall be completed in

- compliance with the Planning Code and in general conformity with plans dated July 7, 2010, labeled "Exhibit B".
- B. Final detailed building plans shall be reviewed and approved by the Planning Department. Detailed building plans shall include a final site plan, elevations, sections, and a landscape plan, and shall specify final architectural and decorative detailing, materials, glazing, color and texture of exterior finishes, and details of construction.
- C. Highly reflective spandrel glass, mirror glass, or deeply tinted glass shall not be permitted. Only clear glass shall be used at pedestrian levels.
- D. Pursuant to Planning Code Section 141, rooftop mechanical equipment is required to be screened so as not to be visible from any point at or below the roof level of the subject building.
- E. Signage. The Project Sponsor shall develop a signage program for the Project which shall be subject to review and approval by Planning Department staff. All subsequent sign permits shall conform to the approved signage program. Once approved by Department staff, the signage program information shall be submitted and approved as part of the first building or site permit for the Project.
- F. Lighting. The Project Sponsor shall develop a lighting program for the Project which shall be subject to review and approval by Planning Department staff. The lighting program shall include any lighting required or proposed within the public right-of-way as well as lighting attached to the building. Once approved by Department staff, the lighting program information shall be submitted and approved as part of the first building or site permit for the Project.
- G. A final pedestrian streetscape improvement plan, including landscaping and paving materials and patterns, shall be submitted for review by, and shall be satisfactory to the Planning Director, in consultation with staff from the Department of Public Works, the Department of Parking and Traffic, and the Bureau of Urban Forestry. Other agencies shall be contacted as appropriate. The Project shall include street trees in conformance with Section 143. Relocation of some existing underground utilities may be necessary to accommodate the required street trees. The street trees planted pursuant to this condition shall be maintained in perpetuity by the Project Sponsor.
- 6. <u>CONDITIONS TO BE MET PRIOR TO ISSUANCE OF ANY CERTIFICATES OF OCCUPANCY FOR THE PROJECT.</u>

A. All usable open spaces shall be completed and available for use.

B. An evacuation and emergency response plan shall be developed by the Project Sponsor or building management staff, in consultation with the Mayor's Office of Emergency Services, to ensure coordination between the City's emergency planning activities and the Project's plan and to provide for building occupants in the event of an emergency. The Project's plan shall be reviewed by the Office of Emergency Services and implemented by the building management insofar as feasible before issuance of the final certificate of occupancy by the Department of Public Works. A copy of the transmittal and the plan submitted to the Office of Emergency Services shall be submitted to the Department. To expedite the implementation of the City's Emergency Response Plan, the Project Sponsor shall post information (with locations noted on the final plans) for building occupants concerning actions to take in the event of a disaster.