FILE NO. 120665 Substituted 7/10/2012 ORDINANCE NO. 182-12

[Planning Code - Transit Center District Plan]

Ordinance: 1) amending the San Francisco Planning Code by amending and adding sections consistent with the Transit Center District Plan, including the establishment of the Transit Center District Plan open space and transportation fees and the expansion and renaming of the New Montgomery-Mission-Second Street Conservation District, and 2) making findings, including environmental findings and findings of consistency with the General Plan, as proposed for amendment, and Planning Code Section 101.1.

NOTE: Additions are *single-underline italics Times New Roman*; deletions are ~~*strike-through italics Times New Roman*~~. Board amendment additions are double-underlined; Board amendment deletions are ~~strikethrough normal~~.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

(a) California Environmental Quality Act Findings.

(1) The Planning Commission, in Motion No. 18628 certified the Final Environmental Impact Report for the Transit Center District Plan and related actions as in comply with the California Environmental Quality Act (Public Resources Code Sections 21000 et seq.). A copy of said Motion is on file with the Clerk of the Board of Supervisors in File No. 120665 and is incorporated herein by reference.

(2) On May 24, 2012, the Planning Commission conducted a duly noticed public hearing and, by Motion No. 18629, adopted findings pursuant to the California Environmental Quality Act for the Transit Center District Plan and related actions. A copy of Planning Commission Resolution No. 18629, including its attachment and mitigation monitoring and reporting program, is on file with the Clerk of the Board of Supervisors in File No. 120665 and

is incorporated herein by reference. The Board of Supervisors hereby adopts the Planning Commission's environmental findings as its own.

(b) Historic Preservation Commission Findings, General Plan Consistency, and Other Findings.

(1) On May 24, 2012, the Planning Commission held a duly noticed public hearing on the attached Planning Code amendments. At said meeting, the Planning Commission, in Resolution No. 18631, recommended to this Board the adoption of the Planning Code amendments related to the Transit Center District Plan. A copy of said Planning Commission Resolution is on file with the Clerk of the Board of Supervisors in File No. 120665 and is incorporated herein by reference.

(2) At its May 24, 2012 meeting, the Planning Commission, in Resolution No. 18631, also recommended to the Historic Preservation Commission that it support the proposed amendments to Article 11 of the Planning Code, including the addition of certain properties to the amended New Montgomery-Mission-Second Street Conservation District that also will be listed in the City's Zoning Map.

(3) On June 6, 2012, the Historic Preservation Commission held a duly noticed public hearing on the amendments proposed herein to Article 11 of the Planning Code, including the

~~publicity of ordinary amendments to the expanded New Montgomery-Mission-Second Street~~

(ii) The proposed relocation site is adjacent to or visible from property under the jurisdiction of the San Francisco Port Commission, the San Francisco Unified School District, or the San Francisco Recreation and Park Commission.

(iii) The proposed relocation site is adjacent to or visible from an Historic District or conservation district designated in Article 10 or Article 11 of the Planning Code.

in Planning Commission Resolution No.18631, and incorporates those reasons herein by reference.

(5) The Board of Supervisors finds that this Ordinance is, on balance, consistent with the General Plan as proposed for amendment and the Priority Policies of Planning Code Section 101.1(b) for the reasons set forth in Planning Commission Resolution No. 18631, and incorporates those reasons herein by reference.

(6) Notwithstanding any contrary technical requirements that may exist in the Planning or Administrative Codes, the Board hereby finds that the Planning Department provided adequate notice for all documents and decisions, including environmental documents, related to the Transit Center District Plan. This finding is based on the extensive mailed, posted, electronic, and published notices that the Planning Department provided. In addition, all

requirements for that location as set forth in Article 6 of this Code; or

(E) The sign has been removed from its former location; or

(F) The owner of the property upon which the existing sign structure is erected has not consented in writing to the relocation of the sign.

(6) The Planning Commission may adopt additional criteria for relocation of general advertising signs that do not conflict with this Section 303(l) or Section 611 of this Code.

(m) General Grocery Store Uses.

herein are available for review through the Custodian of Records at the Planning Department, 1650 Mission Street, San Francisco.

Section 2. The San Francisco Planning Code is hereby amended by amending Sections 102.5, 102.9, 102.11, 123, 132.1, 136, 138, 151.1, 152.1, 155, 155.4, 156, 163, 201, [illegible]

[illegible]

(A) Whether the applicant has obtained, and maintains in good standing, a permit for a Massage Establishment from the Department of Public Health pursuant to Section 1908 of the San Francisco Health Code;

(B) Whether the use's facade is transparent and open to the public. Permanent transparency and openness are preferable. Elements that lend openness and transparency to a facade include: i) active street frontage of at least 25' in length where 75% of that length is devoted to entrances to commercially used space or windows at the pedestrian eye-level; ii) windows that use clear, untinted glass, except for decorative or architectural accent; iii) any decorative railings or decorative grille work, other than wire mesh, which is placed in front of or behind such windows, should be at least 75 percent open to perpendicular view and no more than six feet in height above grade;

(C) Whether the use includes pedestrian-oriented lighting. Well lit establishments where lighting is installed and maintained along all public rights-of-way adjacent to the building with the massage use during the post-sunset hours of the massage use are encouraged:

including any NCT-1, NCT-2, NCT-3 and any Neighborhood Commercial Transit District identified by street or area name. The term "Mixed Use" District shall mean all Chinatown Mixed Use, South of Market Mixed Use, Eastern Neighborhoods Mixed Use, and Downtown Residential Districts. The term "Chinatown Mixed Use District" shall mean any Chinatown CB, Chinatown VR, or Chinatown R/NC District named in Section 802.1. The term "South of Market Mixed Use Districts" shall refer to all RED, RSD, SLR, SLI, or SSO Districts named in Section 802.1. The term "Eastern Neighborhoods Mixed Use Districts" shall refer to all SPD, MUG, MUO, MUR, and UMU Districts named in Section 802.1. The term "DTR District" or "Downtown Residential District" shall refer to any Downtown Residential District identified by street or area name in Section 825, 827, 828, and 829. The term "PM District" or "Parkmerced District" shall refer to any PM-R, PM-MU1, PM-MU2, PM-S, PM-CF, or PM-OS District named in Section 249.64. The terms "TI District" and "YBI District" shall refer to any TI-R, TI-MU, TI-OS, TI-PCI, YBI-R, YBI-MU, YBI-OS, YBI-PCI, as set forth in Section 249.52.

SEC. 102.9. FLOOR AREA, GROSS.

In districts other than C-3, the sum of the gross areas of the several floors of a building or buildings, measured from the exterior faces of exterior walls or from the centerlines of walls separating two buildings. Where columns are outside and separated from an exterior wall (curtain wall) which encloses the building space or are otherwise so arranged that the

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overall building wall plane connecting the ends of individual windows; provided, however, that such line shall not be inward of the interior face of the wall.

(a) Except as specifically excluded in this definition, "gross floor area" shall include, although not be limited to, the following:

(1) Basement and cellar space, including tenants' storage areas and all other space except that used only for storage or services necessary to the operation or maintenance of the building itself;

(2) Elevator shafts, stairwells, exit enclosures and smokeproof enclosures, at each floor;

(3) Floor space in penthouses except as specifically excluded in this definition;

(4) Attic space (whether or not a floor has been laid) capable of being made into habitable space;

(5) Floor space in balconies or mezzanines in the interior of the building;

(6) Floor space in open or roofed porches, arcades or exterior balconies, if

in conservation districts;

(10) Other aspects of the project for which modifications are justified because of its unique or unusual location, environment, topography or other circumstances.

(3) Elevator or stair penthouses, accessory water tanks or cooling towers, and other mechanical equipment, appurtenances and areas necessary to the operation or maintenance of the building itself, if located at the top of the building or separated therefrom only by other space not included in the gross floor area;

(4) Mechanical equipment, appurtenances and areas, necessary to the operation or maintenance of the building itself (i) if located at an intermediate story of the building and forming a complete floor level; or (ii) in C-3 Districts, if located on a number of intermediate stories occupying less than a full floor level, provided that the mechanical equipment, appurtenances and areas are permanently separated from occupied floor areas

application for an exception as provided in Subsection (a).

(2) **Notice of Hearing.** Notice of such hearing shall be mailed not less than 10 days prior to the date of the hearing to the project applicant, to property owners within 300 feet of the project that is the subject of the application, using for this purpose the names and addresses as shown on the citywide Assessment Roll in the Assessor's Office, and to any person who has requested such notice. The notice shall state that the written recommendation of the Director of Planning regarding the request for an exception will be available for public review at the office of the Planning Department.

(A) If more than 70 percent of the perimeter of such an area is enclosed, either by building walls (exclusive of a railing or parapet not more than three feet eight inches high) or by such walls and interior lot lines, and the clear space is less than 15 feet in either dimension, the area shall not be excluded from gross floor area unless it is fully

(4) **Decision on Appeal.** Upon the hearing of an appeal, the Board of Appeals may, subject to the same limitations as are placed on the Planning Commission by Charter or by this Code, approve, disapprove or modify the decision appealed from. If the determination of the Board differs from that of the Commission it shall, in a written decision, specify the error in interpretation or abuse of discretion on the part of the Commission and shall specify in the findings, as part of the written decision, the facts relied upon in arriving at its determination.

(f) **Administrative Approval of Design Review.**

(1) **Recommendations.** If the Director of Planning determines that modifications through the imposition of conditions are warranted as provided in Subsection (b), or that the open space requirements or the streetscape requirements of the Planning Code have not been complied with, the matter shall be scheduled for hearing before the Planning Commission. If the Director determines that the open space and streetscape requirements of the Planning Code have been complied with and the applicant does not oppose the imposition of conditions which the Director has determined are warranted, the applicant may waive the right to a hearing before the Commission in writing and agree to the conditions. The Zoning Administrator shall provide notice of the proposed approval of the application according to the notice given for applications governed by Subsection (d), so that any person seeking additional modifications or objecting to the open space or streetscape

(9) On lower, nonresidential floors, elevator shafts and other life-support systems serving exclusively the residential uses on the upper floors of a building;

(10) One-third of that portion of a window bay conforming to the requirements of Section 136(d)(2) which extends beyond the plane formed by the face of the facade on either side of the bay but not to exceed seven square feet per bay window as measured at each floor;

(11) Ground floor area in the C-3-0, C-3-O(SD), C-3-S, C-3-S(SU) and C-3-G Districts devoted to building or pedestrian circulation and building service;

(12) In the C-3-0, C-3-O(SD), C-3-S, C-3-S(SU) and C-3-G Districts, space devoted to personal services, restaurants, and retail sales of goods intended to meet the convenience shopping and service needs of downtown workers and residents, not to exceed 5,000 occupied square feet per use and, in total, not to exceed 75 percent of the area of the ground floor of the building plus the ground level, on-site open space. Said uses shall be located on the ground floor, except that, in order to facilitate the creation of more spacious ground floor interior spaces, a portion of the said uses, in an amount to be determined pursuant to the provisions of Section 309, may be located on a mezzanine level;

(13) An interior space provided as an open space feature in accordance with the requirements of Section 138;

(14) Floor area in C-3, South of Market Mixed Use Districts, and Eastern Neighborhoods Mixed Use Districts devoted to child care facilities provided that:

(A) Allowable indoor space is no less than 3,000 square feet and no more than 6,000 square feet, and

(B) The facilities are made available rent free, and

(C) Adequate outdoor space is provided adjacent, or easily accessible, to the facility. Spaces such as atriums, rooftops or public parks may be used if they meet licensing requirements for child care facilities, and

(D) The space is used for child care for the life of the building as long as there is a demonstrated need. No change in use shall occur without a finding by the City Planning Commission that there is a lack of need for child care and that the space will be used for a facility described in Subsection 15 below dealing with cultural, educational, recreational, religious, or social service facilities;

(15) Floor area in C-3, South of Market Mixed Use Districts, and Eastern Neighborhoods Mixed Use Districts permanently devoted to cultural, educational, recreational, religious or social service facilities available to the general public at no cost or at a fee covering actual operating expenses, provided that such facilities are:

(A) Owned and operated by a nonprofit corporation or institution, or

(B) Are made available rent free for occupancy only by nonprofit corporations or institutions for such functions. Building area subject to this subsection shall be counted as occupied floor area, except as provided in Subsections 102.10(a) through (f) of

[redacted]

(2) **Commission Consideration.** The Planning Commission shall consider at a public hearing each written request for additional modifications and for consideration of the

(18) Floor space suitable primarily for and devoted exclusively to exhibitions or performances by live/work tenants within the structure or lot, provided that such facilities will be available rent-free to live/work tenants within the property for the life of the structure; and

(19) In South of Market Mixed Use Districts, live/work units and any occupied floor area devoted to mechanical equipment or appurtenances or other floor area accessory to live/work use provided that:

(A) The nonresidential use within each live/work unit shall be limited to uses which are principal permitted uses in the district or otherwise are conditional uses in the district and are approved as a conditional use,

(B) The density, enforcement, open space, parking and freight loading and other standards specified in Sections 124(j), 135.2, 151 and 152.1 shall be satisfied, along with all other applicable provisions of this Code, and

(C) For the purpose of calculating the off-street parking and freight

(j) **Change of Conditions.** Authorization of a change in any condition previously imposed pursuant to this Section shall require an application for a change in conditions, which application shall be subject to the procedures set forth in this Section.

(k) An approval action in accordance with this Section shall constitute the City's decision to approve the project for purposes of Administrative Code Chapter 31.

SEC. 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

(a) **Limit.**

(1) No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

(2) The following amounts of additional office space shall count against the

The ratio of the gross floor area of all the buildings on a lot to the area of the lot. In cases in which portions of the gross floor area of a building project horizontally beyond the lot lines, all such projecting gross floor area shall also be included in determining the floor area ratio.

~~*If the height per story of a building, when all the stories are added together, exceeds an average of 15 feet, then additional gross floor area shall be counted in determining the floor area ratio of the building, equal to the gross floor area of one additional story for each 15 feet or fraction thereof*~~

(2) The gross floor area of a structure on a lot in the C-3-R, C-3-G and C-3-S Districts may not exceed a floor area ratio that is 1½ times the basic floor area limit for the district as provided in Section 124. This section shall not apply to the C-3-S (SU) District.

(d) The gross floor area of a structure on a lot on which is or has been located a Significant or Contributory Building may not exceed the basic floor area ratio limits stated in Section 124 except as provided in Sections 128(c)(2) and 124(f).

*(e) **C-3-O(SD) District.** To exceed the basic floor area ratio limit of 6.0:1 up to a ratio of 9.0:1, TDR must be transferred to the development lot as described in Section 128. The use of TDR to exceed a floor area ratio of 9.0:1 shall not be allowed in the C-3-O(SD) district. In order to exceed a floor area ratio of 9.0:1, all projects must participate in the Transit Center District Mello-Roos Community Facilities District as described in Section 424.8. The gross floor area of a structure on a lot in the C-3-O(SD) District shall not otherwise be limited.*

SEC. 132.1. SETBACKS *AND STREETWALL ARTICULATION*: C-3 DISTRICTS.

(a) **Upper-Level Setbacks.** Setbacks of the upper parts of a building abutting a public sidewalk in any C-3 District may be required, in accordance with the provisions of Section 309, as deemed necessary:

(1) To preserve the openness of the street to the sky and to avoid the perception of overwhelming mass that would be created by a number of tall buildings built close together, with unrelieved vertical rise; or

(2) To maintain the continuity of a predominant street wall along the street, provided however, that the setback required pursuant to this Paragraph may not exceed the following dimensions:

	Street Width			

space described in Subsection (a)(2)(C) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after commencement of construction of the described structures. Modification, appeal or disapproval of a project described in this Section shall affect the amount of office space

combination of upper story setback and horizontal projection (either occupied or decorative, as allowed in Section 136), creating horizontal relief totaling at least 10 feet as indicated in Figure 132.1B, however the upper story setback shall not be less than 5 feet. In the New Montgomery-Mission-Second Street Conservation District, such streetwall height shall be set by the prevailing cornice line of the buildings on the subject block face and the minimum dimension of the upper story setback shall be increased to not less than 15 feet. Exceptions to this subsection (c)(1) may be allowed in accordance with the procedures of Section 309 if the Planning Commission affirmatively determines that all of the following criteria have been met: (i) the design of the proposed project successfully creates a clearly defined building base that establishes or maintains an appropriate streetwall at the height or height range described above, (ii) the base is not defined solely by recessing the base, (iii) the overall building mass tapers or steps away from the street above the streetwall reducing any sense of unrelieved vertical rise directly from the sidewalk edge, and (iv) the overall architectural expression of the proposed project is exceptional, unique, and consistent with the intent of the streetwall requirement.

*(2) **Pedestrian Zone**. In order to establish an appropriate and inviting relationship to the pedestrian realm at street level and create visual and varied interest for pedestrians, all new structures in the C-3-O(SD) district shall incorporate architectural features, awnings, marquees, or canopies, that project from the building face at least one foot at height of between 15 and 25 feet above grade, for at least 20 percent of the linear frontage of all street facing facades.*

*(3) **Building setbacks**. In order to provide necessary and sufficient area for pedestrian circulation, building facades on new development facing certain street frontages are required to be setback from the street-facing property line.*

(A) Building setbacks are required on the following frontages:

Department of City Planning shall submit to the Board of Supervisors a written report which report shall contain the City Planning Commission's recommendation with respect to whether based on the effects of the limitation imposed by this Section on economic growth and job opportunities in the City, the availability of housing and transportation services to support additional office development in the City, office vacancy and rental rates, and such other factors as the Commission shall deem relevant, there should continue to be a quantitative limit

necessary, desirable and will not result in an undesirable sawtooth condition of building frontages along the sidewalk due to existing intervening building between the subject lot and the nearest street corner:

(i) Mission Street, north side between 1st Street and Anthony Street;

(ii) 1st Street, west side between Mission and Stevenson Streets;

(iii) Howard Street, north side, between 1st and 2nd Streets.

*(C) **Design Requirements**. Setbacks provided pursuant to this subsection (3) shall be:*

(i) Designed and treated as a seamless extension of the adjacent public sidewalk, providing for pedestrian circulation and/or other activities typically expected on a public sidewalk;

(ii) Free and clear of all permanent building elements from sidewalk grade to a minimum height of 35 feet above sidewalk grade, except as otherwise allowed as obstructions over streets according to Section 136 or as allowed by the Planning Department as an exception according to the procedures of Section 309, and

(iii) Available to the public.

(D) The area of setbacks provided pursuant to this subsection (3) shall be counted toward the open space requirements of Section 138. If the subject development does not rely on this area to meet its Section 138 requirements, and the area of the setback is dedicated in fee title to the City for public use or, under exceptional circumstances, dedicated to the City via easement for public

(D) The means by which each such person most frequently travels to

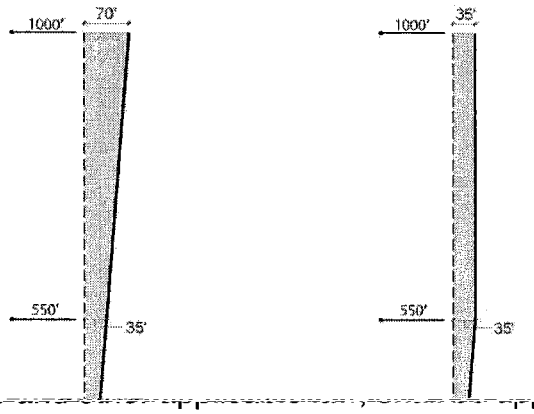
between July 1, 1982 and the effective date of the ordinance shall be submitted not later than December 31, 1985. The City Planning Commission shall have full access to all books, records and documents utilized by any project sponsor in preparation of the written reports referred to above, and shall inspect such books, records and documents from time to time for purposes of authenticating information contained in such reports.

(b) **Guidelines**.

(1) During the approval period, the City Planning Commission, and the Board

interior property line or the center of a public right-of-way, as the case may be, beginning at a height which is 1.25 times the width of the principal street on which the building faces, and increasing to the widths indicated in Chart A as the building increases in height. *Where there are two or more structures on any lot that are taller than 1.25 times the width of the adjacent principal street(s), each structure above such height shall also be set back from the other structures on the same lot according to Chart A as if there is an assumed interior property line half-way between the closest exterior points of each structure.*

NOTE TO EDITOR: Delete existing Chart A and replace with the following:



Section in preference to all others:

(A) All proposed developments to the extent approval is required by court order; and, thereafter,

(B) Subject to Subsection (a)(1) of this Section, all proposed office developments which were approved by the City Planning Commission during the approval period, but subsequently disapproved by any administrative appellate body or court, if and when said disapproval is later reversed.

(3) In determining which office developments best promote the public welfare, convenience and necessity, the Board of Supervisors, Board of Permit Appeals and City Planning Commission shall consider:

(A) Apportionment of office space over the course of the approval period in order to maintain a balance between economic growth, on the one hand, and housing, transportation and public services, on the other;

(2) **Exceptions**. Exceptions to the requirements of Paragraph (*de*)(1) above may be allowed in accordance with the provisions of Section 309 as provided below:

(A) Encroachments of building volume on the setback may be approved as follows: (i) for the portion of the building over 300 feet from the ground, encroachments may be allowed provided that (1) there are compensating recesses beyond the required setback below and within approximately 100 vertical feet of the encroachment, which recesses are at least equal in volume to the volume of the encroachment, and (2) it is found that, overall, access to light and air and the appearance of separation between buildings will not be impaired; and (ii) between the top of the base and 300 feet above the ground encroachments may be allowed provided that (1) there are compensating recesses beyond the required setback at the same level or within approximately 50 vertical feet above or below the encroachment, which recesses are at least equal in volume to the volume of the encroachment, (2) that the encroachment extends no more than five feet horizontally into the area otherwise required for a setback, (3) the encroachment extends for less than 1/3 of the horizontal length of the structure, and (4) it is found that, overall, access to light and air and

(F) The extent to which the proposed development will be owned or occupied by a single entity;

(G) The use, if any, of TDR by the project sponsor.

Payments, other than those provided for under applicable ordinances, which may be made to a transit or housing fund of the City, shall not be considered.

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this Subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

(5) With respect to any office development which shall come before the Board of Supervisors for conditional use review, that Board shall consider, in addition to those criteria made applicable by other provisions of law, the criteria specified in Subsection (b)(3). As to any such office development, the decision of the Board of Supervisors with respect to

(ii) For development lots abutting preservation lots that have transferred all potential development rights according to the procedures of Section 128.

(C) Exceptions may be allowed on lots with a frontage of less than 75 feet provided that (i) it is found that, overall, access to light and air will not be impaired and (ii) the granting of the exception will not result in a group of buildings the total street frontage of which is greater than 125 feet without a separation between buildings which meets the requirements of Chart A.

(d) **Permitted Obstructions**. Obstructions above the horizontal plane or planes of the setback required pursuant to Subsections (a), (b), *(c)* and (*de*) which will create limited

(c) **Appeal and Modification.**

(1) If an approved office development is disapproved, or if a previously unapproved office development is approved, by a court or appellate agency, the list described

(iv) The proposed relocation site is within, adjacent to, or visible from a zoning district where general advertising signs are prohibited.

(v) The proposed relocation site is within, adjacent to, or visible from a designated view corridor.

(vi) There is significant neighborhood opposition to the proposed relocation site.

(5) In no event may the Commission approve a relocation where:

(A) The sign or signs proposed for relocation have been erected, placed, replaced, reconstructed, or relocated on the property, or intensified in illumination or other aspect, or expanded in area or in any dimension in violation of Article 6 of this Code or without a permit having been duly issued therefore; 5 or

(B) The proposed relocation site is not a lawful location under Planning Code Section 611(c)(2); or

(C) The sign in its new location would exceed the size, height or dimensions, or increase the illumination or other intensity of the sign at its former location; or

(D) The sign in its new location would not comply with the Code

addition of certain properties to the amended New Montgomery-Mission-Second Street

Historic Preservation Commission Resolutions are on file with the Clerk of the Board of Supervisors in File No. 120665 and are incorporated herein by reference.

(4) Pursuant to Planning Code Section 302, this Board of Supervisors finds that this Ordinance will serve the public necessity, convenience, and welfare for the reasons set forth

(1) With respect to a change in use or demolition of general grocery store use as set forth in Sections 218.2, 703.2(b)(1)(B)(iii), 803.2(b)(1)(B)(iv) or 803.3 (b)(1)(B)(iii) which use exceeds 5,000 gross square feet, in addition to the criteria set forth in Subsections (c) and (d) above, the Commission shall make the following findings:

(A) Preservation of a general grocery store use is no longer economically viable and cannot effect a reasonable economic return to the property owner. The Commission may disregard the above finding if it finds that the change in use or replacement structure in the case of demolition will contain a general grocery store that is of a sufficient size to serve the shopping needs of nearby residents and offers comparable services to the former general grocery store.

(i) For purposes of defining "reasonable economic return," the Planning Commission shall be guided by the criteria for "fair return on investment" as set forth in Section 228.4(a).

(B) The change in use or demolition of the general grocery store use will not undermine the economic diversity and vitality of the surrounding neighborhood.

(n) **Tobacco Paraphernalia Establishments.**

(1) With respect to a Tobacco Paraphernalia Establishment, as set forth in Section 227(v) of this Code, in addition to the criteria set forth in Subsections (c) and (d) above, the Commission shall make the following findings:

(A) The concentration of such establishments in the particular zoning district for which they are proposed does not appear to contribute directly to peace, health, safety, and general welfare problems, including drug use, drug sales, drug trafficking, other crimes associated with drug use, loitering, and littering, as well as traffic circulation, parking, and noise problems on the district's public streets and lots;

(B) The concentration of such establishments in the particular zoning district for which they are proposed does not appear to adversely impact the health, safety, and welfare of residents of nearby areas, including fear for the safety of children, elderly and disabled residents, and visitors to San Francisco; and

(C) The proposed establishment is compatible with the existing character of the particular district for which it is proposed.

(o) **Massage Establishments.**

(1) With respect to Massage Establishments, as defined in Sections 218.1, 790.60, and 890.60 of this Code, in addition to the criteria set forth in Subsection (c) above,

the version of Article 11 of the Planning Code in effect on May 2, 2012, the day the Historic Preservation Commission initiated the amendments proposed herein to Article 11. The Board hereby determines that said amendments are exempt from the current notification requirements of Article 11 of the Planning Code as amended by an Ordinance pending before the Board of Supervisors in Clerk of the Board of Supervisors File No. 123031. The draft recommendations and justification for the expansion of the Conservation District and the designation of architecturally significant buildings under Article 11 of the Planning Code was published and made available to the public in November of 2009. Beginning in 2007, community outreach and owner notification regarding the Transit Center District Plan has provided a number of opportunities for owner input through at least twelve (12) publicly-noticed workshops, hearings, and presentations. Copies of all notices and other public materials related to the Transit Center District Plan and the amendments to Article 11 set forth

(D) Whether the use is reasonably oriented to facilitate public access. Barriers that make entrance to the use more difficult than to an average service-provider in the area are to be strongly discouraged. These include (but are not limited to) fences, equipped 303, 309, 321, 412.1, 427, 1103.1, and Appendices A, C, D, and F to Article 11 and adding Sections 424.6, 424.7, 424.8, to read as follows:

SEC. 102.5. DISTRICT.

A portion of the territory of the City, as shown on the Zoning Map, within which certain regulations and requirements or various combinations thereof apply under the provisions of this Code. The term "district" shall include any use, special use, height and bulk, or special sign district. The term "R District" shall mean any RH-1(D), RH-1, RH-1(S), RH-2, RH-3, RM-1, RM-2, RM-3, RM-4, RTO, RTO-M, RC-1, RC-2, RC-3, RC-4 or RED District. The term "C District" shall mean any C-1, C-2, C-3, or C-M District. The term "RTO District" shall be that subset of R Districts which are the RTO and RTO-M District. The term "M District" shall mean any M-1 or M-2 District. The term "PDR District" shall mean any PDR-1-B, PDR-1-D, PDR-1-G, or PDR-2 District. The term "RH District" shall mean any RH-1(D), RH-1, RH-1(S), RH-2, or RH-3 District. The term "RM District" shall mean any RM-1, RM-2, RM-3, or RM-4 District. The term "RC District" shall mean any RC-1, RC-2, RC-3, or RC-4 District. The term "C-3 District" shall mean any C-3-O, *C-3-O(SD)*, C-3-R, C-3-G, or C-3-S District. For the purposes of Section 128 and Article 11 of this Code, the term "C-3 District" shall also include the Extended Preservation District designated on Section Map 3SU of the Zoning Map. The term "NC District" shall mean any NC-1, NC-2, NC-3, NC-T, NC-S, and any Neighborhood Commercial District and Neighborhood Commercial Transit District identified by street or area name in Section 702.1. The term "NCT" shall mean any district listed in Section 702.1(b),

SEC. 309. PERMIT REVIEW IN C-3 DISTRICTS.

The provisions and procedures set forth in this Section shall govern the review of project authorization and building and site permit applications for (1) the construction or substantial alteration of structures in C-3 Districts, (2) the granting of exceptions to certain

(5) Exceptions to the limitation on curb cuts for parking access as permitted in Section 155(r);

(6) Exceptions to the limitations on above-grade residential accessory parking as permitted in Section 155(s);

(7) Exceptions to the freight loading and service vehicle space requirements as permitted in Section 161(h);

(8) Exceptions to the off-street tour bus loading space requirements as permitted in Section 162;

(9) Exceptions to the use requirements in the C-3-O(SD) Commercial Special Use Sub-district in Section 248;

(10) Exceptions to the height limits for buildings taller than 550 feet in height in the S-2 Bulk District for allowance of non-occupied architectural, screening, and rooftop elements that meet the criteria of Section 260(b)(1)(M);

(~~9~~11) Exceptions to the height limits for vertical extensions as permitted in Section 260(b)(1)(G) and for upper tower extensions as permitted in Section 263.7;

(~~10~~12) Exceptions to the height limits in the 80-130F and 80-130X Height and Bulk Districts as permitted in Section 263.6 and in the 200-400S Height and Bulk District as permitted in Section 263.8;

(~~11~~13) Exceptions to the bulk requirements as permitted in Sections 270 and 272.

(b) Design Review. In addition to the requirements set forth in this Code, additional design requirements and limitations (hereafter referred to as modifications) may be imposed on the following aspects of a proposed project, through the imposition of conditions, in order to achieve the objectives and policies of the Master Plan or the purposes of this Code:

(1) Building siting, orientation, massing and facade treatment, including proportion, scale, setbacks, materials, cornice, parapet and fenestration treatment, and design of building tops;

(2) Aspects of the project affecting views and view corridors, shadowing of sidewalks and open spaces, openness of the street to the sky, ground-level wind current, and maintenance of predominant streetwalls in the immediate vicinity;

(3) Aspects of the project affecting parking, traffic circulation and transit operation and loading points;

(4) Aspects of the project affecting its energy consumption;

(5) Aspects of the project related to pedestrian activity, such as placement of entrances, street scale, visual richness, location of retail uses, and pedestrian circulation, and location and design of open space features;

(6) Aspects of the project affecting public spaces adjacent to the project, such as the location and type of street trees and landscaping, sidewalk paving material, and the design and location of street furniture as required by Section 138.1;

(7) Aspects of the project relating to quality of the living environment of residential units, including housing unit size and the provisions of open space for residents;

(8) Aspects of the design of the project which have significant adverse environmental consequences;

(9) Aspects of the project that affect its compliance with the provisions of wall (curtain wall) which encloses the building space or are otherwise so arranged that the curtain wall is clearly separate from the structural members, the exterior face of the curtain wall shall be the line of measurement, and the area of the columns themselves at each floor shall also be counted.

In C-3 Districts and the Van Ness Special Use District, the sum of the gross areas of the several floors of a building or buildings, measured along the glass line at windows at a height of four feet above the finished floor and along a projected straight line parallel to the

(c) **Application Process for 309 Review.** Review subject to this Section will be triggered by submittal of a Section 309 Application or submittal of a building or site permit.

(d) **Notice of Proposed Approval.** If, after a review of the Application or building or site permit, and (1) the Zoning Administrator determines that an application complies with the provisions of this Code and that no exception is sought as provided in Subsection (a), and (2) the Director of Planning determines that no additional modifications are warranted as provided in Subsection (b), and (3) the project meets the open space and streetscape requirements of the Planning Code or (4) the project sponsor agrees to the modifications as requested by the Director, the Zoning Administrator shall provide notice of the proposed approval of the application by mail to all owners of the property immediately adjacent to the property that is subject of the Application no less than 10 days before final approval, and, in addition, to any person who has requested such notice in writing. If no request for Planning Commission review pursuant to Subsection (q) is made within 10 days of such notice, the

such porch, arcade or balcony is located above the ground floor or first floor of occupancy above basement or garage and is used as the primary access to the interior space it serves;

(7) Floor space in accessory buildings, except for floor spaces used for accessory off-street parking or loading spaces as described in Section 204.5 of this Code, and driveways and maneuvering areas incidental thereto; and

(8) Any other floor space not specifically excluded in this definition.

(b) "Gross floor area" shall not include the following:

(1) Basement and cellar space used only for storage or services necessary to the operation or maintenance of the building itself;

(2) Attic space not capable of being made into habitable space;

(3) **Decision and Appeal.** The Commission may, after public hearing and after making appropriate findings, approve, disapprove or approve subject to conditions, the application for an exception. The decision of the Planning Commission may be appealed to the Board of Appeals by any person aggrieved within 15 days after the date of the decision by filing a written notice of appeal with that Body, setting forth wherein it is alleged that there was an error in the interpretation of the provisions of this Code or abuse of discretion on the part of the Planning Commission.

(4) **Decision on Appeal.** Upon the hearing of an appeal, the Board of Appeals may affirm, overrule or modify the decision of the Planning Commission, and may approve or disapprove the application for an exception. In order to grant an exception, the Board of Appeals must find that the facts of the case are sufficient to establish the findings required by this Section 309 to be made by the Planning Commission.

(5) **Limitations.** In no case shall the exception granted result in a building with a greater floor area ratio than the maximum permitted for the district in which it is located, except as provided in Section 124(f) of this Code.

(6) **Exclusions.** In determining the floor area of a building for the purpose of this Section 309, the following shall be excluded:

(A) Floor space below the first story above ground devoted to off-street parking or loading spaces required by or accessory to any use permitted in the district, and driveways, maneuvering areas and elevators incidental thereto, provided that the floor space excluded under this subsection shall not exceed an aggregate area equal to 20 percent of the gross floor area of the building as defined in Section 102.9 of this Code;

(B) Floor space below the first story above ground devoted to accessory storage for residents of the building, provided that the floor space excluded under this subsection shall not exceed an aggregate area equal to the area of an average floor as determined by the Zoning Administrator;

(C) Outside stairs to the first floor of occupancy at the face of the building which the stairs serve, or fire escapes;

(D) Floor space used for accessory off-street parking and loading spaces as described in Section 204.5 of this Code and up to a maximum of one hundred fifty percent (150%) of the off-street accessory parking permitted by right in Section 151.1 of this Code for C-3 Districts, and driveways and maneuvering areas incidental thereto;

(E) Arcades, plazas, walkways, porches, breezeways, porticos and similar features (whether roofed or not), at or near street level, accessible to the general public and not substantially enclosed by exterior walls; and accessways to public transit lines, if open for use by the general public; all exclusive of areas devoted to sales, service, display, and other activities other than movement of persons;

(F) Balconies, porches, roof decks, terraces, courts and similar features, except those used for primary access as described in Paragraph (a)(6) above, provided that:

open to the sky (except for roof eaves, cornices or belt courses which project not more than two feet from the face of the building wall).

(B) If more than 70 percent of the perimeter of such an area is enclosed, either by building walls (exclusive of a railing or parapet not more than three feet eight inches high), or by such walls and interior lot lines, and the clear space is 15 feet or more in both dimensions, (1) the area shall be excluded from gross floor area if it is fully open to the sky (except for roof eaves, cornices or belt courses which project no more than two feet from the face of the building wall), and (2) the area may have roofed areas along its perimeter which are also excluded from gross floor area if the minimum clear open space between any such roof and the opposite wall or roof (whichever is closer) is maintained at 15 feet (with the above exceptions) and the roofed area does not exceed 10 feet in depth; (3) in addition, when the clear open area exceeds 625 square feet, a canopy, gazebo, or similar roofed structure without walls may cover up to 10 percent of such open space without being counted as gross floor area.

(C) If, however, 70 percent or less of the perimeter of such an area is enclosed by building walls (exclusive of a railing or parapet not more than three feet eight inches high) or by such walls and interior lot lines, and the open side or sides face on a yard, street or court whose dimensions satisfy the requirements of this Code and all other applicable codes for instances in which required windows face upon such yard, street or court, the area may be roofed to the extent permitted by such codes in instances in which required windows are involved;

requirements determination may make such a request for Planning Commission review as provided in Subsection (g). If no request is made within 10 days of such notice, the Zoning Administrator shall approve the application subject to the conditions.

(2) **Notice.** If the proposed application will be heard by the Planning Commission, notice of such hearing shall be mailed not less than 10 days prior to the hearing to the project applicant, to property owners immediately adjacent to the site of the application using for this purpose the names and addresses as shown on the citywide Assessment Roll in

open space and streetscape requirements of the Planning Code compliance and may, by majority vote, direct that a hearing be conducted to consider such modifications or compliance, which hearing may be conducted at the same meeting that the written request is considered and decided. Notice of such hearing shall be mailed to the project applicant, to property owners immediately adjacent to the site of the application using for this purpose the names and addresses as shown on the Citywide Assessment Roll in the Assessor's Office, to any person who has requested such notice, and to any person who has submitted a request for additional requirements. In determining whether to conduct such a hearing, the Commission shall determine whether, based upon a review of the project, reasonable grounds exist justifying a public hearing in order to consider the proposed additional modifications and the open space and streetscape requirements of the Planning Code compliance.

(3) **Commission Action.** If the Commission determines to conduct a hearing to consider the imposition of additional modifications or the open space and streetscape requirements compliance, it may, after such hearing and after making appropriate findings, approve, disapprove, or approve subject to conditions the building or site permit or project authorization application. If the Commission determines not to conduct a hearing, the Zoning Administrator shall approve the application subject to any conditions imposed by the Director of Planning to which the applicant has consented.

(h) **Mandatory Planning Commission Hearing for Projects Over 50,000 Square Feet of Gross Floor Area or Over 75 Feet in Height.** The Planning Commission shall hold a public hearing not otherwise required by this Section on all building and site permit and Section 309 applications for projects which will result in a net addition of more than 50,000 square feet of gross floor area of space or which will result in a building that is greater than 75 feet in height. Notice of such hearing shall be mailed not less than 10 days prior to the date of the hearing to the project applicant, to property owners immediately adjacent to the

site of the application using for this purpose the names and addresses as shown on the citywide Assessment Roll in the Assessor's Office, and to any person who has requested such notice.

(i) **Imposition of Conditions, General.** If, pursuant to the provisions of this Section, the City Planning Commission determines that conditions should be imposed on the

this Code, for the purpose of calculating the off-street parking and freight loading requirements for the project;

(16) In C-3 Districts, floor space used for short-term parking and aisles incidental thereto when required pursuant to Section 309 in order to replace short-term parking spaces displaced by the building or buildings;

(17) Floor space in mezzanine areas within live/work units where the mezzanine satisfies all applicable requirements of the San Francisco Building Code;

land under the jurisdiction of the San Francisco Port Commission or under the jurisdiction of the San Francisco Redevelopment Agency; provided, however, that no account shall be taken of structures which are exempt under Section 320(g)(2);

(B) The amount of added additional office space approved after the effective date of this ordinance in structures which are exempt under Section 320(g)(3);

(C) All additional office space in structures owned or otherwise under the jurisdiction of the State of California, the federal government or any State, federal or regional government agency, which structures are found to be otherwise exempt from this Section 321 or Section 322 by force of other applicable law;

(D) All additional office space in structures exempt under Section 320(g)(4) or 320(g)(6) or the last sentence of Section 175.1(b), or which satisfy the substantive terms of either of said exemptions but for which the first building or site permit is authorized or conditional use or variance approved by the City Planning Commission after June 15, 1985 but before the effective date of this ordinance.

The additional office space described in Subsection (a)(2)(A) shall be taken into account with respect to all proposed office developments which are considered after the first site or building permit is approved for issuance for the described project. The additional office space described in Subsections (a)(2)(B) and (a)(2)(D) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after the project or the added additional office space is first authorized or

~~*by which the total building height exceeds the number of stories times 15 feet; except that such additional gross floor area shall not be counted in the case of live/work units or a church, theater or other place of public assembly.*~~

SEC. 123. MAXIMUM FLOOR AREA RATIO.

(a) The limits upon the floor area ratio of buildings, as defined by this Code, shall be as stated in this Section and Sections 124 through 128. The maximum floor area ratio for any building or development shall be equal to the sum of the basic floor area ratio for the district, as set forth in Section 124, plus any premiums and floor area transfers which are

counted under this Section in the time and manner set forth for office developments in Section 321(c).

(3) The Department of City Planning shall maintain and shall make available for reasonable public inspection a list showing:

(A) All office developments and all projects subject to Section 321(a)(2) for which application has been made for a project authorization or building or site permit and, if applicable, the date(s) of approval and of approval for issuance of any building or site permit;

(B) The total amount of additional office space and, if applicable, replacement office space, approved with respect to each listed development;

(C) Approved office developments (i) which are subsequently disapproved on appeal; (ii) the permit for which expires or is cancelled or revoked pursuant to Subsection (d)(1) of this Section; or (iii) the approval of which is revoked pursuant to Subsection (d)(2) of this Section; and

(D) Such other information as the Department may determine is appropriate.

	64' - 67'	68' - 71'	72' - 75'	76' - 80'
Height of Street Wall	**Depth of Setback (In Feet)**			
68' or less	18'	20'	22'	24'
69' - 81'	14'	16'	18'	20'
82' - 94'	10'	12'	14'	16'
95' - 107'	8'	10'	12'	14'
108' - 120'	6'	8'	10'	12'

(5) Every holder of a site permit issued on or after July 1, 1982 for any office development, as defined in Section 320(g) without regard to Subsections (g)(2) through (g)(5), shall provide to the City Planning Commission reports containing data and information with respect to the following:

(A) Number of persons hired for employment either in construction of the development or, to the extent such information is available to the permittee, by users of the completed building;

(B) The age, sex, race and residence, by City, of each such person;

(C) Compensation of such persons, classified in $5,000 increments, commencing with annualized compensation of $10,000;

(D) [illegible]

(i) Mission Street, south side, between 1st and Fremont Streets (minimum 12.5 feet).

(B) A setback of up to 10 feet may be required by the Planning Commission pursuant to the procedures of Section 309 on the following streets if the Commission finds that such setback is

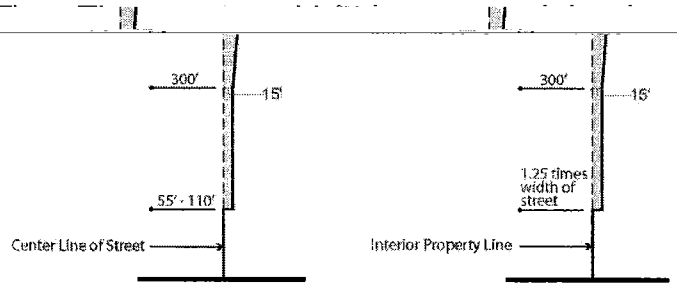
remainder. The Department of City Planning shall issue to office developments so approved, in accord with Sections 320 through 323 of this Code, a project authorization.

(2) The following proposed office developments, subject to all other applicable sections of this Code and other applicable law, shall be approved under this

use, the value of the setback may be credited as an in-kind improvement toward the satisfaction of the development's fee requirements per Sections 424.6 or 424.7.

(*de*) **Separation of Towers.**

(1) **Requirement**. In order to provide light and air between structures, all structures in the S *and S-2* Bulk Districts shall be set back from an interior property line which does not abut a public sidewalk and from the property line abutting the right-of-way of a public street or alley. The setback shall be a minimum of 15 horizontal feet measured from the


300'
15'
55' - 110'
Center Line of Street
300'
15'
1.25 times width of street
Interior Property Line

in Subsection (a)(3) of this Section shall be revised accordingly at the time that the period for rehearing before the appellate body in question shall have lapsed. Approval on appeal of any office development, if conditioned on disapproval of another office development which was previously approved, shall not be effective before the time for rehearing with respect to the disapproval shall have lapsed.

(2) The amount of additional office space of any development shall not count against the maximum for the approval period, beginning from the time the office development loses its approved status on the Department of City Planning list under Subsection (c)(1); provided, however, that if a decision disapproving an office development permits construction of a part of the project, the permitted additional office space only shall continue to count against the maximum, unless and until all building or site permits for the development expire or are cancelled, revoked or withdrawn.

(3) Any modification of an approved office development, including, without limitation, modification by a court or administrative appellate agency, shall be governed by this Subsection, subject, in the case of a court order, to Subsection (b)(2)(A).

(A) Any office development which is modified for any reason after it is [illegible] may be permitted within the set

Such obstructions may include, but are not limited to, open railings, decorative spires and finials, flagpoles and flags, sparse landscaping, unroofed recreation facilities with open fencing, and unenclosed seating areas.

SEC. 136. OBSTRUCTIONS OVER STREETS AND ALLEYS AND IN REQUIRED SETBACKS, YARDS AND USABLE OPEN SPACE.

(d) Notwithstanding the limitations of Subsection (c) of this Section, the following provisions shall apply in C-3 districts:				
				(1) **Decorative Architectural Features.** Decorative architectural features not increasing the interior floor area or volume of the space enclosed by the building are permitted over streets and alleys and into setbacks within the maximum vertical and

(B) An approved office development may be modified so as to reduce the amount of additional office space, subject to all authorizations otherwise required by the City. No additional office space shall become available for any other development during the approval period on account of such a modification, unless the modification is required by any appellate administrative agency or a court, in which case additional office space shall become available when the time for rehearing has lapsed.

(d) **Unbuilt Projects; Progress Requirement.**

(1) The maximum amount of additional office space for the approval period shall be increased by the amount of such space included in office developments which were previously approved during the period but for which during such period an issued site or building permit has been finally cancelled or revoked, or has expired, with the irrevocable effect of preventing construction of the office development.

(2) Construction of an office development shall commence within 18 months of the date the project is first approved*, or, in the case of development in the C-3-O(SD) District the development shall commence within three (3) years. Notwithstanding the above provision, office projects larger than 500,000 gross square feet in the C-3-O(SD) District shall commence construction within five (5) years.* Failure to begin work within that period, or thereafter to carry the development diligently to completion, shall be grounds to revoke approval of the office development. Neither the Department of Public Works nor the Board of Permit Appeals shall grant any extension of time inconsistent with the requirements of this Subsection (d)(2).

(3) The Bureau of Building Inspection shall notify the Department of City Planning in writing of its approval for issuance and issuance of a site or building permit for any office development, and for any development under the jurisdiction of the San Francisco Redevelopment Agency or Port Commission subject to Section 321(a)(2), and of the revocation, cancellation, or expiration of any such permit.

(e) **Rules and Regulations**. The City Planning Commission shall have authority to adopt such rules and regulations as it may determine are appropriate to carry out the purposes and provisions of this Section and Sections 320, 322 and 323.

SEC. 412.1. FINDINGS.

Existing public park facilities located in the downtown office districts are at or approaching capacity utilization by the daytime population in those districts. The need for additional public park and recreation facilities in the downtown districts will increase as the daytime population increases as a result of continued office development in those areas. While the open space requirements imposed on individual office and retail developments address the need for plazas and other local outdoor sitting areas to serve employees and visitors in the districts, such open space cannot provide the same recreational opportunities as a public park. In order to provide the City and County of San Francisco with the financial resources to acquire and develop public park and recreation facilities which will be necessary to serve the burgeoning daytime population in these districts, a Downtown Park Fund shall be established as set forth herein. *The Board of Supervisors adopts the findings of the Downtown Open Space Nexus Study in accordance with the California Mitigation Fee Act, Government Code 66001(a) on file with the Clerk of the Board in File No.* 120665 .

SEC. 424.6. TRANSIT CENTER DISTRICT OPEN SPACE IMPACT FEE AND FUND.

Sections 424.6.1 through 424.6.4 set forth the requirements and procedures for the Transit Center District Open Space Impact Fee and Fund. The effective date of these requirements shall be the effective date of this Ordinance or the date a subsequent modification, if any, became effective.

SEC. 424.6.1. FINDINGS.

(a) ***General****. Existing public park and recreational facilities located in the downtown area are at or approaching capacity utilization by the population of the area. There is substantial additional population density, both employment and residential, planned and projected in the Transit Center*

District. This district, more than other parts of the downtown, is lacking in existing public open space amenities to support population growth. The need for additional public park and recreation facilities in the downtown area, and specifically in the Transit Center District, will increase as the population increases due to continued office, retail, institutional, and residential development. Additional population will strain and require improvement of existing open spaces both downtown and citywide, and will necessitate the acquisition and development of new public open spaces in the immediate vicinity of the growth areas. While the open space requirements imposed on individual commercial developments address the need for plazas and other local outdoor sitting areas to serve employees and visitors in the districts, and requirements imposed on individual residential developments address the need for small-scale private balconies, terraces, courtyards or other minor common space such as can be accommodated on individual lots, such open space cannot provide the same recreational opportunities as a public park. In order to provide the City and County of San Francisco with the financial resources to acquire and develop public park and recreation facilities necessary to serve the burgeoning population in the downtown area, a Transit Center District Open Space Fund shall be established as set forth herein. The Board of Supervisors adopts the findings of the Downtown Open Space Nexus Study in accordance with the California Mitigation Fee Act, Government Code 66001(a) on file with the Clerk of the Board in File No. **120665** *.*

(b) ***Transit Center District Open Space Impact Fee.*** *Development impact fees are an effective approach to mitigate impacts associated with growth in population. The proposed Transit Center District Open Space Impact Fee shall be dedicated to fund public open space improvements in the Transit Center District Plan Area and adjacent downtown areas that will provide direct benefits to the property developed by those who pay into the fund, by providing necessary open space improvements needed to serve new development.*

The Planning Department has calculated the fee rate using accepted professional methods for calculating such fees. The calculations are described fully in the Downtown Open Space Nexus

Study, San Francisco Planning Department, Case No. 2007.0558U on file with the Clerk of the Board in File No. **120665** .

The proposed fee, in combination with the Downtown Park Fee established in Section 412 et seq., is less than the maximum justified fee amount as calculated by the Downtown Open Space Nexus Study. While no project sponsor would be required to pay more than the maximum amount justified for that project as calculated in the Nexus Study, the Transit Center District Open Space Fee is tiered such that denser projects are assessed higher fees because it is economically feasible for such projects to pay a higher proportion of the maximum justified amount. The proposed fee covers impacts caused by new development only and is not intended to remedy existing deficiencies. The cost to remedy existing deficiencies will be paid for by public, community, and other private sources as described in the Downtown Open Space Nexus Study and the Transit Center District Plan Program Implementation Document. Impact fees are only one of many revenue sources funding open space in the Plan Area.

SEC. 424.6.2. APPLICATION OF TRANSIT CENTER DISTRICT OPEN SPACE IMPACT FEE.

*(a) **Application.** Sections 424.6 et seq. shall apply to any development project located in the C-3-O(SD) District and meeting the requirements of subsection (b) below.*

*(b) **Projects subject to the Transit Center District Open Space Impact Fee.** The Transit Center District Open Space Impact Fee is applicable to any development project in the C-3-O(SD) District which results in:*

(1) At least one net new residential unit,

(2) Addition of space to an existing residential unit of more than 800 gross square feet,

(3) At least one net new group housing facility or residential care facility,

(4) Addition of space to an existing group housing or residential care facility of more than 800 gross square feet,

(5) New construction of a non-residential use, or

(6) Addition of non-residential space in excess of 800 gross square feet to an existing structure.

(7) Conversion of existing space to a different use where the project's total fee as calculated according to subsection (c) below would exceed the total fee for the uses being replaced.

*(c) **Fee Calculation for the Transit Center District Open Space Impact Fee.** For development projects for which the Transit Center District Open Space Impact Fee is applicable, the corresponding fee for net addition of gross square feet is listed in Table 424.6A. Where development project includes more than one land use, the overall proportion of each use relative to other uses on the lot shall be used to calculate the applicable fees regardless of the physical distribution or location of each use on the lot. Where a project proposes conversion of existing space to a different use, the Director shall specify the fee amount based on a Guidance Statement or other document establishing the methodology for calculating fees.*

*(1) **Base Fee.** The fee listed in Column A shall be assessed on all applicable gross square footage for the entire development project.*

*(2) **Projects Exceeding FAR of 9:1.** For development projects that result in the Floor Area Ratio on the lot exceeding 9:1, the fee listed in Column B shall be assessed on all applicable gross square footage on the lot above an FAR of 9:1.*

(3) For projects that are eligible to apply TDR units to exceed an FAR of 9:1 pursuant to Section 123(e)(1), the fee otherwise applicable to such square footage according to subsection (2) above shall be waived.

TABLE 424.6A

FEE SCHEDULE FOR NET ADDITIONS OF GROSS SQUARE FEET IN THE TRANSIT CENTER DISTRICT AREA

Use	*Column A (Base Fee)*	*Column B (GSF Above 9:1)*
Residential	*$2.50/gsf*	*N/A*

Office	*$3.00/gsf*	*$7.00/gsf*
Retail	*$5.00/gsf*	*$4.50/gsf*
Hotel	*$4.00/gsf*	*N/A*
Institutional/Cultural/Medical	*$5.00/gsf*	*$4.30/gsf*
Industrial	*$2.50/gsf*	*N/A*

*(d) **Option for In-Kind Provision of Community Improvements and Fee Credits.** Project sponsors may propose to directly provide community improvements to the City. In such a case, the City may enter into an In-Kind Improvements Agreement with the sponsor and issue a fee waiver for the Transit Center District Open Space Impact Fee from the Planning Commission, subject to the following rules and requirements:*

*(1) **Approval criteria.** The City shall not enter into an In-Kind Agreement unless the proposed in-kind improvements meet an identified community need as analyzed in the Transit Center District Plan Implementation Program Document and where they substitute for improvements that could be provided by the Transit Center District Open Space Fund (as described in Section 424.6.4). The City may reject in-kind improvements if they are not consistent with the priorities identified in the Transit Center District Plan, by the Interagency Plan Implementation Committee (see Chapter 36 of the Administrative Code), or other prioritization processes related to Transit Center District improvements programming. No physical improvement or provision of space otherwise required by the Planning Code or any other City Code shall be eligible for consideration as part of this In-Kind Improvements Agreement.*

For a development project on Assessor's Block 3720 Lot 009, an In-Kind Agreement may be approved which credits the project for public open space improvements constructed by either the sponsor of the development project or by the Transbay Joint Powers Authority, in accordance with the Transit Center District Plan Implementation Program Document.

*(2) **Valuation.** The Director of Planning shall determine the appropriate value of the proposed in-kind improvements. For the purposes of calculating the total value, the project sponsor shall provide the Planning Department with a cost estimate for the proposed in-kind improvement(s)*

from two independent sources or, if relevant, real estate appraisers. A detailed site-specific cost estimate for a planned improvement prepared by the City or the Transbay Joint Powers Authority may satisfy the requirement for cost estimates provided that the estimate is indexed to current cost of construction.

*(3) **Content of the In-Kind Improvements Agreement**. The In-Kind Improvements Agreement shall include at least the following items:*

(i) A description of the type and timeline of the proposed in-kind improvements.

(ii) The appropriate value of the proposed in-kind improvement, as determined in subsection (2) above.

(iii) The legal remedies in the case of failure by the project sponsor to provide the in-kind improvements according to the specified timeline and terms in the agreement. Such remedies shall include the method by which the City will calculate accrued interest.

*(4) **Approval Process**. The Planning Commission must approve the material terms of an In-Kind Agreement. The Planning Commission shall hear and consider the recommendation of the Interagency Plan Implementation Committee, as established in Chapter 36 of the Administrative Code, in deciding whether to approve or disapprove any In-Kind Agreement. Prior to the parties executing the Agreement, the City Attorney must approve the agreement as to form and to substance. The Director of Planning shall be authorized to execute the Agreement on behalf of the City. If the Planning Commission approves the In-Kind Agreement, it shall waive the amount of the Transit Center District Open Space Impact Fee equivalent to the value of the improvements proposed in the In-Kind Agreement. No credit shall be made for land value unless ownership of the land is transferred to the City or a permanent public easement is granted, the acceptance of which is at the sole discretion of the City. The maximum value of the credit for the improvements proposed in the In-Kind Improvements Agreement shall not exceed the required Transit Center District Open Space Impact Fee.*

*(5) **Administrative Costs.** Project sponsors that pursue an In-Kind Improvements Agreement will be billed time and materials for any administrative costs that the Planning Department or any other City entity incurs in negotiating, drafting, and monitoring compliance with the In-Kind Improvements Agreement.*

*(e) **Timing of Fee Payments.** The Transit Center District Open Space Impact Fee is due and payable to the Development Fee Collection Unit at DBI prior to issuance of the first construction document, with 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 that would be paid into the appropriate fund in accordance with Section 107A.13.3 of the San Francisco Building Code.*

*(f) **Waiver or Reduction of Fees.** Development projects may be eligible for a waiver or reduction of impact fees, per Section 406 of this Article.*

SEC. 424.6.3. IMPOSITION OF TRANSIT CENTER DISTRICT OPEN SPACE IMPACT FEE.

*(a) **Determination of Requirements.** The Department shall determine the applicability of Sections 424.6 et seq. to any development project requiring a first construction document and, if Sections 424.6 et seq. is applicable, the Department shall determine the amount of Transit Center District Open Space Impact Fees required and shall impose these requirements as a condition of approval for issuance of the first construction document for the development project. The project sponsor shall supply any information necessary to assist the Department in this determination.*

*(b) **Department Notice to Development Fee Collection Unit at DBI.** Prior to the issuance of a building or site permit for a development project subject to the requirements of Sections 424.6 et seq., the Department shall notify the Development Fee Collection Unit at DBI of its final determination of the amount of Transit Center District Open Space Impact Fees required, including any reductions calculated for an In-Kind Improvements Agreement, in addition to the other information required by Section 402(b) of this Article.*

*(c) **Development Fee Collection Unit Notice to Department Prior to Issuance of the First Certificate of Occupancy.** The Development Fee Collection Unit at DBI shall provide notice in writing or electronically to the Department prior to issuing the first certificate of occupancy for any development project subject to Sections 424.6 et seq. that has elected to fulfill all or part of its Transit Center District Open Space Impact Fee requirement with an In-Kind Improvements Agreement. If the Department notifies the Unit at such time that the sponsor has not satisfied any of the terms of the In-Kind Improvements Agreement, the Director of DBI shall deny any and all certificates of occupancy until the subject project is brought into compliance with the requirements of Sections 424.6 et seq., either through conformance with the In-Kind Improvements Agreement or payment of the remainder of the Transit Center District Open Space Impact Fees that would otherwise have been required, plus a deferral surcharge as set forth in Section 107A.13.3.1 of the San Francisco Building Code.*

*(d) **Process for Revisions of Determination of Requirements.** In the event that the Department or the Commission takes action affecting any development project subject to Sections 424.6 et seq. and such action is subsequently modified, superseded, vacated, or reversed by the Department or the Commission, Board of Appeals, the Board of Supervisors, or by court action, the procedures of Section 402(c) of this Article shall be followed.*

SEC. 424.6.4. THE TRANSIT CENTER DISTRICT OPEN SPACE FUND.

(a) There is hereby established a separate fund set aside for a special purpose entitled the Transit Center District Open Space Fund ("Fund"). All monies collected by the Development Fee Collection Unit at DBI pursuant to Section 424.6.3(b) shall be deposited in a special fund maintained by the Controller. The receipts in the Fund to be used solely to fund Public Benefits subject to the conditions of this Section.

(b) Expenditures from the Fund shall be recommended by the Interagency Plan Implementation Committee for allocation and administration by the Board of Supervisors.

(1) All monies deposited in the Fund shall be used to design, engineer, acquire, and develop and improve both new and existing public open spaces and recreational facilities in the Transit Center District Plan Area, the greater downtown, and citywide as established in the Transit Center District Plan and the Transit Center District Plan Implementation Program Document and supported by the findings of the Downtown Open Space Nexus Study.

(2) Funds may be used for administration and accounting of fund assets, for additional studies as detailed in the Transit Center District Plan Implementation Program Document, and to defend the Transit Center District Open Space Impact Fee against legal challenge, including the legal costs and attorney's fees incurred in the defense. Administration of this fund includes time and materials associated with reporting requirements, facilitating any necessary or required public meetings aside from Planning Commission hearings, and maintenance of the fund. Monies from the Fund may be used by the Planning Commission to commission economic analyses for the purpose of revising the fee, and/or to complete an updated nexus study to demonstrate the relationship between development and the need for public facilities and services if this is deemed necessary. Monies used for the purposes consistent with this subsection (2) shall not exceed five percent of the total fees collected. All interest earned on this account shall be credited to the Transit Center District Open Space Fund.

(3) All funds are justified and supported by the Downtown Open Space Nexus Study, San Francisco Planning Department, Case No. 2007.05558U. Implementation of the Fee and Fund are monitored according to the Downtown Plan Monitoring Program required by the Administrative Code Section 10E.

(c) With full participation by the Planning Department and related implementing agencies, the Controller's Office shall file a report with the Board of Supervisors beginning 180 days after the last day of the fiscal year of the effective date of Sections 424.6 et seq. that shall include the following elements: (1) a description of the type of fee in each account or fund; (2) amount of fee collected; (3) beginning and ending balance of the accounts or funds including any bond funds held by an outside

trustee; (4) amount of fees collected and interest earned; (5) identification of each public improvement on which fees or bond funds were expended and amount of each expenditure; (6) an identification of the approximate date by which the construction of public improvements will commence; (7) a description of any inter-fund transfer or loan and the public improvement on which the transferred funds will be expended; and (8) amount of refunds made and any allocations of unexpended fees that are not refunded.

SEC. 424.7. TRANSIT CENTER DISTRICT TRANSPORTATION AND STREET IMPROVEMENT IMPACT FEE AND FUND.

Sections 424.7.1 through 424.7.4. set forth the requirements and procedures for the Transit Center District Transportation and Street Improvement Impact Fee and Fund. The effective date of these requirements shall be either the effective date of this Ordinance or the date a subsequent modification, if any, became effective.

SEC. 424.7.1. FINDINGS.

(a) ***General.***

New development in the Transit Center District Plan area will create substantial new burdens on existing streets and transportation systems and require the need for new and enhanced transportation services and improvements to rights-of-way for all modes of transportation. The downtown is a very dense urban environment with limited roadway capacity and is already substantially congested and impacted by existing patterns of movement. To accommodate the substantial growth anticipated in the Transit Center District Plan Area, public transit investments must be made, circulation patterns adjusted, and limited right-of-way space reallocated such that trips to and through the area are primarily made by public transit, walking, bicycling, and carpooling and such that these modes are enabled to maintain or improve efficiency and attractiveness in the face of increasing traffic congestion. The Transit Center District Plan identified necessary investments and improvements to achieve these modal objectives and ensure that growth in trips resulting from new

development and population increase in the Plan area does not degrade existing services. The Transit Center District Plan Transportation Nexus Study, San Francisco Planning Department Case No. 2007.0558U on file with the Clerk of the Board in File No. **120665** *, calculated the proportional share of the cost of these improvements attributable to new growth based on accepted professional standards. The investments and improvements identified in the Transit Center District Plan and allocated in the nexus study are distinct and in addition to improvements and services related to the Transit Impact Development Fee (TIDF) imposed by Section 411 et seq. Whereas the TIDF funds improvements to SFMTA Municipal Railway public transit services and facilities to provide sufficient capacity required to serve new development, the Transit Center District Transportation and Street Improvement Fee covers impacts of new development in the District on regional transit services and facilities that are distinct from and in addition to the need for SFMTA public transit services, and that will not funded by the TIDF, including necessary improvements to area streets to facilitate increases in all modes of transportation due to development, including walking, bicycling, and carpooling, and to regional transit facilities, including the Downtown Rail Extension and downtown BART stations. The Board finds that there is no duplication in these two fees. To provide the City and County of San Francisco and regional transit agencies with the financial resources to provide transportation facilities and street improvements necessary to serve the burgeoning population of downtown San Francisco, a Transit Center District Transportation and Street Improvement Fund shall be established as set forth herein. The Board of Supervisors adopts the findings of the Downtown Open Space Nexus Study in accordance with the California Mitigation Fee Act, Government Code 66001(a) on file with the Clerk of the Board in File No.* **120665** *.*

(b) Transit Center District Transportation and Street Improvement Impact Fee. Development impact fees are an effective approach to mitigate impacts associated with growth in population. The proposed Transit Center District Transportation and Street Improvement Impact Fee shall be dedicated to public transportation and public street improvements in the Transit Center District Plan Area and

adjacent downtown areas that will provide direct benefits to the property developed by those who pay into the fund, by providing necessary transportation and street improvements needed to serve new development.

The fee rate has been calculated by the Planning Department based on accepted professional methods for the calculation of such fees, and described fully in the Transit Center District Transportation and Street Improvement Nexus Study, San Francisco Planning Department, Case No. 2007.0558U on file with the Clerk of the Board in File No. **120665** .

The proposed fee established in Sections 424.7 et seq., is less than the maximum justified fee amount as calculated by the Transit Center District Transportation and Street Improvement Nexus Study necessary to provide transportation and street improvements to increasing population in the area. While no project sponsor would be required to pay more than the maximum amount justified for that project as calculated in the Nexus Study, the Transit Center District Transportation and Street Improvement Fee is tiered such that denser projects are assessed higher fees because it is economically feasible for such projects to pay a higher proportion of the maximum justified amount. The proposed fee covers only the demand for transportation and street improvements created by new development and is not intended to remedy existing deficiencies. The cost to remedy existing deficiencies will be paid for by public, community, and other private sources as described in the Transit Center District Transportation and Street Improvement Nexus Study and the Transit Center District Plan Implementation Document. Impact fees are only one of many revenue sources necessary to provide transportation and street improvements in the Plan Area.

SEC. 424.7.2. APPLICATION OF TRANSIT CENTER DISTRICT TRANSPORTATION AND STREET IMPROVEMENT IMPACT FEE.

*(a) **Application**. Sections 424.7 et seq. shall apply to any development project located in the C-3-O(SD) District and meeting the requirements of subsection (b) below.*

*(b) **Projects subject to the Transit Center District Transportation and Street Improvement Impact Fee.** The Transit Center District Transportation and Street Improvement Impact Fee is applicable to any development project in the C-3-O(SD) District which results in:*

(1) At least one net new residential unit,

(2) Addition of space to an existing residential unit of more than 800 gross square feet,

(3) At least one net new group housing facility or residential care facility,

(4) Addition of space to an existing group housing or residential care facility of more than 800 gross square feet,

(5) New construction of a non-residential use, or

(6) Addition of non-residential space in excess of 800 gross square feet to an existing structure.

(7) Conversion of existing space to a different use where the project's total fee as calculated according to subsection (c) below would exceed the total fee for the uses being replaced.

*(c) **Fee Calculation for the Transit Center District Transportation and Street Improvement Impact Fee.** For development projects for which the Transit Center District Transportation and Street Improvement Impact Fee is applicable the corresponding fee for net addition of gross square feet is listed in Table 424.7A. Where development project includes more than one land use, the overall proportion of each use relative to other uses on the lot shall be used to calculate the applicable fees regardless of the physical distribution or location of each use on the lot. If necessary, the Director shall issue a Guidance Statement clarifying the methodology of calculating fees.*

*(1) **Transit Delay Mitigation Fee.** The fee listed in Column A shall be assessed on all applicable gross square footage for the entire development project.*

*(2) **Base Fee.** The fee listed in Column B shall be assessed on all applicable gross square footage for the entire development project.*

*(3) **Projects Exceeding FAR of 9:1.** For development projects that result in the Floor Area Ratio on the lot exceeding 9:1, the fee listed in Column C shall be assessed on all applicable gross square footage on the lot above an FAR of 9:1.*

*(4) **Projects Exceeding FAR of 18:1.** For development projects that result in the Floor Area Ratio on the lot exceeding 18:1, the fee listed in Column D shall be assessed on all applicable gross square footage on the lot above an FAR of 18:1.*

(5) For projects that are eligible to apply TDR units to exceed an FAR of 9:1 pursuant to Section 123(e)(1), the fee otherwise applicable to such square footage according to subsections (3) and (4) above shall be waived.

TABLE 424.7A

FEE SCHEDULE FOR NET ADDITIONS OF GROSS SQUARE FEET IN THE TRANSIT CENTER DISTRICT AREA

Use	*Column A (Transit Delay Mitigation Fee)*	*Column B (Base Fee)*	*Column C (GSF Above 9:1)*	*Column D (GSF Above 18:1)*
Residential	*$0.06/gsf*	*$3.94/gsf*	*$6.00/gsf*	*$3.00/gsf*
Office	*$0.20/gsf*	*$3.80/gsf*	*$19.50/gsf*	*$10.00/gsf*
Retail	*$1.95/gsf*	*$2.05/gsf*	*$19.50/gsf*	*$10.00/gsf*
Hotel	*$0.10/gsf*	*$3.90/gsf*	*$8.00/gsf*	*$3.00/gsf*
Institutional/Cultural/Medical	*$0.30/gsf*	*$3.70/gsf*	*$19.50/gsf*	*$10.00/gsf*
Industrial	*N/A*	*$4.00/gsf*	*N/A*	*N/A*

*(d) **Option for In-Kind Provision of Community Improvements and Fee Credits.** Project sponsors may propose to directly provide community improvements to the City. In such a case, the City may enter into an In-Kind Improvements Agreement with the sponsor and issue a fee waiver for the Transit Center District Transportation and Street Improvement Impact Fee from the Planning Commission, subject to the following rules and requirements:*

*(1) **Approval criteria**. The City shall not enter into an In-Kind Agreement unless the proposed in-kind improvements meet an identified community need as analyzed in the Transit Center District Plan Implementation Document and where they substitute for improvements that could be provided by the Transit Center District Transportation and Street Improvement Fund (as described in Section 424.7.4). The City may reject in-kind improvements if they are not consistent with the priorities identified in the Transit Center District Plan, by the Interagency Plan Implementation Committee (see Chapter 36 of the Administrative Code), or other prioritization processes related to Transit Center District improvements programming. No physical improvement or provision of space otherwise required by the Planning Code or any other City Code shall be eligible for consideration as part of this In-Kind Improvements Agreement.*

(A) For a development project on Assessor's Block 3720 Lot 009, an in-kind agreement may be approved that credits the project for street and transportation improvements constructed by either the sponsor of the development project or by the Transbay Joint Powers Authority.

(B) The Planning Commission may not grant an in-kind agreement to waive or provide improvements in-lieu of paying the Transit Delay Mitigation Fee required by subsection (c)(1) above.

*(2) **Valuation**. The Director of Planning shall determine the appropriate value of the proposed in-kind improvements. For the purposes of calculating the total value, the project sponsor shall provide the Planning Department with a cost estimate for the proposed in-kind improvement(s) from two independent sources or, if relevant, real estate appraisers. A detailed site-specific cost estimate for a planned improvement prepared by the City or the Transbay Joint Powers Authority may satisfy the requirement for cost estimates provided that the estimate is indexed to current cost of construction.*

*(3) **Content of the In-Kind Improvements Agreement**. The In-Kind Improvements Agreement shall include at least the following items:*

(A) A description of the type and timeline of the proposed in-kind improvements.

(B) The appropriate value of the proposed in-kind improvement, as determined in subsection (2) above.

(C) The legal remedies in the case of failure by the project sponsor to provide the in-kind improvements according to the specified timeline and terms in the agreement. Such remedies shall include the method by which the City will calculate accrued interest.

*(4) **Approval Process**. The Planning Commission must approve the material terms of an In-Kind Agreement. The Planning Commission shall hear and consider the recommendation of the Interagency Plan Implementation Committee, as established in Chapter 36 of the Administrative Code, in deciding whether to approve or disapprove any In-Kind Agreement. Prior to the parties executing the Agreement, the City Attorney must approve the agreement as to form and to substance. The Director of Planning shall be authorized to execute the Agreement on behalf of the City. If the Planning Commission approves the In-Kind Agreement, it shall waive the amount of the Transit Center District Transportation and Street Improvement Impact Fee equivalent to the value of the improvements proposed in the In-Kind Agreement. No credit shall be made for land value unless ownership of the land is transferred to the City or a permanent public easement is granted, the acceptance of which is at the sole discretion of the City. The maximum value of the credit for the improvements proposed in the In-Kind Improvements Agreement shall not exceed the required Transit Center District Transportation and Street Improvement Impact Fee.*

*(5) **Administrative Costs**. Project sponsors that pursue an In-Kind Improvements Agreement will be billed time and materials for any administrative costs that the Planning Department or any other City entity incurs in negotiating, drafting, and monitoring compliance with the In-Kind Improvements Agreement.*

*(e) **Timing of Fee Payments**. The Transit Center District Transportation and Street Improvement Impact Fee is due and payable to the Development Fee Collection Unit at DBI prior to issuance of the first construction document, with 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 that would be paid into the appropriate fund in accordance with Section 107A.13.3 of the San Francisco Building Code.

*(f) **Waiver or Reduction of Fees.** Development projects may be eligible for a waiver or reduction of impact fees, per Section 406 of this Article. No waiver or reduction may be granted for the Transit Delay Mitigation Fee required by subsection (c)(1) above.*

SEC. 424.7.3. IMPOSITION OF TRANSIT CENTER DISTRICT TRANSPORTATION AND STREET IMPROVEMENT IMPACT FEE.

*(a) **Determination of Requirements.** The Department shall determine the applicability of Sections 424.7 et seq. to any development project requiring a first construction document and, if Sections 424.7 et seq. is applicable, the amount of Transit Center District Transportation and Street Improvement Impact Fees required and shall impose these requirements as a condition of approval for issuance of the first construction document for the development project. The project sponsor shall supply any information necessary to assist the Department in this determination.*

*(b) **Department Notice to Development Fee Collection Unit at DBI.** Prior to the issuance of a building or site permit for a development project subject to the requirements of Sections 424.7 et seq., the Department shall notify the Development Fee Collection Unit at DBI of its final determination of the amount of Transit Center District Transportation and Street Improvement Impact Fees required, including any reductions calculated for an In-Kind Improvements Agreement, in addition to the other information required by Section 402(b) of this Article.*

*(c) **Development Fee Collection Unit Notice to Department Prior to Issuance of the First Certificate of Occupancy.** The Development Fee Collection Unit at DBI shall provide notice in writing or electronically to the Department prior to issuing the first certificate of occupancy for any development project subject to Sections 424.7 et seq. that has elected to fulfill all or part of its Transit Center District Transportation and Street Improvement Impact Fee requirement with an In-Kind*

Improvements Agreement. If the Department notifies the Unit at such time that the sponsor has not satisfied any of the terms of the In-Kind Improvements Agreement, the Director of DBI shall deny any and all certificates of occupancy until the subject project is brought into compliance with the requirements of Section Sections 424.7 et seq., either through conformance with the In-Kind Improvements Agreement or payment of the remainder of the Transit Center District Transportation and Street Improvement Impact Fees that would otherwise have been required, plus a deferral surcharge as set forth in Section 107A.13.3.1 of the San Francisco Building Code.

*(d) **Process for Revisions of Determination of Requirements.** In the event that the Department or the Commission takes action affecting any development project subject to Sections 424.7 et seq. and such action is subsequently modified, superseded, vacated, or reversed by the Department or the Commission, Board of Appeals, the Board of Supervisors, or by court action, the procedures of Section 402(c) of this Article shall be followed.*

SEC. 424.7.4. THE TRANSIT CENTER DISTRICT TRANSPORTATION AND STREET IMPROVEMENT FUND.

(a) There is hereby established a separate fund set aside for a special purpose entitled the Transit Center District Transportation and Street Improvement Fund ("Fund"). All monies collected by the Development Fee Collection Unit at DBI pursuant to Section 424.7.3(b) shall be deposited in a special fund maintained by the Controller. The receipts in the Fund to be used solely to fund Public Benefits subject to the conditions of this Section.

(b) Expenditures from the Fund shall be recommended by the Interagency Plan Implementation Committee for allocation and administration by the Board of Supervisors.

(1) All monies deposited in the Fund shall be used to study, design, engineer, develop and implement transportation infrastructure, facilities, equipment, services and programs as well as improvements to public streets, in the Transit Center District Plan Area and the greater downtown as established in the Transit Center District Plan and the Transit Center District Implementation Program

Document and supported by the findings of the Transit Center District Plan Transportation and Street Improvement Nexus Study. Fees paid pursuant to the Transit Delay Mitigation Fee required by Section 424.7.2(c)(1) must be held in a separate account for use for the mitigation purposes defined in the Final Transit Center District Plan Environmental Impact Report, San Francisco Planning Department Case Number 2007.0558E.

(2) Funds may be used for administration and accounting of fund assets, for additional studies as detailed in the Transit Center District Implementation Program Document, and to defend the Transit Center District Transportation and Street Improvement Impact Fee against legal challenge, including the legal costs and attorney's fees incurred in the defense. Administration of this fund includes time and materials associated with reporting requirements, facilitating any necessary or required public meetings aside from Planning Commission hearings, and maintenance of the fund. Monies from the Fund may be used by the Planning Commission to commission economic analyses for the purpose of revising the fee, and/or to complete an updated nexus study to demonstrate the relationship between development and the need for public facilities and services if this is deemed necessary. Monies used for the purposes consistent with this subsection (2) shall not exceed five percent of the total fees collected. All interest earned on this account shall be credited to the Transit Center District Transportation and Street Improvement Fund.

(3) All funds are justified and supported by the Transit Center District Plan Transportation and Street Improvement Nexus Study, San Francisco Planning Department, Case No. 2007.0558U. Implementation of the Fee and Fund shall be monitored according to the Downtown Plan Monitoring Program required by the Administrative Code Section 10E.

(c) With full participation by the Planning Department and related implementing agencies, the Controller's Office shall file a report with the Board of Supervisors beginning 180 days after the last day of the fiscal year of the effective date of Sections 424.7 et seq. that shall include the following elements: (1) a description of the type of fee in each account or fund; (2) amount of fee collected; (3)

beginning and ending balance of the accounts or funds including any bond funds held by an outside trustee; (4) amount of fees collected and interest earned; (5) identification of each public improvement on which fees or bond funds were expended and amount of each expenditure; (6) an identification of the approximate date by which the construction of public improvements will commence; (7) a description of any interfund transfer or loan and the public improvement on which the transferred funds will be expended; and (8) amount of refunds made and any allocations of unexpended fees that are not refunded.

SEC. 424.8. TRANSIT CENTER DISTRICT MELLO ROOS COMMUNITY FACILITIES DISTRICT PROGRAM.

*(a) **Purpose.** New construction that increases the density of the downtown area, and the C-3-O(SD) district in particular, will require the City to invest in substantial new infrastructure and services. By increasing height limits, relieving density and floor area ratio limitations, reducing requirements for acquisition of Transferrable Development Rights, and making other regulatory changes to the C-3-O(SD) district, the Transit Center District Plan, confers substantial benefits on properties in the district. In order to exceed base densities in the district, the City will require sufficient funding to supplement other applicable impact fees for infrastructure, improvements and services as described in the Transit Center District Implementation Document, including but not limited to the Downtown Extension of rail into the Transit Center, street improvements, and acquisition and development of open spaces.*

*(b) **Requirement.** Any development on any lot in the C-3-O(SD) district that meets the applicability criteria of subsection (c) below shall participate in the Transit Center District Mello Roos Community Facilities District ("CFD") and successfully annex the lot or lots of the subject development into said CFD prior to the issuance of the first Temporary Certificate of Occupancy for the development.*

*(c) **Applicability**. A development on any lot in the C-3-O(SD) District meeting any one of the following criteria shall be subject to the requirements of this Section 424.8.*

(1) The proposed project causes the development on the subject lot to exceed a floor area ratio of 9:1; or

(2) The proposed project would create a structure that exceeds the height limit that was applicable to the subject lot prior to the effective date of this Ordinance;

(d) Notwithstanding, Subsection (c) above, net additions of less than 20,000 gross square feet to existing buildings shall be exempt from the requirements of this Section, unless said addition results in a lot that exceeds a floor area ratio of 18:1.

SEC. 427. PAYMENT IN CASES OF VARIANCE OR EXCEPTION *FOR REQUIRED OPEN SPACE*.

(a) Eastern Neighborhoods Mixed Use Districts. In the Eastern Neighborhoods Mixed Use Districts, should a Variance from usable open space requirements for residential uses be granted by the Zoning Administrator, or an exception be granted for those projects subject to the Section 329 process, a fee of $327 shall be required for each square foot of usable open space not provided pursuant to that Variance. This fee shall be adjusted in accordance with Section 423.3 of this Article. This fee shall be paid into the Eastern Neighborhoods Public Benefits Fund, as described in Section 423 of this Article. Said fee shall be used for the purpose of acquiring, designing, and improving park land, park facilities, and other open space resources, which is expected to be used solely or in substantial part by persons who live, work, shop or otherwise do business in the Eastern Neighborhoods Mixed Use Districts.

(b) C-3-O(SD) District. In the C-3-O(SD) District, if a Variance is granted by the Zoning Administrator to reduce the amount of open space required for any use pursuant to Section 135 or 138 or if a project sponsor chooses to pay the in-lieu fee described in Section 138(j)(4), a fee of $1,410 shall be required for each square foot of usable open space not provided. This fee shall be adjusted in

accordance with Section 409. This fee shall be paid into the Transit Center District Open Space Fund, as described in Sections 424.6 et seq. of this Article. Said fee shall be used for the purpose of acquiring, designing, and improving public open space, recreational facilities, and other open space resources, which is expected to be used solely or in substantial part by persons who live, work, shop or otherwise do business in the Transit Center District.

SEC. 1103.1. CONSERVATION DISTRICT DESIGNATIONS.

The following Conservation Districts are hereby designated for the reasons indicated in the appropriate Appendix:

(a) The Kearny-Market-Mason-Sutter Conservation District is hereby designated as set forth in Appendix E.

(b) The New Montgomery-*Mission*-Second Street Conservation District is hereby designated as set forth in Appendix F.

(c) The Commercial-Leidesdorff Conservation District is hereby designated as set forth in Appendix G.

(d) The Front-California Conservation District is hereby designated as set forth in Appendix H.

(e) The Kearny-Belden Conservation District is hereby designated as set forth in Appendix I.

(f) The Pine-Sansome Conservation District is hereby designated as set forth in Appendix J.

APPENDIX F TO ARTICLE 11 - NEW MONTGOMERY-*MISSION*-SECOND STREET CONSERVATION DISTRICT.

SEC. 1. FINDINGS AND PURPOSES.

It is hereby found that the area known and described in this appendix as the New Montgomery-*Mission*-Second Street area is a subarea within the C-3 District, that possesses

concentrations of buildings that together create a subarea of architectural and environmental quality and importance which contributes to the beauty and attractiveness of the City. It is further found that the area meets the standards for designation of a Conservation District as set forth in Section 1103 of Article 11 and that the designation of said area as a Conservation District will be in furtherance of and in conformance with the purposes of Article 11 of the City Planning Code.

This designation is intended to promote the health, safety, prosperity and welfare of the people of the City through the effectuation of the purposes set forth in Section 1101 of Article 11 and the maintenance of the scale and character of the New Montgomery-Mission-Second Street area by:

(a) The protection and preservation of the basic characteristics and salient architectural details of structures insofar as these characteristics and details are compatible with the Conservation District;

(b) Providing scope for the continuing vitality of the District through private renewal and architectural creativity within appropriate controls and standards;

(c) Preservation of the scale and character of the District separate from the prevailing larger scale of the financial district and permitted scale in the new Special Development District.

SEC. 2. DESIGNATION.

Pursuant to Section 1103.1 of Article 11 of the City Planning Code (Part II, Chapter XI of the San Francisco Municipal Code), the New Montgomery-*Mission*-Second Street area is hereby designated as a Conservation District.

SEC. 3. LOCATION AND BOUNDARIES.

The location and boundaries of the New Montgomery-Mission-Second Street Conservation District shall be as designated on the New Montgomery-*Mission*-Second Street

Conservation District Map, the original of which is on file with the Clerk of the Board of Supervisors under File 223-84-4, which Map is hereby incorporated herein as though fully set forth, and a facsimile of which is reproduced herein below.

SEC. 4. RELATION TO CITY PLANNING CODE.

(a) Article 11 of the City Planning Code is the basic law governing preservation of buildings and districts of architectural importance in the C-3 District of the City and County of San Francisco. This Appendix is subject to and in addition to the provisions thereof.

(b) Except as may be specifically provided to the contrary, nothing in this Appendix shall supersede, impair or modify any City Planning Code provisions applicable to property in the New Montgomery-*Mission*-Second Street Conservation District including, but not limited to, regulations controlling uses, height, bulk, coverage, floor area ratio, required open space, off-street parking and signs.

SEC. 5. JUSTIFICATION.

The characteristics of the Conservation District justifying its designation are as follows:

(a) **History of the District.** *The core of the New Montgomery-Mission-Second Street Conservation District is a product of the post-1906 reconstruction of downtown San Francisco. Rebuilt between 1906 and 1933 this district represents a collection of masonry commercial loft buildings that exhibit a high level of historic architectural integrity and create a cohesive district of two-to-eight story masonry buildings of similar scale, massing, setback, materials, fenestration pattern, style, and architectural detailing.*

This area forms one of the earliest attempts to extend the uses of the financial and retail districts to the South of Market area. Since Montgomery Street was the most important commercial street in the 1870's, New Montgomery Street was planned as a southern extension from Market Street to the Bay. Opposition from landowners south of Howard Street,

however, prevented the street from reaching its original bayside destination. William Ralston, who was instrumental in the development of the new street, built the Grand Hotel and later the Palace Hotel at its Market Street intersection. A wall of large hotels on Market Street actually hindered the growth of New Montgomery Street and few retail stores and offices ventured south of Market Street. The unusually wide width of Market Street acted as a barrier between areas to the north and south for many years.

A small number of office buildings were built on New Montgomery Street as far south as Atom Alley (now Natoma Street) after the fire. Many buildings were completed in 1907, and most of the street assumed its present character by 1914. At 74 New Montgomery Street, the Call newspaper established its first headquarters. A noteworthy addition to the streetscape was the Pacific Telephone and Telegraph Building. At the time of its completion in 1925, it was the largest building on the West Coast devoted to the exclusive use of one firm. Until the 1960's, the office district on New Montgomery Street was the furthest extension of the financial district into the South of Market area. More characteristic were warehouses and businesses which supported the nearby office district. For example, the Furniture Exchange at the northwest corner of New Montgomery and Howard Streets, completed in 1920, was oriented to other wholesale and showroom uses along Howard Street.

One block to the east, Second Street had a different history from New Montgomery Street. The future of Second Street as an extension of the downtown depended upon the southward extension of the street through the hill south of Howard Street. At one time there was even a proposal to extend Second Street north in order to connect with Montgomery Street. The decision to extend Montgomery Street south rather than Second Street north due to the high cost of the Second Street Cut, however, discouraged retail and office growth on the street. As a result, by the 1880's Second Street was established as a wholesaling rather than retail or office area. In the 1920's, Second Street contained a wide

mixture of office support services. These included printers, binderies, a saddlery, a wholesale pharmaceutical outlet, and a variety of other retail stores and smaller offices. Industrial uses were commonly located on the alleyways such as Minna and Natoma and on Second Street, south of Howard Street.

Howard Street between 1st and 3rd Street became a popular and convenient extension for retail and wholesale dealers after 1906. As with Mission Street, the area still contains a number of smaller commercial loft structures that represent some of the best examples within the district, such as the Volker Building at 625 Howard Street, the Crellin Building at 583 Howard Street, and the Sharon Estate Building at 667 Howard Street.

The transformation of much of the area within the boundaries of the New Montgomery-Mission-Second Street Conservation District into a southerly extension of downtown was reflected in the large number of multi-story structures built along both Mission and Market streets. The intersection of 3rd and Mission evolved into the most important intersections in the survey area, bracketed on three corners by important early skyscrapers, including the rebuilt Aronson Building on the northwest corner, the Williams Buildings on the southeast corner, and the Gunst Building (demolished) on the southwest corner.

(b) **Basic Nature of the District.** New Montgomery Street is characterized by large buildings that often occupy an entire section of a block defined by streets and alleys or a major portion of these subblocks. The buildings are of a variety of heights, but the heights of most of the buildings range from five to eight stories. Second Street is characterized by smaller, less architecturally significant buildings, but, because of their continuous streetwall, they form a more coherent streetscape. Without some sort of protection for the less significant buildings, the quality of the district would be lost due to pressure from the expanding office core.

(c) **Architectural Character.** *Most of the contributing buildings are designed in the American Commercial Style and feature facades divided into a tripartite arrangement consisting of a base, shaft, and capital.* Although the scale and size of the structures on New Montgomery Street are somewhat monumental, the area remains attractive for pedestrians. The street has *There are* a number of outstanding buildings concentrated on New Montgomery, such as the Palace Hotel, the Pacific Telephone *and Telegraph Building* tower, and the Sharon Building. *Ornamentation of district contributors is most often Renaissance-Baroque with later examples of Spanish, Colonial, Gothic Revival Styles, and Art Deco. Examples of t*~~T~~he styles range from the Gothic skyscraper massing and Art Deco detailing of the Pacific Telephone and Telegraph Building to the Renaissance Palazzo style of the Palace Hotel. The primary building materials are earthtone bricks, stone or terra cotta, with ornamental details executed in a variety of materials including terra cotta, metal, stucco and stone.

With the exceptions of corner buildings, Second Street, *Mission and Howard Streets have* has a smaller, more intimate scale. While on New Montgomery Street, buildings typically occupy an entire subblock, on Second Street, three or four small buildings will occupy the same area. The buildings are generally mixed-use office and retail structures, *two-to-seven* ~~*three to five*~~ stories in height, with Renaissance-influenced ornament.

The two streets are unified by several elements, including an architectural vocabulary which draws from similar historical sources, similar materials, scale, fenestration, color, stylistic origins, texture, and ornament.

(d) **Uniqueness and Location.** The District is located close to the central core of the financial district and is adjacent to an area projected for the future expansion. It is one of the few architecturally significant areas remaining largely intact in the South of Market area.

(e) **Visual and Functional Unity.** The District has a varied character ranging from the small and intimate on the alley streets to a more monumental scale on New

Montgomery. In spite of this wide range, the district forms a coherent entity due to the buildings' common architectural vocabulary and the rhythm of building masses created by the District's intersecting alleys.

(f) **Dynamic Continuity.** The District is an active part of the downtown area, and after some years of neglect is undergoing reinvestment, which is visible in the rehabilitation of the Pacific Telephone and Telegraph Building, and the repair and rehabilitation of other buildings in the District.

(g) **Benefits to the City and Its Residents.** The District is a microcosm of twentieth century commercial architecture, ranging from low-level speculative office blocks to the City's premier hotels and executive offices of the time. The District now houses a variety of uses from inexpensive restaurants and support commercial uses, such as printers, to executive offices. The area retains a comfortable human scale, which will become increasingly important as neighboring areas of the South of Market become more densely developed.

SEC. 6. FEATURES.

The exterior architectural features of the New Montgomery-*Mission*-Second Street District are as follows:

(a) **Massing and Composition.** Almost without exception, the buildings in the New Montgomery-*Mission*-Second Conservation District are built to the front property line and occupy the entire site. *Most buildings are either square or rectangular in plan, some with interior light courts to allow sunlight and air into the interiors of buildings. Nearly all cover their entire parcels, and their primary facades face the street.* Building massings along New Montgomery and Second Streets have different directional orientations. For the most part, the large buildings on New Montgomery Street are horizontally oriented, since they are built on relatively large lots, often occupying an entire blockface. Their horizontal width often exceeds their height.

The buildings on Second Street are built on much smaller lots, and hence have a vertical orientation. An exception on New Montgomery is the tower of the Pacific Telephone *and Telegraph* Building, whose soaring verticality is unique for that street.

To express the mass and weight of the structure, masonry materials are used on multi-dimensional wall surfaces with texture and depth, which simulates the qualities necessary to support the weight of a load-bearing wall.

Despite their differing orientation, almost all buildings share a two or three-part compositional arrangement. In addition, buildings are often divided into bays which establish a steady rhythm along the streets of the District. The rhythm is the result of fenestration, structural articulation or other detailing which breaks the facade into discrete segments. A common compositional device in the District is the emphasis placed upon either the end bays or the central bay.

(b) **Scale.** *~~The scale of the District varies from the small buildings on Second Street to medium-scaled structures on New Montgomery Street. On the latter street,~~* *More than two-thirds of the contributing buildings are three-to-eight story brick or concrete commercial loft buildings constructed during the five years after the 1906 Earthquake and Fire. The scale of the District varies from the small buildings on Howard, Mission, Natoma, and Second Streets, such as the Phoenix Desk Company Building at 666 Mission Street, the Burdette Building at 90 Second Street, and the Emerison Flag Company Building at 161 Natoma Street; to medium-scaled structures on Mission and New Montgomery Streets, such as the Veronica Building at 647 Mission Street, and the Standard Building at 111 New Montgomery Street; to large-scale buildings on New Montgomery Street, such as the Pacific Telephone and Telegraph Building at 140 New Montgomery. On New Montgomery Street*, the large facades are not commonly divided into smaller bays, establishing a medium scale when combined with the five- to eight-story height of the buildings. Similarly, the use of elaborate ornament on many of the buildings breaks their large facades into smaller sections and

accordingly reduces their scale. Second Street is characterized by much smaller buildings with more frequent use of vertical piers whose scale is very intimate for the South of Market area.

(c) **Materials and Color.** Various forms of masonry are the predominant building materials in the district. A number of buildings on the northern end of New Montgomery use brown or buff brick. Terra cotta is also used as a facing material, and is frequently glazed to resemble granite or other stones. On Second *and Mission* Street*s*, *several* many buildings are faced in stucco or painted masonry. To express the mass and weight of the structure, masonry materials are often rusticated at the ground and second story to increase the textural variation and sense of depth. *Several buildings along Howard Street are noteworthy because they are clad in brick in warm earth tones, exhibit fine masonry craftsmanship, and remain unpainted.*

The materials are generally colored light or medium earth tones, including white, cream, buff, yellow, and brown. Individual buildings generally use a few different tones of one color.

(d) **Detailing and Ornamentations.** Buildings range from industrial brick and stucco office/warehouses to ornately decorated office buildings. The details on the latter buildings are generally of Classical/Renaissance derivation and include projecting cornices and belt courses, rustication, columns and colonnades, and arches. Industrial commercial buildings are noted by their utilitarian nature, with limited areas or ornament applied at the cornice entablature and around windows.

SEC. 7. STANDARDS AND GUIDELINES FOR REVIEW OF NEW CONSTRUCTION AND CERTAIN ALTERATIONS.

(a) Standards. All construction of new buildings and all major alterations, which are subject to the provisions of Article 11 Sections 1110, 1111 through 1111.6 and 1113, shall be compatible with the District in general with respect to the building's composition and

massing, scale, materials and colors, and detailing and ornamentation, including those features described in Section 6 of this Appendix. Emphasis shall be placed on compatibility with those buildings in the area in which the new or altered building is located. In the case of major alterations, only those building characteristics that are affected by the proposed alteration shall be considered in assessing compatibility. Signs on buildings in conservation districts are subject to the provisions of Article 11 Section 1111.7.

The foregoing standards do not require, or even encourage, new buildings to imitate the styles of the past. Rather, they require the new to be compatible with the old. The determination of compatibility shall be made in accordance with the provisions of Section 309.

(b) **Guidelines.** The guidelines in this subsection shall be used in assessing compatibility.

(1) **Composition and Massing.** New construction should maintain the character of surrounding buildings by relating to their prevailing height, mass, proportions, rhythm and composition.

In addition to the consideration of sunlight access for the street, an appropriate streetwall height is established by reference to the prevailing height of the buildings on the block and especially that of adjacent buildings. The prevailing height of buildings on New Montgomery Street is between five and eight stories while buildings on Second Street commonly range from three to six stories. A setback at the streetwall height can permit additional height above the setback up to the height limit without breaking the continuity of the street wall.

Almost all existing buildings are built to the property or street line. This pattern, except in the case of carefully selected open spaces, should not be broken since it could damage the continuity of building rhythms and the definition of streets.

Proportions for new buildings should be established by the prevailing streetwall height and the width of existing buildings. On New Montgomery Street, the historic pattern of large lot development permits new buildings to have a horizontal orientation. In order to ensure that an established set of proportions is maintained on Second Street, new construction should break up facades into discrete elements that relate to prevailing building masses. The use of smaller bays and multiple building entrances are ways in which to relate the proportions of a new building with those of existing buildings.

The design of a new structure should repeat the prevailing pattern of two- and three-part vertical compositions. One-part buildings without bases do not adequately define the pedestrian streetscape and do not relate well to the prevailing two- and three-part structures.

(2) **Scale.** The existing scale can be accomplished in a variety of ways, including: a consistent use of size and complexity of detailing with regard to surrounding buildings, continuance of existing bay widths, maintenance of the existing streetwall height, and the use of a base element (of similar height) to maintain the pedestrian environment. Large wall surfaces, which increase a building's scale, should be broken up through the use of vertical piers, detailing and textural variation to reduce the scale of Second Street.

Existing fenestration (windows, entrances) and rhythms which have been established by lot width or bay width should be repeated in new structures. The spacing and size of window openings should follow the sequence set by historic structures. Large glass areas should be broken up by mullions so that the scale of glazed areas is compatible with that of neighboring buildings. Casement and double-hung windows should be used where possible since most existing buildings use these window types.

(3) **Materials and Colors.** The use of masonry and stone materials or materials that appear similar (such as substituting concrete for stone) can link two disparate

structures, or harmonize the appearance of a new structure with the architectural character of a Conservation District. The preferred surface materials for this District are brick, stone, terra cotta and concrete (simulated to look like terra cotta or stone).

The texture of surfaces can be treated in a manner so as to emphasize the bearing function of the material, as is done with rustication on the Rialto Building. Traditional light colors should be used in order to blend in with the character of the district. Dissimilar buildings may be made more compatible by using similar or harmonious colors, and to a lesser extent, by using similar textures.

(4) **Detailing and Ornamentation.** A new building should relate to the surrounding area by picking up elements from surrounding buildings and repeating them or developing them for new purposes. The new structure should incorporate prevailing cornice lines or belt courses. A variety of Renaissance/Baroque, Gothic and Moderne ornament in the District provides sources for detailing in new buildings in order to strengthen their relationship. Similarly shaped forms can be used as detailing without directly copying historical ornament.

SEC. 8. TDR; ELIGIBILITY OF CATEGORY V BUILDINGS.

Category V Buildings in that portion of the New Montgomery-*Mission*-Second Street Conservation District which is in the 150-S Height District as shown on Sectional Map 1H of the Zoning Map are eligible for the transfer of TDR as provided in Section 1109(c).

NOTE TO EDITOR: Delete existing Map in Appendix F and replace with the following Map:

New Montgomery-Mission-Second Street Conservation District

Appendix A TO ARTICLE 11 - Category I Buildings

CATEGORY I BUILDINGS			
Address of Building	Block	Lot(s)	Name of Building
22 Battery	266	6	Postal Telegraph
98 Battery	266	8	Levi Strauss
99 Battery	267	1	Donahoe
100 Bush	267	4	Shell
130 Bush	267	9	Heineman
200 Bush	268	2	Standard Oil
225 Bush	289	1, 7	Standard Oil
381 Bush	288	17	Alto
445 Bush	287	25	Pacific States
460 Bush	270	33	Fire Station No. 2
564 Bush	271	12	Notre Dame des Victoires

158 California	236	5	Marine
240 California	237	9	Tadich's Grill (Buich)
260 California	237	11	Newhall
301 California	261	1	Robert Dollar Bldg.
341 California	261	10A	Harold Dollar Bldg.
400 California	239	3	Bank of California
433 California	260	16	Insurance Exchange
465 California	260	15	Merchants Exchange
554 Commercial	228	22	
564 Commercial	228	23	
569 Commercial	228	11	PG&E Station J
119 Ellis	330	23	Continental Hotel
42 - 50 Fell	814	10	
67 Fifth	3705	21, 23	Pickwick Hotel
231 First	3737	23	
234 First	3736	6	Phillips
54 Fourth	3705	4	Keystone Hotel
150 Franklin	834	12	Whiteside Apts.
251 Front	237	1	DeBernardi's
2 Geary	310	6	
10 Geary	310	5	Schaidt
28 Geary	310	8	Rosenstock
108 Geary	309	4	Marion
120 Geary	309	5	E. Simon
132 Geary	309	6	Sacs
166 Geary	309	10	Whittell
285 Geary	314	12	St. Paul
293 Geary	314	11	Lincoln
301 Geary	315	1	Elkan Gunst
415 Geary	316	1A	Geary Theater
445 Geary	316	18A	Curran Theater
491 Geary	316	13	Clift Hotel
501 Geary	317	1	Bellvue Apt.
42 Golden Gate	343	2	Golden Gate Theater
200 Golden Gate	345	4	YMCA
1 Grant	313	8	Security Pacific Bank
17 Grant	313	7	Zobel
50 Grant	312	8	Ransohoff-Liebes
201 Grant	294	6	Shreve
220 Grant	293	8	Phoenix
233 Grant	294	5	
301 Grant	286	5	Myers
311 Grant	286	4	Abramson
333 Grant	286	2	Home Telephone
334 Grant	287	17	Beverly Plaza Hotel
101 Howard	3740	1	Folger Coffee
1049 Howard	3731	74	
125 Hyde	346	3B	Rulf's File Exchange

16 Jessie	3708	22	One Ecker
1 Jones	349	3	Hibernia Bank
25 Kearny	310	4	O'Bear
49 Kearny	310	2	Rouillier
153 Kearny	293	2	Bartlett Doe
161 Kearny	293	1	Eyre
200 Kearny	288	11	
201 Kearny	287	8	
251 Kearny	287	1	Charleston
333 Kearny	270	2	Macdonough
344 Kearny	269	9	Harrigan Weidenmuller
346 Kearny	269	27p	
362 Kearny	269	27p	
222 Leidesdorff	228	6	PG&E Station J
1 Market	3713	6	Southern Pacific
215 Market	3711	18	Matson
245 Market	3711	14A	Pacific Gas & Electric
540 Market	291	1	Flatiron
562 Market	291	5	Chancery
576 Market	291	5B	Finance
582 Market	291	6	Hobart
641 Market	3722	69	
660 Market	311	5	
673 Market	3707	51	Monadnock
691 Market	3707	57	Hearst
704 Market	312	10	Citizen's Savings
722 Market	312	9	Bankers Investment
744 Market	312	6	Wells Fargo
760 Market	328	1	Phelan
783 Market	3706	48	Humboldt
801 Market	3705	1	Pacific
835 Market	3705	43	Emporium
870 Market	329	5	Flood
901 Market	3704	1	Hale Brothers
938 Market	341	5	
948 Market	341	6	Mechanics Savings
982 Market	342	17	Warfield Theater
1000 Market	350	1	San Christina
1072 Market	350	4	Crocker Bank
1095 Market	3703	59	Grant
1100 Market	351	1	Hotel Shaw
1182 Market	351	22	Orpheum Theater
1301 Market	3508	1	Merchandise Mart
34 Mason	341	7	Rubyhill Vineyard
101 Mason	331	6	Hotel Mason
120 Mason	330	13	Kowalsky Apts.
602 Mason	284	12	

83 McAllister	351	32	Methodist Book Concern
100 McAllister	348	6	Hastings Dormitory
132 McAllister	348	7	Argyle Hotel
447 Minna	3725	76	
54 Mint	3704	34	McElnoy
66 Mint	3704	12	Remedial Loan
1 Mission	3715	1	Audiffred
647 Mission	3722	69	
1018 Mission	3703	81	Kean Hotel
130 Montgomery	289	6	French Bank
149 Montgomery	288	1	Alexander
220 Montgomery	268	6 - 8	Mills
235 Montgomery	269	1	Russ
300 Montgomery	260	10	Bank of America
315 Montgomery	259	21	California Commercial Union
400 Montgomery	239	9	Kohl
405 Montgomery	240	3	Financial Center
500 Montgomery	228	13	American-Asian Bank
520 Montgomery	228	15	Paoli's
552 Montgomery	228	28, 29	Bank of America
116 Natoma	3722	6	N. Clark
147 Natoma	3722	13	Underwriter Fire
39 New Montgomery	3707	35	Sharon
74 New Montgomery	3707	33	Call
79 New Montgomery	3707	14	
116 New Montgomery	3722	71	Rialto
134 New Montgomery	3722	8	Pacific Telephone
201 Ninth	3729	82	
20 O'Farrell	313	10	Kohler-Chase
235 O'Farrell	3261	8	Hotel Barclay
301 Pine	268	1	Pacific Stock Exchange
333 Pine	268	16	Chamber of Commerce
348 Pine	260	8	Dividend
57 Post	311	13	Mechanic's Institute
117 Post	310	22	O'Connor Moffat
126 Post	293	5	Rochat Cordes
165 Post	310	20	Rothchild
175 Post	310	19	Liebes
180 Post	293	7	Hastings
201 Post	309	1	Head
225 Post	309	27	S. Christian
275 Post	309	22	Lathrop

278 Post	294	11	Joseph Fredericks
340 Post	295	5	Bullock & Jones
442 Post	296	8	Chamberlain
450 Post	296	9	Elk's Club
470 Post	296	10	Medico-Dental
491 Post	307	9	1st Congregational Church
524 Post	297	5	Olympic Club
600 Post	298	6	Alvarado Hotel
1 Powell	330	5	Bank of America
200 Powell	314	7	Omar Khayyam's
301 Powell	307	1	St. Francis Hotel
432 Powell	295	8	Sir Francis Drake
433 Powell	296	5	Chancellor Hotel
449 Powell	296	1	Foetz
540 Powell	285	9	Elk's Club Old
114 Sansome	267	10	Adam Grant
155 Sansome	268	1A	Stock Exchange Tower
200 Sansome	261	7	American International
201 Sansome	260	5	Royal Globe Insurance
221 Sansome	260	4	
231 Sansome	260	3	TC Kierloff
233 Sansome	260	2	Fireman's Fund
400 Sansome	229	3	Federal Reserve
401 Sansome	228	4	Sun
407 Sansome	228	3	
71 - 85 Second	3708	19	Pacific Bell Building
121 Second	3721	71	Rapp
132 Second	3722	3	
133 Second	*3721*	*51*	*Morton L. Cook*
141 Second	3721	50	
6 Seventh	3702	1	Odd Fellow's
106 Sixth	3726	2	
201 Sixth	3732	124	Hotel Argonne
111 Stevenson	3707	44	Palace Garage
46 Stockton	328	4	J. Magnin
101 Stockton	314	2	Macy's
234 Stockton	309	20	Schroth's
600 Stockton	257	12	Metropolitan Life Ins. Co.
108 Sutter	288	7	French Bank
111 Sutter	292	1	Hunter-Dulin
130 Sutter	288	27	Hallidie
216 Sutter	287	9	Rose

255 Sutter	293	9	White House
256 Sutter	287	11	Sather
266 Sutter	287	12	Bemiss
301 Sutter	294	1	Hammersmith
312 Sutter	286	7	Nutall
391 Sutter	294	15	Galen
445 Sutter	295	10p	Pacific Gas & Electric
447 Sutter	295	10p	Pacific Gas & Electric
450 Sutter	285	6	Medical-Dental
500 Sutter	284	4	Physician's
609 Sutter	297	1	Marines Memorial
620 Sutter	283	4A	
640 Sutter	283	22	Metropolitan
403 Taylor	317	3	Hotel California
624 Taylor	297	7	Bohemian Club
701 Taylor	282	4A	
2 Turk	340	4	Oxford Hotel
11 Van Ness	834	4	Masonic Temple
700-706 Mission (86 Third)	*3706*	*93*	*Mercantile or Aronson*
145 Natoma	*3722*	*14*	

Appendix C TO ARTICLE 11 - Category III Buildings

CATEGORY III BUILDINGS			
Address of Building	Block	Lot(s)	Name of Building
566 Bush	271	24	Notre Dame des Victoires Rectory
608 Commercial	277	48	Original U.S. Mint & Subtreasury
33 Drumm	235	5	
37 Drumm	235	19	
51 Grant	313	3	Eleanor Green
342 Howard	3719	8	
657 Howard	3735	41	San Francisco News
667 Howard	3735	39	
1097 Howard	3731	42	Blindcraft
1234 Howard	3728	14	Guilfoy Cornice
96 Jessie	3708	32	
703 Market	3706	1	Central Tower
1083 Market	3703	61	
1582 Market	836	10	Miramar Apts.
658 Mission	3707	20	
678 Mission	3703	21	Builders' Exchange Building
1087 Mission	3726	106	

615 Sacramento	240	14	Jack's Restaurant
343 Sansome	239	2	
32 Sixth	3703	4	Seneca Hotel
83 Stevenson	3708	34	Calif. Farmer
72 Tehama	3736	91	Brizard and Young
1 United Nations Plaza	351	37	J.S. Godau
41 Van Ness	834	22p	
240 Second	*3735*	*55*	*Marine Fireman's and Oilers and Watertenders Union Hall*
572 Folsom	*3736*	*25*	*J.E. Bier*
606 Folsom	*3735*	*8*	*Planters Hotel*
608 Folsom	*3735*	*9*	*Louis Lurie Co.*
527 Howard	*3736*	*83*	*Martin*
531 Howard	*3736*	*112*	*Mercedes*
577 Howard	*3736*	*100*	*Taylor*
589 Howard	*3736*	*98*	*Lent*
404 Mission	*3709*	*8*	*C.C. Moore; Terminal Plaza*
79 Stevenson	*3708*	*31*	*SF Municipal Railway Co. Substation*
74 Tehama	*3736*	*92*	
78 Tehama	*3736*	*93*	
90 Tehama	*3736*	*94*	

Appendix D TO ARTICLE 11 - Category IV Buildings

CATEGORY IV BUILDINGS			
Address of Building	Block	Lot(s)	Name of Building
28 Belden	269	14	
40 Belden	269	15	
52 Belden	269	18	
364 Bush	269	4	Sam's Grill
380 Bush	269	5	Shasta Hotel
415 Bush	287	23	
429 Bush	287	22	
447 Bush	287	20	Hansa Hotel
461 Bush	287	18	Mfg. Jeweler's
507 Bush	286	1	St. Charles Hotel
515 Bush	286	22	Terbush
553 Clay	228	32	
559 Clay	228	31	
61 Ellis	329	6	John's Grill

111 Ellis	330	1	Powell
120 Ellis	326	5	Misses Butler
222 Front	236	6	
235 Front	237	4	
236 Front	236	8	Shroeder
239 Front	237	2	
246 Front	236	9	
250 Front	236	10	
66 Geary	310	12	Hotel Graystone
88 Geary	310	13 - 15	Cailleau
100 Geary	309	3	Granat Brothers
101 Geary	313	1	Paragon
129 Geary	313	16	
146 Geary	309	7	
152 Geary	309	8	
156 Geary	309	9	
251 Geary	314	14	Werner
347 Geary	315	22	Hotel Stewart
366 Geary	307	6	Rosebud's English Pub
381 Geary	315	20A	
418 Geary	306	6	Paisley Hotel
436 Geary	306	7	Somerton Hotel
459 Geary	316	18	
468 Geary	306	8	
476 Geary	306	9	Hotel David
484 Geary	306	11	
490 Geary	306	12	Hotel Maryland
39 Grant	313	5	Fisher
59 Grant	313	2	
100 Grant	310	13	Livingston Brothers
166 Grant	310	17	
251 Grant	294	3	
255 Grant	294	2	
321 Grant	286	3	Hotel Baldwin
45 Kearny	310	3	Oscar Luning
209 Kearny	287	7	
215 Kearny	287	6	
219 Kearny	287	5	
227 Kearny	287	4	
240 Kearny	288	14	Marston
246 Kearny	288	25	Hotel Stanford
260 Kearny	288	16	
315 Kearny	270	5	
325 Kearny	270	3	
334 Kearny	269	7	
353 Kearny	270	1	Kearny-Pine Building
358 Kearny	269	11	

215 Leidesdorff	228	10	
118 Maiden Lane	309	16	Lloyd
177 Maiden Lane	309	12	
601 Market	3707	1	Santa Fe
609 Market	3707	2A	
623 Market	3707	59	Metropolis Trust
300 Mason	315	16	Hotel Virginia
334 Mason	315	17	King George Hotel
425 Mason	306	2	S. F. Water Dept.
542 Mason	296	12A	St. Francis Apts.
609 Mission	3722	1	Stevenson
617 Mission	3722	73	Koracorp
540 Montgomery	228	24	Bank of America
111 New Montgomery	3722	72	Standard
137 New Montgomery	3722	7	
170 New Montgomery	3722	22	Furniture Exchange
180 O'Farrell	314	6	St. Moritz Hotel
238 O'Farrell	315	10	Spaulding Hotel
272 O'Farrell	315	14	
280 O'Farrell	315	15	
340 Pine	260	7	Selsbach and Deans
358 Pine	260	9	Phoenix
369 Pine	268	12	Exchange Block
485 Pine	269	20	
216 Post	294	7	Guggenheim
228 Post	294	8	Gumps - E. Arden
233 Post	309	17	Graff
251 Post	309	24	Mercedes
272 Post	294	10	
438 Post	296	7	St. Andrew
545 Post	306	22	Hotel Cecil
620 Post	298	7	J. J. Moore Apts.
624 Post	298	8	
45 Powell	330	2	
100 Powell	327	12	Hotel Golden State
111 Powell	326	4	
120 Powell	327	13	
134 Powell	327	22	Elevated Shops
151 Powell	326	2	Hotel Herbert
201 Powell	315	3, 6 - 9	Manx Hotel
207 Powell	315	4	Howard
226 Powell	314	9	
235 Powell	315	2	
236 Powell	314	10	Hotel Stratford
421 Powell	296	6	United Airlines

435 Powell	296	14p	
439 Powell	296	14p	
445 Powell	296	2	
333 Sacramento	237	18	
558 Sacramento	228	9	
560 Sacramento	228	10	
568 Sacramento	228	11	PG&E Station J
576 Sacramento	228	12	Potter
415 Sansome	228	2	Fugazi Bank
20 Second	3707	2	Schwabacher
36 Second	3707	4	Morgan
42 Second	3707	5	
48 Second	3707	6	Kentfield & Esser
52 Second	3707	7	
60 Second	3707	8	
70 Second	3707	9	
76 Second	3707	10	
90 Second	3707	12	
120 Second	3722	2	
~~*133 Second*~~	~~*3721*~~	~~*51*~~	~~*Morton L. Cook*~~
144 Second	3722	4	
149 Second	3721	49	
156 Second	3722	5	Jackson
163 Second	3721	48	Marcus Modry
165 Second	3721	5	Electrical
168 Second	3722	16	
182 Second	3722	19	Barker, Knickerbocker & Bostwick
216 Stockton	309	13	
222 Stockton	309	14	A. M. Robertson
334 Stockton	294	13p	Drake-Wiltshire Hotel Annex
340 Stockton	294	13p	Drake-Wiltshire Hotel
417 Stockton	285	4	All Seasons Hotel
427 Stockton	285	3	
171 Sutter	292	9	
307 Sutter	294	23	Orpheus
310 Sutter	286	6	
315 Sutter	294	22	Newbegin
323 Sutter	294	21	Hotel Alamo
345 Sutter	294	19	
371 Sutter	294	16	Nathalie Nicoli
400 Sutter	285	5p	McCloud
524 Sutter	284	6	Cartwright
535 Sutter	296	13C	Westphal
540 Sutter	284	8	John Simmons
547 Sutter	296	13B	Lowell

559 Sutter	296	13A	
575 Sutter	296	13	
595 Sutter	296	12B	Francisca Club
635 Sutter	297	13	Hotel Beresford
655 Sutter	297	12	
679 Sutter	297	10	
680 Sutter	283	7	
690 Sutter	283	8	
693 Sutter	297	9	
701 Sutter	298	1	
717 Sutter	298	34	Hotel DeLuxe
420 Taylor	316	10	NBC/KBHK
615 Taylor	298	5	Taylor Hotel
621 Taylor	298	4	Winterburn Hotel
625 Taylor	298	3	Eisenberg Apts.
627 Taylor	298	2	Hawthorne Apts.
125 Third (693 Mission)	*3722*	*257*	*Williams*
606 Howard	*3722*	*20*	*Merritt*
651 Howard	*3735*	*42*	*Smith-Emery Co.*
667 Howard	*3735*	*39*	
163 Jessie	*3707*	*32*	*California Demokrat; Hess*
602 Mission	*3707*	*13*	*Atlas*
611 Mission	*3722*	*76*	*Koret*
641 Mission	*3722*	*70*	
657 Mission	*3722*	*68*	*McLaughlin*
663 Mission	*3722*	*67*	*Grant*
666 Mission	*3707*	*21*	*California Historical Society; Hundley Hardware*
161 Natoma	*3722*	*11*	*Emerson Flag Company*

Section 3. This Section is uncodified.

(a) **Transit Tower Site In-Kind Agreement and Fees.**

(1) The Board of Supervisors specifically recognizes that the Transbay Joint Powers Authority (the "TJPA") plans to sell property owned by the TJPA adjacent to the new Transbay Transit Center (Assessor's Block 3720, Lot 009) (the "Tower Property") to a developer (the "Tower Developer") for the construction of the Transit Tower (the "Tower Project"). The purchase price the Transit Tower Developer has agreed to pay for the Tower Property will

include amounts that will be applied by the TJPA to the construction of Phase I of the Transbay Transit Center Project, including the Transit Center and the below-ground train levels of the Transit Center to accommodate the Downtown Rail Extension, City Park on top of the Transit Center, and sidewalk and street improvements immediately adjacent to the Transit Center. In addition to paying the purchase price for the Tower Property to the TJPA, the discretionary approvals for the Transit Tower, as described below, will require the Transit Tower Developer to pay for and build public improvements including, but not limited to, (i) Mission Square, (ii) sidewalk and street improvements adjacent to the Tower Project, (iii) a mechanism for public access directly from Mission Square to City Park (such as a funicular or inclined elevator, and (iv) a graceful, wide pedestrian bridge connecting the Tower Project with City Park that provides public access to the Park through the Tower Project.

(2) Should the City, in its sole and absolute discretion, issue approvals for the Transit Tower, a condition of any such approvals shall be that the Planning Director enter into an In-Kind Agreement, as set forth in this Ordinance, with the Transit Tower Developer to provide that the Developer may satisfy the requirement for the payment of the Transit Center District Plan Open Space Fee and Transportation and Street improvement Fee set forth in this Ordinance (the "TCDP Impact Fees") by constructing or causing to be constructed identified public improvements in the TCDP Area. Except as provided below, the fee offset shall be the full amount of the TCDP Impact Fees. Public improvements that should be considered for this Agreement are contributions from the Tower Property purchase price that the TJPA applies toward: (i) Natoma Street pedestrian plaza, (ii) Mission Street streetscape and transit improvements across the full right-of-way between First and Fremont Streets, (iii) signalized midblock pedestrian crossings on Fremont and First Streets, (iv) the Downtown Rail Extension (including the build-out of the train box for the Downtown Rail Extension), and (v) City Park. Notwithstanding the fee offset described above, the portion of the Transit Center District Plan

Transportation and Street Improvement Fee dedicated to addressing Transit Delay Mitigation and $2 (two) million of the Transit Center District Plan Open Space Fee shall not be eligible for in-kind credit against TCDP Impact Fees payments. Further, the Board hereby requires, as a condition of the In-Kind Agreement, that the City Planning Director enter into an Agreement with the TJPA that stipulates that if the TJPA does not allocate and obligate the Tower Developer's TCDP Impact Fee revenues to the improvements as set forth above and identified in the Agreement, the City shall allocate the amount of Impact Fee revenue equivalent to the unallocated and unobligated amount so that such revenues are available for: (i) other improvements consistent with the purpose of the respective Impact Fees, or, (ii) as determined by the Planning Commission and based on recommendation by the Interagency Plan Implementation Committee, used by the TJPA to fund alternative improvements consistent with the purposes of the Impact Fees.

(b) **Previously Entitled Projects**. Notwithstanding Section 123 as proposed for amendment, any unbuilt project that obtained Planning Commission approval January 1, 2012 may apply Transferrable Development Rights (TDR) to exceed a floor area ratio of 9.0:1 and shall be eligible for partial waiver of certain impact fees as described in Section 424.7.2(c)(3) and 424.7.2(c)(5).

Section 4. Effective Date. This ordinance shall become effective 30 days from the date of passage.

Section 5. This section is uncodified. In enacting this Ordinance, the Board intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation, charts, diagrams, or any other constituent part of the Planning Code that are explicitly shown in this legislation as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the legislation.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
John D. Malamut
Deputy City Attorney

City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 120665 **Date Passed:** July 31, 2012

Ordinance: 1) amending the San Francisco Planning Code by amending and adding sections consistent with the Transit Center District Plan, including the establishment of the Transit Center District Plan open space and transportation fees and the expansion and renaming of the New Montgomery-Mission-Second Street Conservation District, and 2) making findings, including environmental findings and findings of consistency with the General Plan, as proposed for amendment, and Planning Code Section 101.1.

July 16, 2012 Land Use and Economic Development Committee - RECOMMENDED

July 24, 2012 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 10 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Kim, Mar, Olague and Wiener
Excused: 1 - Farrell

July 31, 2012 Board of Supervisors - FINALLY PASSED

Ayes: 10 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Mar, Olague and Wiener
Absent: 1 - Kim

File No. 120665

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 7/31/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

8/8/12
Date Approved