MEMO

APPEAL OF CONDITIONAL USE AUTHORIZATION 2675 Folsom Street

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DATE: November 29, 2016

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: John Rahaim, Planning Director – Planning Department (415) 558-6411

Rich Sucre, Case Planner – Planning Department (415) 575-9108

RE: File No. 161150, Planning Case No. 2014-000601CUA – Appeal of the Approval

of Conditional Use Authorization for 2675 Folsom Street

HEARING DATE: November 29, 2016

ATTACHMENTS:

- Planning Commission Staff Report (Executive Summary, Exhibits, & Final Motion Nos. 19744 & 19745)

- Project Sponsor Drawings

- Project Sponsor Mission 2015 Interim Controls Additional Findings (2675

Folsom Street)

PROJECT SPONSOR: Muhammed Nadhiri, Axis Development Co.

580 California Street, 16th Floor, San Francisco, CA 94104

APPELLANT: J. Scott Weaver of West Bay Law, on behalf of Calle 24 Latino Cultural District

Community Council

INTRODUCTION:

This memorandum and the attached documents are a response to the letter of appeal to the Board of Supervisors ("Board") regarding the Planning Commission's ("Commission") approval of the application for Conditional Use Authorization under Planning Code Sections 209.1 and 303 (Conditional Use Authorization) to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area in the RH-3 Zoning District, new construction of more than 75 dwelling units per the Mission 2016 Interim Zoning Controls, and construct a new four-story mixed-use building with 117 dwelling units and 5,291 square feet (sq ft) of PDR space in the RH-2 (Residential, House, Two-Family), RH-3 (Residential, House Three-Family), and UMU (Urban Mixed-Use) Zoning District and a 40-X Height and Bulk District ("the Project").

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This response addresses the appeal ("Appeal Letter") to the Board filed on October 24, 2016 by J. Scott Weaver (Attorney), on behalf of the Calle 24 Latino Cultural District Community Council. The Appeal Letter referenced the Proposed Project in Case No. 2014-000601CUA.

The decision before the Board is whether to uphold or overturn the Planning Commission's approval of Conditional Use Authorization to demolish one dwelling unit at 2000 Bryant Street and two dwelling units at 2028 Bryant Street.

SITE DESCRIPTION & PRESENT USE:

The Project is located on three lots (with a lot area of approximately 35,734 square feet), which have approximately 242-ft of frontage along Folsom Street and 40-ft of frontage along Treat Avenue. The project site contains three existing buildings: a two-story industrial building, a one-story industrial building, and a one-story temporary building. Collectively, these three buildings measure 21,599 square feet. Realizing Our Youth as Leaders, aka "Royal, Inc.", a non-profit organization, recently vacated the second floor of the two-story industrial building. Currently, the existing buildings are occupied by Charyn Auctions, a reseller of food service equipment.

SURROUNDING PROPERTIES AND NEIGHBORHOOD:

The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development to the north, Cesar Chavez Elementary School to the west, a series of one-to-two-story industrial properties to the east across Treat Avenue, and a public park (Parque Ninos Unidos) to the south. Parque Ninos Unidos occupies the entire block face on the north side of 23rd Street between Folsom Street and Treat Avenue. The project site is located within the boundaries of the Proposed Calle 24 Special Use District, which was established as part of the interim controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino Cultural District (Calle 24 LCD), which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include: P (Public), NC-3 (Neighborhood Commercial-Moderate Scale), and the 24th-Mission NCT (Neighborhood Commercial Transit) Zoning District.

PROJECT DESCRIPTION:

The Project includes demolition of the three existing buildings on the project site, and new construction of a four-story, 40-ft tall, residential building (approximately 109,917 gross square feet) with 117 dwelling units, approximately 5,291 square feet of PDR use, 65 below-grade off-street parking spaces, 1 car-share parking space, 160 Class 1 bicycle parking spaces, and 14 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units. The Project includes 4,775 square feet of public open space, 5,209 square feet of common open space via ground floor courtyard and roof deck, and 3,356 square feet of private open space via balconies and terraces. The Project would also include a lot merger of Lots 006, 007 and 024 on Block 3639.

To meet the inclusionary affordable housing requirements, the Project will establish 23 on-site, belowmarket rate (BMR) units, which includes 19 units at 55% AMI (Area Median Income) and 4 units at 100% AMI. Approximately 20% of the proposed dwelling units would be designated as BMR units for rent.

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BACKGROUND:

On October 28, 2014, the Project Sponsor first filed a Preliminary Project Assessment (PPA) Application to merge three lots, demolish the existing industrial building, and construct a four-story residential building with 115 dwelling units and 58 off-street parking spaces (Case No. 2014-000601PPA).

On January 21, 2015, the Planning Department ("Department") published the PPA Letter in response to the original project (Case No. 2014-000601PPA).

On April 23, 2015, the Project Sponsor conducted a mandatory Pre-Application Meeting with adjacent neighbors and neighborhood organizations to describe the project and receive initial feedback.

On April 30, 2015, the Project Sponsor filed a Large Project Authorization (LPA), pursuant to Planning Code Section 329, and Conditional Use Authorization, pursuant to Planning Code Sections 209.1 and 303, to construct a new four-story, 40-ft tall, mixed-use building with 117 dwelling units and 90 off-street parking spaces (See Case No. 2014-000601ENX).

On May 19, 2015, the Planning Department accepted the Environmental Evaluation Application for the proposed project at 2675 Folsom Street.

On November 24, 2015, the Planning Department published an initial letter outlining initial design comments and an overview of the Project's compliance with the Planning Code. Subsequently, the Project Sponsor provided the additional information and responded to the Department's design concerns by revising the Project.

On January 14, 2016, the Planning Commission adopted Mission 2016 Interim Zoning Controls, per Planning Resolution No. 19548. For large projects, these controls require additional information to be provided to the Commission on demographic changes, economic pressure, total housing production, affordable housing production, housing preservation, tenant displacement, and additional information for displacement, demolition or conversion of certain use.

On June 3, 2016, the Project Sponsor provided a letter, which addressed the Mission 2016 Interim Zoning Controls.

On June 27, 2016, the Environmental Planning Division of the Planning Department completed environmental review for the original project (117 dwelling units only).¹

On July 7, 2016, the Planning Commission reviewed the Project at 2675 Folsom Street, which included 118 dwelling units, 786 square feet of ground floor art gallery (public facility), and 90 below-grade, off-street parking spaces. The Commission continued the Project to the September 22, 2016 Planning Commission Hearing.

On August 25, 2016, the Project Sponsor elected to revise the Project, and submitted a revised Large Project Authorization Application, which revised the Project to incorporate PDR uses, reducing the

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¹ Subsequently, this document was rescinded due to changes in the project description filed by the Project Sponsor.

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amount of off-street parking, increase the amount of bicycle parking, increase the amount of open space, and refine the design of the mid-block alley.

On September 20, 2016, the Environmental Planning Division of the Planning Department found the revised project (117 dwelling units and 5,291 square feet of PDR use) to be categorically exempt from environmental review as a Community Plan Exemption, per Section 15183 of the California Environmental Quality Act ("CEQA") and California Public Resources Code Section 21083.3.

On September 22, 2016, Planning Commission approved the Conditional Use Authorization per Planning Commission Motion No. 19745 and approved the Large Project Authorization per Planning Commission Motion No. 19744.

On October 7, 2016, Peter Papadopoulos appealed the Large Project Authorization to the Board of Appeals (See Appeal No. 16-163).²

On October 24, 2016, J. Scott Weaver of West Bay Law (Attorney) on behalf of Calle 24 Latino Cultural District Community Council appealed the Conditional Use Authorization to the Board of Supervisors (See Board of Supervisors, File No. 161150).

CONDITIONAL USE AUTHORIZATION REQUIREMENTS:

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

- 1. That the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community; and
- 2. Such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:
 - a. The nature of the proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;
 - b. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading and of proposed alternatives to off-street parking, including provisions of car-share parking spaces, as defined in Section 166 of this Code;
 - c. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

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² Currently, the Board of Appeals is scheduled to review this appeal on January 18, 2016, pending the Board of Supervisors' consideration of the CEQA document and Conditional Use Authorization (CUA). If the Board of Supervisors upholds both the CEQA document and the CUA, the Board of Appeals would consider the LPA appeal. However, should the BOS overturn the CEQA document, the LPA would be invalidated without the need for consideration by the BOA. If the BOS overturn the CUA document, the Project would need to be revised to accommodate the existing dwelling units.

- d. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs; and,
- 3. Such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the General Plan; and,
- 4. Such use or feature as proposed will provide development that is in conformity with the stated purpose of the applicable Use District.

In addition, per the Mission 2016 Interim Zoning Controls adopted by the Planning Commission on January 14, 2016 through Planning Commission Resolution No. 19548, Large Projects are required to obtain Conditional Use Authorization per Planning Code Section 303.³ Further, the Conditional Use Authorization Application shall contain the following information: demographic changes, economic pressure, total housing production, affordable housing production, housing preservation, tenant displacement, and additional information for displacement, demolition or conversion of certain uses.

APPELLANT ISSUES AND PLANNING DEPARTMENT RESPONSES:

The concerns raised in the Appeal Letter are cited in a summary below and are followed by the Department's response:

<u>ISSUE #1:</u> The Appellant claims that the project approvals must be based upon compliance with the requirements of CEQA (separately appealed) and are not.

<u>RESPONSE #1:</u> The Department's response regarding the adequacy of the environmental review completed for the Project pursuant to CEQA is contained within the "Appeal of the California Environmental Quality Act for 2675 Folsom Street," dated November 28, 2016.

<u>ISSUE #2:</u> The Appellant claims that the Planning Commission did not have adequate information to determine whether or not the project was "necessary or desirable for, and compatible with, the neighborhood or the community" as required under Planning Code Section 303(c)(1).

RESPONSE #2: Per Planning Commission Motion No. 19745, the Commission granted Conditional Use Authorization to the Project, per Planning Code Sections 209.1 and 303, and the Mission 2016 Interim Zoning Controls. The Commission reviewed substantial information, including a thorough discussion of changing neighborhood demographics and potential displacement in association with the proposed development. (See further discussion on Consistency with Mission Interim Controls and Mission Action Plan, under Response #4.)

Per Planning Commission Motion No. 19745, the Commission concluded that the Project was "necessary and desirable for, and compatible with, the neighborhood or the community," as outlined in Planning Code Section 303. Under the Conditional Use Authorization, the Commission must find that the Project addresses certain design issues, including: size and intensity; necessity and desirability; use relative to health, safety, and convenience; nature of the proposed site, including the project size, shape and arrangement; accessibility and traffic, and

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³ Per Planning Commission Resolution No. 19548, "large projects" are defined as "any residential or mixed-use project that would include the new addition or new construction of more than 75,000 gross square feet or includes more than 75 dwelling units."

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adequacy of off-street parking and loading; prevention of noxious and offensive emissions, such as noise, glare, dust and odor; treatment of the project site and landscaping; and, other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan.

Planning Commission Motion No. 19745 (attached) records the specific findings made by the Commission demonstrating that the proposed project meets the criteria outlined in Planning Code Section 303. Overall, the Commission found the design to be appropriate to warrant granting the Conditional Use Authorization.

<u>ISSUE #3:</u> The Appellant claims that the Project does not comply with and is inconsistent with Mission Interim Controls and the MAP 2020 Objectives.

RESPONSE #3: Per Planning Commission Motion No. 19745, the Commission concluded that the Project was consistent with Mission 2016 Interim Zoning Controls, as granted through the Conditional Use Authorization. The Mission Action Plan (MAP) 2020 was not adopted during the time of review of the Project, however the focus of MAP2020 is a multipronged effort that exceeds the purview of entitlement of a specific development. The Department and the community have both invested significant resources in developing a holistic approach to help preserve the socioeconomic and cultural diversity of the Mission.

MAP2020. MAP2020 is collaboration, initiated by the community, between community organizations and the City of San Francisco, to create and preserve affordable housing and bring economic stability to the Mission. The goal is to retain and attract low to moderate income residents and community-serving businesses, artists, and nonprofits in order to strengthen and preserve the socioeconomic and cultural diversity of the Mission neighborhood.

Community organizations initiated the plan given the loss and displacement trends of low to moderate income residents, community-serving businesses, artists, and nonprofits affecting the neighborhood due to the affordability crisis. Some of the concerns community representatives involved in MAP2020 and other community organizing efforts, such as the proposed moratoriums earlier this year, have articulated relate to the role market-rate projects could play in exacerbating the direct or indirect displacement and gentrification of this historically working-class neighborhood. Community advocates would like more scrutiny and examination of what these potential effects are, and for market-rate projects to contribute to the solutions, to neighborhood stabilization, and to minimize any potential displacement.

These community concerns gave rise, in part, to the Mission Interim Zoning Controls, while permanent solutions and controls are drafted. Interim zoning controls are intended to provide the Commission with additional information to consider in its deliberation related to a project's contribution to the goals of neighborhood stabilization and whether they are addressing any potential negative effects such as direct displacement of residents or businesses.

⁴ Publication of the Mission Action Plan (MAP) 2020 is anticipated in 2016.

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The Department expects to publish the draft MAP2020 strategy in 2016 for public comment. The tools proposed for decision-makers' consideration are grouped in the following categories:

- 1. **Tenant protections** focus on immediate programs and funding mechanisms to keep existing Mission residents in their homes.
- 2. **Single Room Occupancy residential hotels** (SROs) are a dwindling housing supply, one that has traditionally housed individuals but is increasingly being used by families. Solutions address the vulnerability of people living in these units and the loss of these units as an affordable housing option.
- 3. **Preservation of affordable units** focuses on tools to retain affordable housing stock.
- 4. **Production of affordable housing** is a suite of funding and policy tools to increase construction of housing for low to moderate income households
- 5. **Economic development** solutions focus on keeping jobs, businesses, artists, and nonprofits in the neighborhood. Retaining and supporting a diverse range of community-serving businesses will support our corner grocers, panaderias, taquerias, barber shops, and restaurants.
- 6. **Community planning** focuses on improving community access to and voice in the City's processes for planning housing, transit, and community investments.
- 7. **Stabilizing homelessness** people focuses on prevention of homelessness and services to stabilize the homeless as they transition into permanent housing.

Mission 2016 Interim Zoning Controls. As required by the Mission Interim Zoning Controls, the most relevant topics for the Commission's consideration as it relates to this project is the removal of PDR space, displacement of the existing PDR business (auction house), the displacement, demolition or loss of a community use, and the new construction of market-rate housing. The Project Sponsor addresses the displacement of the existing PDR business in their submission and whether the PDR and community use tenants are being provided with relocation assistance. In the Mission Interim Zoning Controls, the only study that addresses commercial displacement is the UC Berkeley Case Study for the Mission (UC Berkeley's Institute of Governmental Studies), which only addresses retail use. However, the Department has recognized the rapid pace of conversion of PDR in the UMU (Urban Mixed Use) District through analysis of its own data. The conversion of PDR is occurring more rapidly than previously anticipated, which has pointed to the need for a greater response from the City to help with business retention and relocation within San Francisco.

The Project is not displacing current residential uses or tenants. Per the cited and attached reports, the Project Sponsor's analysis concludes that it will not impact demographic changes occurring in the Mission or cause direct or indirect displacement in the Mission. Although the Project Sponsor concludes that no demographic changes are occurring as part of the Project, the Controller's Study does state that new market rate housing does tend to cater to upper income households, which may result in demographic changes. The Project provides new market-rate housing, along with on-site BMR units, thus providing for a mix of income levels within the new development.

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The Commission has acknowledged that additional studies are needed to further explore the effect of market-rate housing on affordability. These studies may reach different conclusions, and it is clear that more research is needed to determine the effect with certainty. At both the local and regional level, the market is very skewed due to the extreme mismatch between demand and supply. The Berkeley Study finds that market-rate development does help at the regional level, but speculates that, at a more localized/block level, it is possible that certain projects could have a catalyzing or hyper-local effect that could exacerbate displacement pressures. More analysis is needed and is currently being conducted by outside researchers. Nevertheless, the intent of the Mission Interim Zoning Controls is not that each development project would resolve the question or calculate its specific effect, but rather, that the information required will provide relevant information for the Commission's consideration, presenting a balance of the project's contributions as well as impacts (direct and potential).

The project site is currently occupied by Charyn Auctions, an assessment management and auction service business, who sells surplus food assets (industrial equipment, fixtures, furniture, etc.); this business is considered a PDR use under the Planning Code. Charyn Auctions will terminate their lease on October 31, 2016, and has accepted relocation assistance from the Project Sponsor.

A previous nonprofit tenant, Realizing Our Youth As Leaders (ROYAL), Inc., an after-school non-profit organization that offers counseling and mentoring services to disadvantaged youth, vacated the second floor of the two-story industrial building in March 2016. ROYAL did not seek to renew their lease, nor was a lease renewal offered to them. No relocation benefits were offered or provided to ROYAL.

The demolition of the PDR use (possessing a community use) represents a loss of an important community service. Many policies in the Mission Area Plan discuss the importance of these uses to the Mission (for a more complete discussion, see the LPA Motion No. 19744). While this Project may be unrelated to the recent vacancy, this nonprofit was the most recent tenant and the Project will demolish this structure. The most relevant policy in the Mission Area Plan to this use is Policy 7.2.1 which seeks to "Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods". This General Plan Policy speaks directly to the importance of the stated goal of ROYAL, which is described on their website as nonprofit that provides "a combination of mental health, mentoring, enrichment and academic assistance services to an at-risk and marginalized population of children who have been left behind or forgotten." While the Project Sponsor states that ROYAL is established in SoMa (which is also within EN) and the Excelsior, ROYAL's website

lists the 2675 Folsom Street Address as the only business address.

Although the Project results in a loss of PDR space and the demolition of a community use, the Project does provide relocation assistance for the PDR tenant and a substantial amount of new rental housing, including new on-site below-market rate units for rent. For these reasons, the Commission found that the Project is consistent with the Mission Interim Controls for Large Projects.

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<u>ISSUE #4:</u> The Appellant claims that the Project is inconsistent with the stated purposes of the Eastern Neighborhoods Plan and the Mission Area Plan.

<u>RESPONSE #4:</u> Per Planning Commission Motion No. 19744, the Commission concluded that the Project is, on balance, consistent with the Eastern Neighborhoods Plan and the Mission Area Plan.

After careful review of the Project, the Commission found that the Project, on balance, is consistent with the Mission Area Plan, which is part of the larger Eastern Neighborhoods Plan. The Commission found that the Project was consistent with several objectives and policies of the Mission Area Plan, including, but not limited to:

Policy 1.2.1

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

Policy 1.2.3

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

Policy 1.2.4

Identify portions of the Mission where it would be appropriate to increase maximum heights for residential development.

Policy 2.3.3

Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments unless all Below Market Rate units are two or more bedrooms.

Policy 2.3.5

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

Policy 2.3.6

Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

The Planning Commission considered these General Plan Policies and Objectives and found in Motion No. 19744, the following:

The Project includes the demolition of 21,060 sq ft of PDR space, which included a community-serving use for a local non-profit. Both of these uses are encouraged to be retained within the Mission, as they provide for blue-collar jobs, assist in diversifying the neighborhood economy, provide valued community resources, and add cultural diversity to the neighborhood. However, the Project also includes a significant amount of housing, including on-site BMR units as well as a diversity of housing types (from small studios

to larger family-sized units). The Project has provided relocation assistance to the existing PDR tenant, (emphasis added) and the community serving use vacated the site in March 2016. Overall, the Project features an appropriate use encouraged by the Area Plan for this location. The Project is a higher density residential development, which provides up to 117 new dwelling units in a mixed-use area. The Project abuts residential uses and one-to-two-story industrial buildings, as well as a public park. The project site was recently rezoned as part of a long range planning goal to create a cohesive residential and mixed-use neighborhood. The Project provides 117 new dwelling units, which will be available for rent. In addition, the Project is located within the prescribed height guidelines, and includes the appropriate dwelling unit mix, since more than 40% or 47 units are two- or three-bedroom dwellings.

The Project introduces a contemporary architectural vocabulary that is sensitive to the prevailing scale and neighborhood fabric. The Project provides for a high quality designed exterior, which features a variety of materials, colors and textures, including fiber cement board horizontal lap siding in two tones, metal siding, aluminum storefront, iron railings and gates, and dark bronze frame aluminum windows.

The Project provides a publically-accessible mid-block alley, ample common open space and also improves the public rights of way with new streetscape improvements, street trees and landscaping. The Project minimizes the impact of off-street parking and is in proximity to public transit options. The Project is also respectful of the adjacent public park.

The Project will also pay the appropriate development impact fees, including the Eastern Neighborhoods Impact Fees. Despite the loss of PDR space, on balance, the Project meets the Objectives and Policies of the Mission Area Plan.

<u>ISSUE #5:</u> The Appellant claims that the approval (by the Planning Commission) is inadequate and incomplete and the Findings are not supported by substantial evidence. The Appellant further claims that the approval was granted without having first evaluated the cumulative impact of the Project and similar market rate developments on the LCD.

RESPONSE #5: The Commission adopted findings that the Project is, on balance, consistent with the requirements of Planning Code Section 303, as well as the Objectives and Policies of the General Plan, and the Priority Planning Policies per Planning Code Section 101.1. Review and analysis of the Calle 24 Latino Cultural District (Calle 24 LCD) is not required by the Planning Code. Currently, Ordinance No. 133-15, which establishes the Calle 24 LCD, does not include any land use controls. Controls for this area are currently being drafted by Supervisor Campos with the community, focusing on regulating the concentration of eating and drinking uses, protecting smaller commercial spaces and requiring Conditional Use authorization for the replacement of Legacy Businesses.

Overall, the Commission found the demolition of the existing industrial building to be necessary and desirable in order to enable the benefits provided by the Project, specifically the creation of 117 dwelling units (including 23 on-site below market rate units) and 5,291 square feet of PDR use. The Commission included findings of consistency in the adopted motions, which balance the

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General Plan Policies and provide a determination of overall consistency. For the Commission's complete findings, see Planning Commission Motion Nos. 19744 & 19745.

Within the UMU Zoning District, the Project would construct new residential, and PDR uses, which are principally permitted, per Planning Code Sections 843.20 and 843.78-843.87. While the Project did receive certain exceptions under a Large Project Authorization, the UMU Zoning District land use controls permits the granting of such exceptions via the Large Project Authorization. In fact, the Large Project Authorization process was created explicitly for Mixed-Use Districts in the Eastern Neighborhoods Plan areas to enable designs that may need exceptions from requirements envisioned for smaller lots in order to better meet the goals of the General Plan and achieve a coordinated design on a larger site. Further, the Project was determined to meet all aspects of the Planning Code and UMU Zoning District. No specific noncompliance issues have yet been raised by the Appellant.

Within the 40-X Height and Bulk District, the Project would be limited to a height of 40-ft. The Project would construct a new building measuring a height of 40-ft, which is within the 40-ft Height District. The project site is not constrained by a bulk limitation, since it is located within an "X" Bulk District.

CONCLUSION:

For the reasons stated above, the Department recommends that the Board uphold the Commission's decision in approving the Conditional Use Authorization to increase the dwelling unit density and construct more than 75 dwelling units per the Mission 2016 Interim Zoning Controls.

Executive Summary Large Project Authorization & Conditional Use Authorization

HEARING DATE: SEPTEMBER 22, 2016 CONTINUED FROM: JULY 7, 2016

 Date:
 September 15, 2016

 Case No.:
 2014-000601CUA/ENX

Project Address: 2675 FOLSOM STREET

Zoning: UMU (Urban Mixed Use) Zoning District;

RH-2 (Residential, House, Two-Family) Zoning District; & RH-3 (Residential, House, Three-Family) Zoning District

40-X Height and Bulk District

Block/Lot: 3639/006, 007 and 024

Project Sponsor: Muhammed Nadhiri, Axis Development Group

580 California Street, 16th Floor

San Francisco, CA 94104

Staff Contact: Richard Sucre – (415) 575-9108

richard.sucre@sfgov.org

Recommendation: Approval with Conditions

PROJECT DESCRIPTION

The proposed Project includes demolition of the three existing buildings on the project site, and new construction of a four-story, 40-ft tall, residential building (approximately 109,917 square feet (sq ft)) with 117 dwelling units, approximately 5,291 square feet of PDR use, 65 below-grade off-street parking spaces, 1 car-share parking space, 160 Class 1 bicycle parking spaces, and 14 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units. The Project includes 4,775 sq ft of public open space, 5,209 sq ft of common open space via ground floor courtyard and roof deck, and 3,356 square feet of private open space via balconies and terraces. The Project would also include a lot merger of Lots 006, 007 and 024 on Block 3639.

SITE DESCRIPTION AND PRESENT USE

The Project is located on three lots (with a lot area of approximately 35,734 sq ft), which have approximately 242-ft of frontage along Folsom Street and 40-ft of frontage along Treat Avenue. The project site contains three existing buildings: a two-story industrial building (18,760 sq ft), a one-story industrial building (2,300 sq ft), and a one-story temporary building (440 sq ft). Collectively, these three buildings measure 21,599 square feet. Realizing Our Youth as Leaders, aka "Royal, Inc.", a non-profit

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organization, recently vacated the second floor of the two-story industrial building. Currently, the existing buildings are occupied by Charyn Auctions, a reseller of food service equipment.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development to the north, Cesar Chavez Elementary School to the west, a series of one-to-two-story industrial properties to the east across Treat Avenue, and a public park (Parque Ninos Unidos) to the south. Parque Ninos Unidos occupies the entire block face on the north side of 23rd Street between Folsom Street and Treat Avenue. The project site is located within the boundaries of the Proposed Calle 24 Special Use District, which was established as part of the interim controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino Cultural District, which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include: P (Public), NC-3 (Neighborhood Commercial-Moderate Scale), and the 24th-Mission NCT (Neighborhood Commercial Transit) Zoning District.

ENVIRONMENTAL REVIEW

The Department anticipates publication of a Community Plan Exemption (CPE), per Section 15183 of the CEQA Guidelines, which will become available prior to the public hearing on September 22, 2016.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	September 2, 2016	September 2, 2016	20 days
Posted Notice	20 days	September 2, 2016	September 2, 2016	20 days
Mailed Notice	20 days	September 2, 2016	September 2, 2016	20 days

The proposal requires a Section 312 neighborhood notification, which was conducted in conjunction with the required hearing notification for the Large Project Authorization & Conditional Use Authorization.

Since the project has been amended since its first public hearing on July 7, 2016, new hearing notification was completed to reflect the amendments to the project description.

PUBLIC COMMENT

As of September 22, 2016, the Department has received a few public correspondences regarding the proposed project. This correspondence has primarily expressed opposition to the project, though the Department has received a few letters in support.

From Lucia Bogatay, the Department received correspondence expressing positive sentiment for the architecture of the Project.

CASE NO. 2014-000601CUA/ENX 2675 Folsom Street

Executive Summary
Hearing Date: September 22, 2016

From Ronald Charyn of Charyn Auctions (existing tenant), the Department received a letter in support of the project. They noted that the Project Sponsor (Axis Development) has provided them with in-kind and financial assistance to relocate the existing business.

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From J. Scott Weaver on behalf the Calle 24 Latino Cultural District (LCD), the Department received a letter expressing concern over the project and its impact on the existing businesses, residents, and non-profits within the Calle 24 LCD. This letter noted that the proposed market rate housing, along with the other development occurring in the Mission, will affect the neighborhood and create a climate of gentrification. This letter also questions the Community Plan Exemption (CPE) published for the Project, and requests additional environmental review of the project's impacts. Finally, the letter concludes with a request to analyze the project, both individually and cumulatively, with respect to the potential impacts of market rate development on the Calle 24 Latino Cultural District.

In addition, the Department has engaged with on-going dialogue between community members and the Project Sponsors to review the various aspects of the project, including the inclusion of on-site PDR space, the amount of affordable housing, and the project's larger public benefits.

Copies of this correspondence have been included in the Commission packets.

ISSUES AND OTHER CONSIDERATIONS

Large Project Authorization & Exceptions: Since the Project would construct more than 25,000 gross square feet within an Eastern Neighborhoods Mixed-Use District, the Project requires a Large Project Authorization from the Planning Commission. As part of the Large Project Authorization (LPA), the Commission may grant modifications from certain Planning Code requirements for projects that exhibit outstanding overall design and are complementary to the design and values of the surrounding area. The proposed project requests modifications from: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section 145.1); 4) off-street freight loading (Planning Code Section 152.1); and, 5) horizontal mass reduction (Planning Code Section 270.1). Department staff is

generally in agreement with the most of the proposed modifications given the overall project, its unique lot configuration and outstanding design.

- Conditional Use Authorization: Per Planning Code Sections 209.1 and 303, the Project requires Conditional Use Authorization from the Planning Commission to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area in the RH-3 Zoning District. The project contains one lot in the RH-3 Zoning District, which measures 7,350 square feet. Therefore, the project is requesting Conditional Use Authorization to construct 7 dwelling units in the portion of the project located within the RH-3 Zoning District.
 - In addition, per the Mission 2016 Interim Zoning Controls adopted in Planning Commission Resolution No. 19548, the Project requires Conditional Use Authorization, since the project includes construction of more than 75 dwelling units (defined as a "Large Project").
- Inclusionary Affordable Housing: The Project has elected the on-site affordable housing alternative, identified in Planning Code Section 415.6 and 419.3. The project site is located within the UMU Zoning District, and is subject to the Tier A Affordable Housing Program Requirements, which requires 16.4% of the total number of units to be designated as part of the inclusionary affordable housing program. The Project contains 117 units and the Project Sponsor will fulfill this requirement by providing the 19 affordable units on-site, which will be available for rent. As part of the project, the Project Sponsor has entered into a Costa-Hawkins Agreement with the City. A copy of this agreement will be provided at the Planning Commission Hearing.

The Project Sponsor has also publically expressed that the Project would on-site inclusionary affordable housing at a rate higher than 16.4%.

- Project Updates: Since the public hearing on July 7, 2016, the Project Sponsor has updated the Project as follows:
 - *Inclusion of PDR Use*: The Project Sponsor has included approximately 5,291 square feet of PDR use within the basement and on the first floor.
 - *Off-Street Parking Reduction:* The Project Sponsor has reduced the amount of off-street parking from 90 to 66.
 - *Increase in Bicycle Parking:* The Project Sponsor has increased the number of Class 1 bicycle parking spaces from 118 to 160, and the number of Class 2 bicycle parking spaces from 7 to 14.
 - *Increase in Open Space:* The Project Sponsor has increased the amount of open space from 11,600 sq ft to 13,340 sq ft.
 - *Mid-Block Alley:* The Project Sponsor has refined to the design of the mid-block alley by adjusting the landscaping and incorporating a flared entry along Treat Avenue.

MISSION INTERIM ZONING CONTROLS

For "Large Projects," Planning Commission Resolution No. 19548 requires Conditional Use Authorization from the Planning Commission for any residential or mixed-use project that includes new construction of more than 75,000 gross square feet or 75 dwelling units.

The Project Sponsor provided a summary of compliance with the Mission Interim Zoning Controls (See Attached). Staff has reviewed the Sponsor's submittal, and has spot-checked that selected facts do indeed originate from an independent qualified professional.

As required by the Mission Interim Zoning Controls, the most relevant topics for the Commission's consideration as it relates to this project is the removal of PDR space, displacement of the existing PDR business (auction house), the displacement, demolition or loss of a community use, and the new construction of market-rate housing. The Project Sponsor addresses the displacement of the existing PDR business in their submission and whether the PDR and community use tenants are being provided with relocation assistance.

In the Mission Interim Zoning Controls, the only study that addresses commercial displacement is the UC Berkeley Case Study for the Mission (UC Berkeley's Institute of Governmental Studies), which only addresses retail use. However, the Department has recognized the rapid pace of conversion of PDR in the UMU (Urban Mixed Use) District through analysis of its own data. The conversion of PDR is occurring more rapidly than previously anticipated, which has pointed to the need for a greater response from the City to help with business retention and relocation within San Francisco.

The Project is not displacing current residential uses or tenants. Since it is a new residential project, the Project Sponsor did include a discussion of various studies cited in the Mission Interim Zoning Controls. These studies discuss the need to alleviate the shortage of housing and the role of market-rate housing in affecting price and displacement. Based on these reports, the Project Sponsor's analysis concludes that the Project is contributing to the supply of housing, which is in high demand across the City. Per the cited reports, the Project Sponsor's analysis concludes that it will not impact demographic changes occurring in the Mission or cause direct or indirect displacement in the Mission. Although the Project Sponsor concludes that no demographic changes are occurring as part of the Project, the Controller's Study does state that new market rate housing does tend to cater to upper income households, which may result in demographic changes. The Project provides new market-rate housing, along with on-site BMR units, thus providing for a mix of income levels within the new development.

The Department recognizes that newer studies are underway to study the effect of market-rate housing on affordability. These studies may reach different conclusions, and it is clear that more research is needed to determine the effect with certainty. At the local level, the San Francisco market is very skewed due to the extreme mismatch between demand and supply. The Berkeley Study agrees that while market-rate development does help at the regional level, at a more localized/block level, certain projects may have a catalyzing or hyper-local effect that could exacerbate displacement pressures. While more analysis is needed and being conducted by outside researchers, the Mission Interim Zoning Controls does not expect that each development project will resolve the question or calculate its specific effect, but rather, will provide relevant information for the Commission's consideration, presenting a balance of the project's contributions as well as impacts (direct and potential).

Staff's analysis of the Project Sponsor's submittal against adopted City policies that are relevant to the Mission Interim Zoning Controls (including supporting housing production while retaining neighborhood character, and reducing displacement) is described in the section titled "General Plan Compliance" of the attached Draft Large Project Authorization Motion, and is summarized below.

Although the Project will remove existing PDR space, the Department found that this Project, which includes new market rate and below market rate housing on-site, on balance, complied with the following Objectives and Policies of the General Plan relating to the Mission Interim Zoning Controls:

General Plan, Housing Element:

Objective 1, Policies 1.1, 1.2; Objective 4, Policies 4.1, 4.4; Objective 11, Policies 11.3, 11.4, and Objective 12, Policy 12.2

Mission Area Plan:

Objective 1.2, Policy 1.2.1; Objective 2.1, Policy 2.1.1; Objective 2.3, Policies 2.3.3 & 2.3.5; Objective 3.1, Policy 3.1.1

The Project maximizes the allowable building height and provides the required dwelling-unit mix for a total of 117 dwelling units, including 24 studio units, 46 one-bedroom units, 45 two-bedroom units, and 2 three-bedroom units. The Project provides for a range of housing needs, including family-sized housing. Of the 117 units, 19 will be on-site affordable units, bringing new affordable housing into the neighborhood. The Project fully utilizes the controls offered in the Eastern Neighborhoods Area Plan, and appropriately addresses the surrounding neighborhood. Therefore, the Project's housing production is supported by adopted housing policy, per the Objectives and Policies in the Housing Element.

The project site is currently occupied by Charyn Auctions, an assessment management and auction service business, who sells surplus food assets (industrial equipment, fixtures, furniture, etc.); this business is considered a PDR use under the Planning Code. Charyn Auctions will terminate their lease on October 31, 2016, and has accepted relocation assistance from the Project Sponsor.

A previous nonprofit tenant, Realizing Our Youth As Leaders (ROYAL), Inc., an after-school non-profit organization that offers counseling and mentoring services to disadvantaged youth, vacated the second floor of the two-story industrial building in March 2016. ROYAL did not seek to renew their lease, nor was a lease renewal offered to them. No relocation benefits were offered or provided to ROYAL.

The demolition of the PDR use (possessing a community use) represents a loss of an important community service. Many policies in the Mission Area Plan discuss the importance of these uses to the Mission (for a more complete discussion, see Draft LPA Motion). While this Project may be unrelated to the recent vacancy, this nonprofit was the most recent tenant and the Project will demolish this use. The most relevant policy in the Mission Area Plan to this use is Policy 7.2.1 which seeks to "Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods". This General Plan Policy speaks directly to the importance of the stated goal of ROYAL, which is described on their website as nonprofit that provides "a combination of mental health, mentoring, enrichment and academic assistance services to an at-risk and marginalized population of children who have been left behind or forgotten." While the Project Sponsor states that ROYAL is established in SoMa (which is also within EN) and the Excelsior, ROYAL's website lists the 2675 Folsom Street Address as the only business address.

Although the Project results in a loss of PDR and the demolition of a community use, the Project does provide relocation assistance for the PDR tenant and a substantial amount of new rental housing, including new on-site below-market rate units for rent, which is a goal for the City and County of San

Francisco. On balance, the Project is consistent with the Mission Interim Controls for Large Projects, as evidenced through the Project's compliance with the Mission Area Plan Objectives.

MISSION ACTION PLAN 2020

The project site falls within the area of the ongoing Mission Action Plan 2020 (MAP2020). MAP2020 is collaboration, initiated by the community, between community organizations and the City of San Francisco, to create and preserve affordable housing and bring economic stability to the Mission. The goal is to retain and attract low to moderate income residents and community-serving businesses, artists, and nonprofits in order to strengthen and preserve the socioeconomic and cultural diversity of the Mission neighborhood.

Community organizations initiated the plan given the loss and displacement trends of low to moderate income residents, community-serving businesses, artists, and nonprofits affecting the neighborhood due to the affordability crisis. Some of the concerns community representatives involved in MAP2020 and other community organizing efforts, such as the proposed moratoriums earlier this year, have articulated relate to the role market-rate projects could play in exacerbating the direct or indirect displacement and gentrification of this historically working-class neighborhood. Community advocates would like more scrutiny and examination of what these potential effects are, and for market-rate projects to contribute to the solutions, to neighborhood stabilization, and to minimize any potential displacement.

These community concerns gave rise, in part, to the Mission Interim Zoning Controls, while permanent solutions and controls are drafted. Interim zoning controls are intended to provide the Commission with additional information to consider in its deliberation related to a project's contribution to the goals of neighborhood stabilization and whether they are addressing any potential negative effects such as direct displacement of residents or businesses.

A draft Action Plan will be available in the late-Summer of 2016, with potential recommendations for pipeline projects and zoning changes. In the meantime, the interim controls are in effect to help inform the Commissioners in their decision-making process. For more information on the neighborhood trends and the MAP2020 process can be found on:

http://sf-planning.org/mission-action-plan-2020

REQUIRED COMMISSION ACTION

In order for the Project to proceed, the Commission must grant a Conditional Use Authorization for a Large Project as described in the Mission 2016 Interim Zoning Controls and to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet within the RH-3 Zoning District, pursuant to Planning Code Sections 209.1 and 303 and Planning Commission Resolution No. 19548, and a Large Project Authorization, pursuant to Planning Code Section 329, to allow the new construction of a four-story (40-ft tall) residential development (with approximately 109,917 square feet) with 117 dwelling units (including 19 on-site BMR units for rent), approximately 5,291 sq ft of PDR use, and 66 off-street parking spaces, and to allow modifications to the requirements for: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section

145.1); 4) off-street freight loading (Planning Code Section 152.1); and, 5) horizontal mass reduction (Planning Code Section 270.1).

BASIS FOR RECOMMENDATION

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

- The Project complies with the applicable requirements of the Planning Code.
- The Project is, on balance, consistent with the Mission Interim Controls and the Objectives and Policies of the General Plan.
- The Project exhibits overall quality design, which relates to the surrounding context and neighborhood.
- The Project is located in zoning districts where residential use is principally permitted.
- The Project produces a new residential development with significant site updates, including a
 publically-accessible mid-block alley, sidewalk improvements, and private and common open
 space.
- The Project is consistent with and respects the varied neighborhood character, and provides an appropriate massing and scale for the adjacent contexts.
- The Project complies with the First Source Hiring Program.
- The Project is necessary and desirable, is compatible with the surrounding neighborhood, and would not be detrimental to persons or adjacent properties in the vicinity.
- The Project adds 117 new dwelling units (including 19 on-site BMR units) to the City's housing stock, including 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units.
- The Project would designate 19 dwelling units as on-site, below-market rate, dwelling units for rental
- The Project will fully utilize the Eastern Neighborhoods Area Plan controls, and will pay the appropriate development impact fees.

RECOMMENDATION: Approval with Conditions

Attachments:

Draft Motion-Large Project Authorization
Draft Motion-Conditional Use Authorization
Parcel Map
Sanborn Map
Aerial Photograph
Zoning Map
Major Projects within .25 Radius
Project Sponsor Submittal

• Affordable Housing Affidavit

CASE NO. 2014-000601CUA/ENX 2675 Folsom Street

Executive Summary Hearing Date: September 22, 2016

- Costa-Hawkins Agreement (Pending)
- Anti-Discriminatory Housing Affidavit
- First Source Hiring Affidavit
- Architectural Drawings

Public Correspondence Community Plan Exemption

Attachment Checklist

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	Executive Summary		Project Sponsor Submittal:	
	Draft Motion		Drawings: Existing Conditions	
	Zoning District Map		Check for Legibility	
	Height & Bulk Map		Drawings: Proposed Project	
	Parcel Map		Check for Legibility	
	Sanborn Map		3-D Renderings:	
	Aerial Photo		(New Construction or Significant Addition)	
	Site Photos		Wireless Telecommunications Materials	
	Environmental Determination		Health Dept. Review of RF levels	
	First Source Hiring Affidavit		RF Report	
			Community Meeting Notice	
			Housing Documents	
			Inclusionary Affordable Housing Program: Affidavit for Compliance	
			Anti-Discriminatory Housing Affidavit	
Exhibits above marked with an "X" are included in this packet RS				
			Planner's Initials	

RS: G:\Documents\Large Project Authorization\2014-000601ENX 2675 Folsom St\ExecutiveSummary_2675 Folsom St.doc



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ☑ Affordable Housing (Sec. 415)
- ☐ Jobs Housing Linkage Program (Sec. 413)
- ☐ Downtown Park Fee (Sec. 412)
- ☑ First Source Hiring (Admin. Code)
- ☑ Child Care Requirement (Sec. 414A)
- ☑ Other (EN Impact Fees, Sec 423; TSF, Sec 411A)

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

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415.558.6409

Planning Information: 415.558.6377

Planning Commission Motion No. 19744

HEARING DATE: SEPTEMBER 22, 2016

Case No .:

2014-000601ENX

Project Address:

2675 FOLSOM STREET

Zoning:

UMU (Urban Mixed Use) Zoning District;

RH-2 (Residential, House, Two-Family) Zoning District; RH-3 (Residential, House, Three-Family) Zoning District

40-X Height and Bulk District

Block/Lot:

3639/006, 007 and 024

Project Sponsor:

Muhammed Nadhiri, Axis Development Group

580 California Street, 16th Floor

San Francisco, CA 94104

Staff Contact:

Richard Sucre - (415) 575-9108

richard.sucre@sfgov.org

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO 1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, 2) DWELLING UNIT EXPOSURE PURSUANT TO PLANNING CODE 140, 3) STREET FRONTAGE PURSUANT TO PLANNING CODE SECTION 145.1, 4) OFF-STREET LOADING PURSUANT TO PLANNING CODE SECTION 152.1, AND, 5) HORIZONTAL MASS REDUCTION PURSUANT TO PLANNING CODE SECTION 270.1, AND TO ALLOW CONSTRUCTION OF A NEW FOUR-STORY, 40-FT TALL, RESIDENTIAL BUILDING (APPROXIMATELY 109,917 SQUARE FEET) WITH 117 DWELLING UNITS (CONSISTING OF 24 STUDIOS, 46 1-BEDROOM UNITS, 45 2-BEDROOM UNITS, AND 2 3-BEDROOM UNITS) AND 66 OFF-STREET PARKING SPACES, LOCATED AT 2675 FOLSOM STREET, LOTS 006, 007 AND 024 IN ASSESSOR'S BLOCK 3639, WITHIN THE UMU (URBAN MIXED-USE), RH-2 (RESIDENTIAL, HOUSE, TWO-FAMILY), AND RH-3 (RESIDENTIAL, HOUSE, THREE-FAMILY) ZONING DISTRICTS AND A 40-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On April 30, 2015, Muhammed Nadhiri of Axis Development Group (hereinafter "Project Sponsor") filed Application No. 2014-000601ENX (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct a new four-story, 40-ft tall, residential

building with 117 dwelling units at 2675 Folsom Street (Block 3639 Lots 006, 007 and 024) in San Francisco, California.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commissions review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project–specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off–site and cumulative impacts which were not discussed in the underlying EIR, or(d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On September 20, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Motion No. 19744 September 22, 2016

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department Commission Secretary is the custodian of records, located in the File for Case No. 2014-000601ENX at 1650 Mission Street, Fourth Floor, San Francisco, California.

On September 22, 2016, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2014-000601ENX.

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

MOVED, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2014-000601ENX, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

- 1. The above recitals are accurate and constitute findings of this Commission.
- 2. Site Description and Present Use. The Project is located on three lots (with a lot area of approximately 35,734 square feet), which have approximately 242-ft of frontage along Folsom Street and 40-ft of frontage along Treat Avenue. The project site contains three existing buildings: a two-story industrial building, a one-story industrial building, and a one-story temporary building. Collectively, these three buildings measure 21,599 square feet. Realizing Our Youth as Leaders, aka "Royal, Inc.", a non-profit organization, recently vacated the second floor of the two-story industrial building. Currently, the existing buildings are occupied by Charyn Auctions, a reseller of food service equipment.
- 3. Surrounding Properties and Neighborhood. The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development to the north, Cesar Chavez Elementary School to the west, a series of one-to-two-story industrial properties to the east across Treat Avenue, and a public park (Parque Ninos Unidos) to the south. Parque Ninos Unidos occupies the entire block face on the north side of 23rd Street between Folsom Street and Treat Avenue. The project site is located within the boundaries of the Proposed Calle 24 Special Use District, which was established as part of the interim controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino

Cultural District, which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include: P (Public), NC-3 (Neighborhood Commercial-Moderate Scale), and the 24th-Mission NCT (Neighborhood Commercial Transit) Zoning District.

- 4. **Project Description**. The proposed Project includes demolition of the three existing buildings on the project site, and new construction of a four-story, 40-ft tall, residential building (approximately 109,917 gross square feet) with 117 dwelling units, approximately 5,291 square feet of PDR use, 65 below-grade off-street parking spaces, 1 car-share parking space, 160 Class 1 bicycle parking spaces, and 14 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units. The Project includes 4,775 square feet of public open space, 5,209 square feet of common open space via ground floor courtyard and roof deck, and 3,356 square feet of private open space via balconies and terraces. The Project would also include a lot merger of Lots 006, 007 and 024 on Block 3639.
- 5. **Public Comment.** The Department has received a few public correspondences regarding the proposed project. This correspondence has primarily expressed opposition to the project, though the Department has received a few letters in support.

From Lucia Bogatay, the Department received correspondence expressing positive sentiment for the architecture of the Project.

From Ronald Charyn of Charyn Auctions (existing tenant), the Department received a letter in support of the project. They noted that the Project Sponsor (Axis Development) has provided them with in-kind and financial assistance to relocate the existing business.

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From Edward Stiel, the Department received correspondence, which requesting a full Environmental Impact Report (EIR) for the Project. This correspondence stated that the Project would cast additional shadow on Parque Ninos Unidos and Cesar Chavez Elementary School, increase traffic and vehicle emissions, and have a wind tunnel effect. In addition, this letter stated that the development would lead to further involuntary displace with increased no fault evictions and landlord harassment.

From J. Scott Weaver on behalf the Calle 24 Latino Cultural District (LCD), the Department received a letter expressing concern over the project and its impact on the existing businesses, residents, and non-profits within the Calle 24 LCD. This letter noted that the proposed market rate housing, along with the other development occurring in the Mission, will affect the neighborhood and create a climate of gentrification. This letter also questions the Community Plan Exemption (CPE) published for the Project, and requests additional environmental review of the project's impacts. Finally, the letter concludes with a request to analyze the project, both individually and cumulatively, with respect to the potential impacts of market rate development on the Calle 24 Latino Cultural District.

In addition, the Department has engaged with on-going dialogue between community members and the Project Sponsors to review the various aspects of the project, including the inclusion of on-site PDR space, the amount of affordable housing, and the project's larger public benefits.

- 6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. Permitted Uses in UMU Zoning Districts. Planning Code Section 843.20 states that residential use is a principally permitted use within the UMU Zoning District.

The Project would construct new residential use within the UMU Zoning District; therefore, the Project complies with Planning Code Sections 843.20.

B. Rear Yard. Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth of the lot to be provided at every residential level. Given the irregular condition of the project site, the required rear yard would measure 9,024 sq ft.

Currently, the Project is designed to have full lot coverage on the ground floor level and does not provide a rear yard at the lowest level containing a dwelling unit. The Project provides open space through a publically-accessible mid-block alley, an interior courtyard and a roof terrace. The Project provides a total of 13,340 sq ft of Code-complying open space. This amount of open space, which would have been provided through the required rear yard, is thus exceeded. Since the Project does not provide a Code-complying rear yard, the Project is seeking an exception to the rear yard requirement as part of the Large Project Authorization.

The Project is located on a block bounded by Treat Avenue, 22^{nd} , Folsom and 23^{rd} Streets. The subject block does possess a pattern of mid-block open space, since the adjacent buildings to the north are residential. By providing for an interior courtyard, the Project maintains the pattern of mid-block open space on the subject block, and provides sufficient dwelling unit exposure for all dwelling units facing onto this courtyard.

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

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

The Project provides a publically-accessible mid-block alley, which measures 4,775 sq ft; thus, the Project addresses the open space requirement for 88 dwelling units by providing public open space. For the remaining 29 dwelling units, the Project is required to provide 2,320 sq ft of open space. The Project meets and exceeds this open space requirement by providing for an courtyard that measures 5,209 sq ft, as well as private open space (balconies and terraces) collectively measuring 3,356 sq ft. Therefore, the Project complies with Planning Code Section 135.

D. Streetscape and Pedestrian Improvements. Planning Code Section 138.1 requires a streetscape plan, which includes elements from the Better Streets Plan, for new construction on a lot greater than a half-acre in size.

The Project includes the new construction of a four-story residential building on a lot with approximately 242-ft of frontage along Folsom Street, and 40-ft of frontage along Treat Avenue. Currently, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, and new street trees. Therefore, the Project complies with Planning Code Section 138.1.

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

The project site is not located in close proximity to an Urban Bird Refuge. The Project meets the requirements of feature-related standards and does not include any unbroken glazed segments 24-sq ft and larger in size; therefore, the Project complies with Planning Code Section 139.

F. Dwelling Unit Exposure. Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, rear yard or other open area that meets minimum requirements for area and horizontal dimensions. To meet exposure requirements, a public street, public alley at least 20-ft wide, side yard or rear yard must be at least 25 ft in width, or an open area (either an inner court or a space between separate buildings on the same lot) must be no less than 25 ft in every horizontal dimension for the floor at which the dwelling unit is located.

The Project organizes the dwelling units to have exposure either on one of the public streets (Folsom Street or Treat Avenue), the public mid-block alley, which ranges in width from 24-ft to 27-ft, within Code-complying courtyard or facing the south lot line towards the public park (Parque Ninos Unidos).

Since 44 out of 117 dwelling units face the south lot line, the Project is seeking an exception to the dwelling unit exposure requirements as part of the Large Project Authorization.

G. Street Frontage in Mixed Use Districts. Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential uses have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level.

The Project meets the requirements of Planning Code Section 145.1. All off-street parking is located below-grade. The Project has only one 12-ft wide garage entrance along Treat Avenue accessed via a 10-ft wide curb cut. The Project features active uses on the ground floor with residential amenities, the entryway to the mid-block alley, and walk-up dwelling units with direct, individual pedestrian access to a public sidewalk. Finally, the Project features appropriate street-facing ground level spaces, as well as the ground level transparency and fenestration requirements.

Since the Project includes a non-residential use along Folsom Street, which does not possess a 17-ft ground floor ceiling height for the entirety of the space, the Project is seeking an exception from the street frontage requirements as part of the Large Project Authorization.

H. Off-Street Parking. Planning Code Section 151 requires one off-street parking space per dwelling unit in the RH-2 & RH-3 Zoning Districts.

Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit in the UMU Zoning District.

The Project would construct 108 dwelling units in the UMU Zoning District, 7 dwelling units in the RH-3 Zoning District, and 2 dwelling units in the RH-2 Zoning District. Therefore, for the 117 dwelling units, the Project is allowed to have a maximum of 90 off-street parking spaces. Of these 90 off-street parking spaces, the Project provides 54 off-street parking spaces via mechanical lifts, 3 ADA parking spaces, 1 ADA van spaces have been identified, and 8 standard parking spaces (which include five spaces for electrical vehicles). Therefore, the Project complies with Planning Code Section 151.1.

 Off-Street Freight Loading. Planning Section 152.1 of the Planning Code requires one offstreet freight loading space for apartment use between 100,001 and 200,000 gsf.

The Project includes approximately 127,081 square feet of residential use; thus, the Project requires at one off-street freight loading space. The Project is proposing one on-street loading space along Folsom Street, and does not possess any off-street freight loading within the below-grade garage. Therefore, the

Project is seeking an exception to the off-street freight loading requirement as part of the Large Project Authorization.

J. **Bicycle Parking.** For projects with over 100 dwelling units, Planning Code Section 155.2 requires at least 100 Class 1 bicycle parking spaces plus one Class 1 bicycle parking space for every four dwelling units above 100, and one Class 2 bicycle parking spaces for every 20 dwelling units.

The Project includes 117 dwelling units; therefore, the Project is required to provide 104 Class 1 bicycle parking spaces and 6 Class 2 bicycle parking spaces. The Project will provide 160 Class 1 bicycle parking spaces and 14 Class 2 bicycle parking spaces. Therefore, the Project complies with Planning Code Section 155.2.

K. Car Share Requirements. Planning Code Section 166 requires one car-share parking space for projects with 50 to 200 residential units.

Since the Project includes 117 dwelling units, it is required to provide a minimum of one car-share parking space. The Project provides one car-share parking space. Therefore, the Project complies with Planning Code Section 166.

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

The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project meets this requirement.

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

For the 117 dwelling units, the Project is required to provide at least 47 two-bedroom units or 36 three-bedroom units. The Project provides 24 studios, 46 one-bedroom units and 45 two-bedroom units, and 2 three-bedroom units. Therefore, the Project meets the requirements for dwelling unit mix.

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

story, whichever is lower; and, 4) result in discrete building sections with a maximum plan length along the street frontage not greater than 200-ft.

Since the overall frontage is 242-ft along Folsom Street, the Project is required to provide a single horizontal mass break along Bryant and Florida Streets, which is not less than 30-ft wide by 60-ft deep, and extends from the third-story up to the sky. Per the Planning Code, this mass break must result in discrete building sections along the street frontage of not greater than 200-ft.

The Project uses the publically-accessible mid-block alley to provide for horizontal mass reduction. Along Treat Avenue, the Project incorporates a mass break, which measures 25-ft wide by 42-ft long by 40-ft tall at the ground floor and extending upward on all levels. Since the provided horizontal mass reduction does not meet the dimensional requirements of the Planning Code, the Project is seeking an exception to the horizontal mass reduction requirements as part of the Large Project Authorization.

O. Mid-Block Alley. Planning Code Section 270.2 outlines the requirements for mid-block alleys on large lots within the Eastern Neighborhoods Mixed Use Districts. This requirement applies to all new construction on parcels that have one or more street frontages of over 200 linear feet on a block face longer than 400-ft between intersections.

The Project provides a publically-accessible mid-block alley from Folsom Street to Treat Avenue, which measures 25-ft along Folsom Street and 11-ft along Treat Avenue. This mid-block alley meets the design and performance standards of Planning Code Section 270.2(e), since it is: located as close to the middle portion of the subject block face as possible; is perpendicular to the subject frontage; provides pedestrian access and no vehicular access; has a minimum width of 20-ft from building face to building face; provides a minimum clear walking width of 10-ft free of any obstructions; is at least 60% open to the sky; and, features appropriate paving, furniture, and amenities. Therefore, the Project complies with Planning Code Section 270.2.

P. Transportation Sustainability Fee. Planning Code Section 411A is applicable to new development that results in more than twenty dwelling units.

The Project includes approximately 92,072 gsf of new residential use. This square footage shall be subject to the Transportation Sustainability Fee, as outlined in Planning Code Section 411A. The Project shall receive a prior use credit for the 21,060 sq ft of existing PDR space.

Q. Residential Child-Care Impact Fee. Planning Code Section 414A is applicable to new development that results in at least one net new residential unit.

The Project includes approximately 92,072 gsf of new residential use associated with the new construction of 117 dwelling units. This square footage shall be subject to the Residential Child-Care Impact Fee, as outlined in Planning Code Section 411A.

R. Inclusionary Affordable Housing Program. Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements apply to projects that consist of 10 or more

units. The applicable percentage is dependent on the number of units in the project, the zoning of the property, and the date that the project submitted a complete Environmental Evaluation Application. A complete Environmental Evaluation Application was submitted on January 10, 2015; therefore, pursuant to Planning Code Section 415.3 the Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 16.4% of the proposed dwelling units as affordable.

The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project or submit to the Department a contract demonstrating that the project's on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. and submits an Affidavit of such to the Department. All such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Mayor's Office Housing and Community Development and the City Attorney's Office. The Project Sponsor has indicated the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions provided by the City and approved herein. The Project Sponsor submitted such Affidavit on February 3, 2016. The applicable percentage is dependent on the total number of units in the project, the zoning of the property, and the date that the project submitted a complete Environmental Evaluation Application. A complete Environmental Evaluation Application was submitted on January 10, 2015; therefore, pursuant to Planning Code Section 415.3 the Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 16.4% of the total proposed dwelling units as affordable. 19 units (4 studios, 8, one-bedroom, 7 two-bedroom) of the total 117 units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable.

S. Eastern Neighborhood Infrastructure Impact Fees. Planning Code Section 423 is applicable to any development project within the MUO (Mixed Use Office) Zoning District that results in the addition of gross square feet of non-residential space.

The Project includes approximately 109,917 square feet of new development consisting of approximately 92,072 sq ft of residential use, 5,291 sq ft of PDR use, and 12,554 sq ft of garage space. Excluding the square footage dedicated to the garage, the other uses are subject to Eastern Neighborhood Infrastructure Impact Fees, as outlined in Planning Code Section 423. These fees must be paid prior to the issuance of the building permit application.

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

The Project is designed as a four-story, 40-ft tall, residential development, which incorporates sunken residential entryways along Folsom Street, as well as massing setbacks. This massing is appropriate given the larger neighborhood context, which includes one-and-two-story industrial buildings, and two-and-three-story residential buildings. The surrounding neighborhood is extremely varied with many examples of smaller-scale residential properties along Folsom Street and larger-scale industrial properties to the east of Treat Avenue. The Project's overall mass and scale are further refined by the building modulation, which incorporates projecting bays and sunken entryways. In addition, the Project incorporates a 25-ft wide publically-accessible mid-block alley, which provides an appropriate mass break and entry court. Overall, these features provide variety in the building design and scale, while providing for features that strongly complement the neighborhood context. Thus, the Project is appropriate and consistent with the mass and scale of the surrounding neighborhood.

B. Architectural treatments, facade design and building materials:

The Project's architectural treatments, façade design and building materials include a fiber cement board horizontal lap siding in two tones, metal siding, aluminum storefront, iron railings and gates, and dark bronze frame aluminum windows. The Project is distinctly contemporary in its character. The Project incorporates a simple, yet elegant, architectural language that is accentuated by contrasts in the exterior materials. Overall, the Project offers a high quality architectural treatment, which provides for unique and expressive architectural design that is consistent and compatible with the surrounding neighborhood.

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

The Project incorporates a courtyard, which assists in continuing the pattern of mid-block open space evident on the subject block. Along the lower floors, the Project provides for a publically-accessible mid-block alley, residential amenities (entry lobby, leasing office/art gallery, and resident lounge/kitchen), and walk-up dwelling units with individual pedestrian access on Folsom Street. These dwelling units and amenities will provide for activity on the street level. The Project minimizes the impact to pedestrian by providing one 12-ft wide garage entrance on Treat Avenue. In addition, offstreet parking is located below grade.

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

The Project provides exceeds the open space requirement by constructing a publically-accessible midblock, a ground floor courtyard, a roof terrace, and private balconies/terraces.

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

The Project provides a code-complying mid-block alley, which meets the criteria of Planning Code Section 270.2.

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

In compliance with Planning Code Section 138.1, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, and new street trees. These improvements would vastly improve the public realm and surrounding streetscape.

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

The Project provides ample circulation in and around the project site through the streetscape improvement and construction of a publically-accessible mid-block alley. Automobile access is limited to the one entry/exit on Treat Avenue. An off-street loading zone is provided along Folsom Street. The Project incorporates an interior courtyard, which is accessible to residents.

H. Bulk limits;

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

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

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

- 8. Large Project Authorization Exceptions. Proposed Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts:
 - A. Rear Yard: Exception for rear yards, pursuant to the requirements of Section 134(f);

Modification of Requirements in the Eastern Neighborhoods Mixed Use Districts. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified or waived by the Planning Commission pursuant to Section 329...provided that:

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

The Project provides for a comparable amount of open space, in lieu of the required rear yard. Overall, the Project will be located on a lot measuring 35,734 sq ft in size, and would be required to provide a rear yard measuring 9,024 sq ft. The Project provides common open space for the 117 dwelling units through a publically-accessible mid-block alley, a ground floor courtyard, a roof terrace, and a series of private balconies and terraces. In total, the Project provides approximately 13,340 sq ft of Codecomplying open space, thus exceeding the amount of space, which would have been provided in a codeconforming rear yard.

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

The Project does not impede access to light and air for the adjacent properties. To the south, the Project abuts a public park. To the north, the Project incorporates a courtyard, which extends the pattern of mid-block open space for the subject block. Therefore, the Project continues the pattern of rear yards, which are evident within the properties to the north.

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

The Project is seeking an exception to dwelling unit exposure requirements, since the Project includes dwelling units, which face onto the south lot line. Given the overall quality of the Project and its design, the Commission supports the exception to the rear yard requirement, since the proposed units would not be afforded undue access to light and air. Overall, the Project meets the intent of exposure and open space requirements defined in Planning Code Sections 135 and 140; therefore, the modification of the rear yard is deemed acceptable.

B. <u>Off-Street Loading</u>: Exception from satisfaction of loading requirements per Section <u>152.1</u> pursuant to the criteria contained therein.

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

The Project would provide one on-street loading parking spaces on Folsom Street. The on-street loading would meet the residential loading needs of the Project. By providing on-street loading, the Project is able to limit the access to the below-grade garage through one entry/exit measuring 12-ft wide, which is located on Treat Avenue. Overall, the Project's proposed loading assists in improving the ground floor street frontage and would improve character of the streets.

C. <u>Horizontal Mass Reduction</u>: Modification of the horizontal massing breaks required by Section 270.1 in light of any equivalent reduction of horizontal scale, equivalent volume of

reduction, and unique and superior architectural design, pursuant to the criteria of Section 270.1(d).

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

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

The Project incorporates a horizontal mass break from the ground floor up to the sky, which is 25-ft in width and 42-ft deep. Therefore, the Project exceeds the required amount of mass that would have been reduced under a Code-complying mass reduction.

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

The Project incorporates a mass break, which is more than 15-ft deep from the front façade.

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

Through the incorporation of the publically-accessible mid-block alley and horizontal mass break, the Project achieves a distinctly superior building form, which results in two masses measuring 169-ft and 32-ft wide. This massing continues the pattern on the subject block, particularly along Folsom Street, and allows for projections and recesses within the subject lots.

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

The Project achieves a unique and superior architectural design that is contemporary in character with a curated material palette. The Project's massing and scale is appropriate given the neighborhood context. Overall, the Project provides finer grain details, which are appropriate given the Project's design and style.

D. Where not specified elsewhere in Planning Code Section 329(d), modification of other Code requirements which could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located;

In addition to the modification of the requirements for rear yard, off-street loading, and horizontal mass reduction, the Project is seeking modifications of the requirements for street frontage (Planning Code Section 145.1) and dwelling unit exposure (Planning Code Section 140).

Under Planning Code Section 145.1(c)(4), the ground floor ceiling height for non-residential uses is required to be a minimum of 17-ft in the UMU Zoning District. Currently, the Project includes non-residential use on the ground floor (PDR use), which does not possess a full 17-ft ground floor ceiling

height. Although portions of the Project meets the ground floor ceiling height, the entire non-residential ground floor space does not meet the requirements of the Planning Code. Despite the lower floor levels, the Project includes an architectural expression along the street frontage, which is beneficial to the public realm and adjacent sidewalks and which reinforces the concept of a tall ground floor. The Commission supports this exception, due to the overall quality of design and the streetscape improvements along Folsom Street and Treat Avenue.

Under Planning Code Section 140, all dwelling units must face onto a public street, public alley or an open area, which is at least 25-wide. The Project organizes the dwelling units to have exposure either on one of the public streets (Folsom Street or Treat Avenue), the public mid-block alley, which ranges in width from 24-ft to 27-ft, within Code-complying courtyard or facing the south lot line towards the public park (Parque Ninos Unidos). Currently, forty-four dwelling units do not face onto a street, alley or open area, which meet the dimensional requirements of the Planning Code. These dwelling units still face onto an open area, since the public park is located directly adjacent to the project site; therefore, these units are still afforded sufficient access to light and air. Given the overall design and composition of the Project, the Commission is in support of this exception, due to the Project's high quality of design and amount of open space/open areas.

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

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

Policy 1.2

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

Policy 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Project is a higher density residential development, which provides up to 117 new dwelling units in a mixed-use area. The Project abuts residential uses and one-to-two-story industrial buildings, as well as a public park. The project site was recently rezoned as part of a long range planning goal to create a cohesive residential and mixed-use neighborhood. The Project includes 19 on-site affordable housing units for rent,

which assist in meeting the City's affordable housing goals. The Project is also in proximity to public transportation options.

OBJECTIVE 4

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

Policy 4.1

Develop new housing, and encourage the remodeling of existing housing, for families with children.

Policy 4.4

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

Policy 4.5

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

The Project meets the affordable housing requirements for the UMU Zoning District by providing for 19 on-site BMR units for rent. The Project will provide 117 dwelling units into the City's housing stock.

OBJECTIVE 11

SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2

Ensure implementation of accepted design standards in project approvals.

Policy 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.6

Foster a sense of community through architectural design, using features that promote community interaction.

Policy 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

OBJECTIVE 12

BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

Policy 12.2

Consider the proximity of quality of life elements such as open space, child care, and neighborhood services, when developing new housing units.

The Project responds to the site's mixed-character by providing new dwelling units, which appropriately address the adjacent residential uses, nearby industrial uses and adjacent public park. The Project appropriately responds to the varied character of the larger neighborhood. The Project's facades provide a unique expression not commonly found within the surrounding area, while providing for a contrasting material palette.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 4:

PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.5:

Require private usable outdoor open space in new residential development.

Policy 4.6:

Assure the provision of adequate public open space to serve new residential development.

The Project will create a publically-accessible mid-block alley and common open space in a new residential development. The Project also incorporates private open space through balconies and terraces.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24:

IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2:

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

Policy 24.3:

Install pedestrian-serving street furniture where appropriate.

Policy 24.4:

Preserve pedestrian-oriented building frontages.

The Project includes new street trees along the public rights-of-way. In addition, the Project includes streetscape elements, including new concrete sidewalks, linear planters along the street edge, and new street trees. Frontages are designed with active spaces oriented at the pedestrian level. The new garage entrancelexit is narrow in width and assists in minimizing pedestrian and bicycle conflicts.

OBJECTIVE 28:

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1:

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

Policy 28.3:

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

The Project includes 160 Class 1 bicycle parking spaces and 14 Class 2 bicycle parking spaces in secure, convenient locations, thus meeting the amount required by the Planning Code.

OBJECTIVE 34:

RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.1:

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3:

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

Policy 34.5:

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

The Project adheres to the principally permitted parking amounts within the Planning Code. The parking spaces are accessed by one ingress and egress point. Parking is adequate for the project and complies with maximums prescribed by the Planning Code.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1:

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.3:

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

Policy 1.7:

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

The Project is located within the Mission neighborhood, which is characterized by the mix of uses. As such, the Project provides expressive street façades, which respond to form, scale and material palette of the existing neighborhood, while also providing a new contemporary architectural vocabulary.

OBJECTIVE 3:

MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

Policy 3.1:

Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3.3:

Promote efforts to achieve high quality of design for buildings to be constructed at prominent locations.

Policy 3.4:

Promote building forms that will respect and improve the integrity of open spaces and other public areas

The Project is consistent and compatible with the neighborhood, and appropriate responds to its unique location adjacent to a public park. The Project is setback from the south lot line to provide some relief relative to the adjacent public park. In addition, the Project provides for a high quality design along the park edge, in order to provide visual interest and activity.

OBJECTIVE 4:

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.

Policy 4.5:

Design walkways and parking facilities to minimize danger to pedestrians.

Policy 4.13:

. Improve pedestrian areas by providing human scale and interest.

Although the project site has two street frontages, it only provides one vehicular access points for the offstreet parking, thus limiting conflicts with pedestrians and bicyclists. Numerous street trees will be planted on each street. Along the project site, the pedestrian experience will be greatly improved.

MISSION AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1

STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK

Policy 1.1.8

While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

OBJECTIVE 1.2

IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.

Policy 1.2.1

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

Policy 1.2.3

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

Policy 1.2.4

Identify portions of the Mission where it would be appropriate to increase maximum heights for residential development.

Housing

OBJECTIVE 2.1

ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE MISSION IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES

Policy 2.1.1

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

OBJECTIVE 2.3

ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES

Policy 2.3.3

Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments unless all Below Market Rate units are two or more bedrooms.

Policy 2.3.5

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

Policy 2.3.6

Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

Built Form

OBJECTIVE 3.1

PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER

Policy 3.1.1

Adopt heights that are appropriate for the Mission's location in the city, the prevailing street and block pattern, and the anticipated land uses, while preserving the character of its neighborhood enclaves.

Policy 3.1.8

New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

OBJECTIVE 3.2

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

Policy 3.2.1

Require high quality design of street-facing building exteriors.

Policy 3.2.3

Minimize the visual impact of parking.

Policy 3.2.4

Strengthen the relationship between a building and its fronting sidewalk.

Policy 3.2.6

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

Transportation

OBJECTIVE 4.7

IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN THE MISSION

Policy 4.7.2

Provide secure, accessible and abundant bicycle parking, particularly at transit stations, within shopping areas and at concentrations of employment.

OBJECTIVE 4.8

ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS

Policy 4.8.1

Continue to require car-sharing arrangements in new residential and commercial developments, as well as any new parking garages.

Streets & Open Space

OBJECTIVE 5.3

CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS AND ECOLOGICAL SUSTAINABILITY OF THE NEIGHBORHOOD.

Policy 5.3.1

Redesign underutilized portions of streets as public open spaces, including widened sidewalks or medians, curb bulb-outs, "living streets" or green connector streets.

Policy 5.3.2

Maximize sidewalk landscaping, street trees and pedestrian scale street furnishing to the greatest extent feasible.

Community Facilities

OBJECTIVE 7.1

PROVIDE ESSENTIAL COMMUNITY SERVICES AND FACILITIES

Policy 7.1.2

Recognize the value of existing facilities, including recreational and cultural facilities, and support their expansion and continued use.

OBJECTIVE 7.2

ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS

Policy 7.2.1

Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods.

The Project includes the demolition of 21,060 sq ft of PDR space, which included a community-serving use for a local non-profit. Both of these uses are encouraged to be retained within the Mission, as they provide for blue-collar jobs, assist in diversifying the neighborhood economy, provide valued community resources, and add cultural diversity to the neighborhood. However, the Project also includes a significant amount of housing, including on-site BMR units as well as a diversity of housing types (from small studios to larger family-sized units). The Project has provided relocation assistance to the existing PDR tenant, and the community serving use vacated the site in March 2016. Overall, the Project features an appropriate use encouraged by the Area Plan for this location. The Project provides 117 new dwelling units, which will be available for rent. In addition, the Project is located within the prescribed height guidelines, and includes the appropriate dwelling unit mix, since more than 40% or 47 units are two- or three-bedroom dwellings. The Project introduces a contemporary architectural vocabulary that is sensitive to the prevailing scale and neighborhood fabric. The Project provides for a high quality designed exterior, which features a variety of materials, colors and textures, including fiber cement board horizontal lap siding in two tones, metal siding, aluminum storefront, iron railings and gates, and dark bronze frame aluminum windows. The Project provides a publically-accessible mid-block alley, ample common open space and also improves the public rights of way with new streetscape improvements, street trees and landscaping. The Project

minimizes the impact of off-street parking and is in proximity to public transit options. The Project is also respectful of the adjacent public park. The Project will also pay the appropriate development impact fees, including the Eastern Neighborhoods Impact Fees. Despite the loss of PDR space, on balance, the Project meets the Objectives and Policies of the Mission Area Plan.

- 9. Planning Code Section 101.1(b) establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:
 - A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The project site does not possess any neighborhood-serving retail uses. The Project provides 117 new dwelling units, which will enhance the nearby retail uses by providing new residents, who may patron and/or own these businesses.

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

The project site does possess any existing housing. The Project would provide 117 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. In addition, the Project would add PDR use (arts activity), which adds to the public realm and neighborhood character by highlighting local artists. The Project is expressive in design, and relates well to the scale and form of the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

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

The Project does not currently possess any existing affordable housing. The Project will comply with the City's Inclusionary Housing Program by providing 19 below-market rate dwelling units for rent. Therefore, the Project will increase the stock of affordable housing units in the City.

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

The project site is served by nearby public transportation options. The Project is located along a Muni bus line (12-Folsom/Pacific), and is within walking distance of the BART Station at 24th and Mission Streets. In addition, the Project is within one block of 24th Street and the 48-Quintara/24th Street bus route. Future residents would be afforded proximity to a bus line. The Project also provides off-street parking at the principally permitted amounts and sufficient bicycle parking for residents and their guests.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project does not include commercial office development. Although the Project would remove a PDR use, the Project does provide new housing, which is a top priority for the City. The Project incorporate new PDR use, thus assisting in diversifying the neighborhood character.

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

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

G. That landmarks and historic buildings be preserved.

Currently, the project site does not contain any City Landmarks or historic buildings.

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

Although the Project does have shadow impacts on the adjacent public park, the adjacent public park (Parque Ninos Unidos) is still afforded access to sunlight, which should not dramatically affect the use and enjoyment of this park. Since the Project is not more than 40-ft tall, additional study of the shadow impacts was not required per Planning Code Section 295.

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

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

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

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby APPROVES Large Project Authorization Application No. 2014-000601ENX under Planning Code Section 329 to allow the new construction of a four-story, 40-ft tall, residential building with 117 dwelling units, and a modification to the requirements for: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section 145.1); 4) off-street freight loading (Planning Code Section 152.1); and, 5) horizontal mass reduction (Planning Code Section 270.1), within the UMU (Urban Mixed Use), RH-2 (Residential, House, Two-Family), and RH-3 (Residential, House, Three-Family) Zoning Districts and a 40-X Height and Bulk District. The project is subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated August 30, 2016, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

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

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

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on September 22, 2016.

Jonas P. Ionin

Commission Secretary

AYES:

Fong, Hillis, Johnson, Koppel and Richards

NAYS:

Melgar and Moore

ADOPTED:

September 22, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a Large Project Authorization to allow for the new construction of a four-story, 40-ft tall, residential building with 117 dwelling units, and exceptions to the requirements for rear yard, dwelling unit exposure, street frontage, off-street loading, and horizontal mass reduction, located at 2675 Folsom Street, Lots 006, 007 and 024 in Assessor's Block 3639, pursuant to Planning Code Section 329, within the UMU (Urban Mixed Use), RH-2 (Residential, House, Two-Family), RH-3 (Residential, House, Three-Family) Zoning Districts, and a 40-X Height and Bulk District; in general conformance with plans, dated August 30, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2014-000601ENX and subject to conditions of approval reviewed and approved by the Commission on September 22, 2016 under Motion No. 19744. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on September 22, 2016 under Motion No. 19744.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19744 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

- 1. Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.
 - For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>
- 2. Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 3. Diligent Pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.
 - For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>
- Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.
 - For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>
- 6. Additional Project Authorization. The Project Sponsor must obtain a Conditional Use Authorization, under Planning Code Sections 209.1 and 303 and Planning Commission Resolution

No. 19548, to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area in the RH-3 Zoning District and construct a "Large Project" as defined in the Mission 2016 Interim Zoning Controls, and satisfy all the conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

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

7. Mitigation Measures. Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2014-000601ENV) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sfplanning.org

DESIGN - COMPLIANCE AT PLAN STAGE

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

 For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
- Publically-Accessible Open Space. Pursuant to Planning Code Section 135(h), the Project shall
 provide publically-accessible mid-block alley, as required by Planning Code Section 270.2. This open
 space shall follow the standards, maintenance and signage requirements specified in Planning Code
 Section 135(h).

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

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

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

11. Transformer Vault. The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

- On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
- On-site, in a driveway, underground;
- On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding
 effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
- Public right-of-way, underground; and based on Better Streets Plan guidelines;
- Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- On-site, in a ground floor façade (the least desirable location).
- Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

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

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

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

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

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

PARKING AND TRAFFIC

14. Unbundled Parking. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of

dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

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

- 15. **Parking Maximum**. Pursuant to Planning Code Section 151.1, the Project shall provide no more than 65 off-street parking spaces for the 117 dwelling units in the UMU, RH-2 & RH-3 Zoning Districts. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 16. **Car Share.** Pursuant to Planning Code Section 166, no fewer than one car share space shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.

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

17. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 104 Class 1 bicycle parking spaces and 6 Class 2 bicycle parking spaces for the 117 dwelling units.

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

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

 For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 19. Parking for Affordable Units. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

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

PROVISIONS

- 20. Anti-Discriminatory Housing. The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.
 For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
- 21. **Transportation Sustainability Fee.** The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.

 For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
- 22. Child Care Fee Residential. The Project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A.
 For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
- 23. Eastern Neighborhoods Infrastructure Impact Fee. Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.

 For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
- 24. **First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

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

MONITORING

- 25. Enforcement. Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 26. Revocation Due to Violation of Conditions. Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning

Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

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

OPERATION

- 27. Garbage, Recycling, and Composting Receptacles. Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.
 For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, http://sfdpw.org
- 28. **Sidewalk Maintenance**. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

 For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, http://sfdpw.org
- 29. Community Liaison. Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

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

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

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

INCLUSIONARY HOUSING

31. **Affordable Units**. The following Inclusionary Affordable Housing Requirements are those in effect at the time of Planning Commission action. In the event that the requirements change, the Project Sponsor shall comply with the requirements in place at the time of issuance of first construction document.

- i. Number of Required Units. Pursuant to Planning Code Section 415.3, the Project is required to provide 16.4% of the proposed dwelling units as affordable to qualifying households. The Project contains 117 units; therefore, 19 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the 19 affordable units on-site. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").
 - For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.
- ii. **Unit Mix.** The Project contains 24 studios, 46 one-bedroom, and 45 two-bedroom, and 2 three-bedroom units; therefore, the required affordable unit mix is 4 studios, 8 one-bedroom, and 7 two-bedroom units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.
 - For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, <u>www.sf-planning.org</u> or the Mayor's Office of Housing and Community Development at 415-701-5500, <u>www.sf-moh.org</u>.
- iii. **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.
 - For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.
- iv. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than 16.4 percent (16.4%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.

 For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.
- v. **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.

 For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.
- vi. Other Conditions. The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by

Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or MOHCD websites, including on the internet at:

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

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

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

- a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- b. If the units in the building are offered for rent, the affordable unit(s) shall be rented to low-income households, as defined in the Planning Code and Procedures Manual. The initial and subsequent rent level of such units shall be calculated according to the Procedures Manual. Limitations on (i) occupancy; (ii) lease changes; (iii) subleasing, and; are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.
- d. Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.

- f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415 to the Planning Department stating the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions (as defined in California Government Code Section 65915 et seq.) provided herein. The Project Sponsor has executed the Costa Hawkins agreement and will record a Memorandum of Agreement prior to issuance of the first construction document or must revert payment of the Affordable Housing Fee.
- g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.

EXHIBIT 1:

MITIGATION MONITORING AND REPORTING PROGRAM

(Including the Text of the Mitigation Measures Adopted as Conditions of Approval and Proposed Improvement Measures)

1. MITIGATION MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
MEASURES DEEMED FEASIBLE				
F. Noise				
Mitigation Measure F-5: Siting of Noise-Generating Uses To reduce potential conflicts between existing sensitive receptors and new noise-generating uses, for new development including commercial, industrial or other uses that would be expected to generate noise levels in excess of ambient noise, either short-term, at nighttime, or as a 24-hour average, in the proposed project site vicinity, the Planning Department shall require the preparation of an analysis that includes, at a minimum, a site survey to identify potential noise-sensitive uses within 900 feet of, and that have a direct line-of-sight to, the project site, and including at least one 24-hour noise measurement (with maximum noise level readings taken at least every 15 minutes), prior to the first project approval action. The analysis shall be prepared by persons qualified in acoustical analysis and/or engineering and shall demonstrate with reasonable certainty that the proposed use would comply with the use compatibility requirements in the General Plan and in Police Code Section 2909l, would not adversely affect nearby noise-sensitive uses, and that there are no particular circumstances about the proposed project site that appear to warrant heightened concern about noise levels that would be generated by the proposed use. Should such concerns be present, the Department may require the completion of a detailed noise assessment by person(s) qualified in acoustical analysis and/or engineering prior to the first project approval action.	Project Sponsor along with Project Contractor of each subsequent development project undertaken pursuant to the Eastern Neighborhoods Rezoning and Area Plans Project.	Prior to first approval action, noise analysis must be done. Design measures to be incorporated into project design and evaluated in environmental/ building permit review.	San Francisco Planning Department and the Department of Building Inspection	Considered complete upon first project approval action.
J. Archeological Resources				
Mitigation Measure J-2: Accidental Discovery The following mitigation measure is required to avoid any potential adverse effect from the proposed project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a) and (c). The project sponsor shall distribute the Planning Department archeological resource "ALERT" sheet to the project prime contractor; to any project subcontractor (including demolition, excavation, grading, foundation, pile driving, etc. firms); or utilities firm involved in soils disturbing activities within the project site. Prior to any soils disturbing activities being undertaken each contractor is responsible for ensuring that	Project Sponsor/project archeologist	Upon discovery of a buried or submerged historical resource	Project sponsor and ERO	Upon determination of the ERO that resource is not present or adversely impacted; or upon certification of Final Archeological Resources Report (FARR)

EXHIBIT 1: MITIGATION MONITORING AND REPORTING PROGRAM (Including the Text of the Mitigation Measures Adopted as Conditions of Approval and Proposed Improvement Measures)

1. MITIGATION MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
the "ALERT" sheet is circulated to all field personnel including, machine operators, field crew, pile drivers, supervisory personnel, etc. The project sponsor shall provide the Environmental Review Officer (ERO) with a signed affidavit from the responsible parties (prime contractor, subcontractor(s), and utilities firm) to the ERO confirming that all field personnel have received copies of the Alert Sheet.				
Should any indication of an archeological resource be encountered during any soils disturbing activity of the project, the project Head Foreman and/or project sponsor shall immediately notify the ERO and shall immediately suspend any soils disturbing activities in the vicinity of the discovery until the ERO has determined what additional measures should be undertaken.				
If the ERO determines that an archeological resource may be present within the project site, the project sponsor shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archeological consultant shall advise the ERO as to whether the discovery is an archeological resource, retains sufficient integrity, and is of potential scientific/historical/cultural significance. If an archeological resource is present, the archeological consultant shall identify and evaluate the archeological resource. The archeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the ERO may require, if warranted, specific additional measures to be implemented by the project sponsor.				
Measures might include: preservation in situ of the archeological resource; an archaeological monitoring program; or an archeological testing program. If an archeological monitoring program or archeological testing program is required, it shall be consistent with the Environmental Planning (EP) division guidelines for such programs. The ERO may also require that the project sponsor immediately implement a site security program if the archeological resource is at risk from vandalism, looting, or other damaging actions. The project archeological consultant shall submit a Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describing the archeological and historical research methods employed in the archeological monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable				

EXHIBIT 1: MITIGATION MONITORING AND REPORTING PROGRAM (Including the Text of the Mitigation Measures Adopted as Conditions of Approval and Proposed Improvement Measures)

1. MITIGATION MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
insert within the final report.				
Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one bound copy, one unbound copy and one unlocked, searchable PDF copy on CD three copies of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.				
L. Hazardous Materials				
Mitigation Measure L-1—Hazardous Building Materials The City shall condition future development approvals to require that the subsequent project sponsors ensure that any equipment containing PCBs or DEPH, such as fluorescent light ballasts, are removed and properly disposed of according to applicable federal, state, and local laws prior to the start of renovation, and that any fluorescent light tubes, which could contain mercury, are similarly removed and properly disposed of. Any other hazardous materials identified, either before or during work, shall be abated according to applicable federal, state, and local laws.	Project Sponsor/project archeologist of each subsequent development project undertaken pursuant to the Eastern Neighborhoods Areas Plans and Rezoning	Prior to approval of each subsequent project, through Mitigation Plan.	Planning Department, in consultation with DPH; where Site Mitigation Plan is required, Project Sponsor or contractor shall submit a monitoring report to DPH, with a copy to Planning Department and DBI, at end of construction.	Considered complete upon approval of each subsequent project.



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ☑ Affordable Housing (Sec. 415)
- ☐ Jobs Housing Linkage Program (Sec. 413)
- ☐ Downtown Park Fee (Sec. 412)
- ☑ First Source Hiring (Admin. Code)
- ☑ Child Care Requirement (Sec. 414A)
- ☑ Other (EN Impact Fees, Sec 423; TSF, Sec 411A)

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415.558.6409

Planning Information: 415.558.6377

Planning Commission Motion No. 19745

HEARING DATE: SEPTEMBER 22, 2016

Case No.:

2014-000601CUA

Project Address:

2675 FOLSOM STREET

Zoning:

UMU (Urban Mixed Use) Zoning District;

RH-2 (Residential, House, Two-Family) Zoning District; RH-3 (Residential, House, Three-Family) Zoning District

40-X Height and Bulk District

Block/Lot:

3639/006, 007 and 024

Project Sponsor:

Muhammed Nadhiri, Axis Development Group

580 California Street, 16th Floor

San Francisco, CA 94104

Staff Contact:

Richard Sucre - (415) 575-9108

richard.sucre@sfgov.org

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 209.1 AND 303 AND PLANNING COMMISSION RESOLUTION NO. 19548 TO ALLOW DWELLING UNIT DENSITY AT A RATIO OF ONE DWELLING UNIT PER 1,000 SQUARE FEET OF LOT AREA WITHIN THE RH-3 ZONING DISTRICT, AND NEW CONSTRUCTION OF MORE THAN 75 DWELLING UNITS PER THE MISSION 2016 INTERIM ZONING CONTROLS FOR THE PROJECT LOCATED AT 2675 FOLSOM STREET, LOTS 006, 007 AND 024 IN ASSESSOR'S BLOCK 3639, WITHIN THE UMU (URBAN MIXED-USE), RH-2 (RESIDENTIAL, HOUSE, TWO-FAMILY), AND RH-3 (RESIDENTIAL, HOUSE, THREE-FAMILY) ZONING DISTRICTS AND A 40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On April 30, 2015, Muhammed Nadhiri of Axis Development Group Company (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Sections 209.1 and 303 to permit dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area on Assessor's Block 3639 Lot 007 within the RH-3 (Residential, House, Three-Family) Zoning District and a 40-X Height and Bulk District.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the

California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commissions review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project–specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off–site and cumulative impacts which were not discussed in the underlying EIR, or(d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On September 20, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department Commission Secretary is the custodian of records, located in the File for Case No. 2014-000601CUA at 1650 Mission Street, Fourth Floor, San Francisco, California.

On January 14, 2016, the Planning Commission adopted Resolution No. 19548, which defines the Mission 2016 Interim Zoning Controls and its procedures.

On September 22, 2016, the Commission adopted Motion No. 19744, approving a Large Project Authorization for the Proposed Project (Large Project Authorization Application No. 2014-000601ENX). Findings contained within said motion are incorporated herein by this reference thereto as if fully set forth in this Motion.

On September 22, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2014-000601CUA.

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

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2014-000601CUA, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

- 1. The above recitals are accurate and constitute findings of this Commission.
- 2. Site Description and Present Use. The proposed project is located on three lots (with a lot area of approximately 35,734 square feet), which have approximately 242-ft of frontage along Folsom Street and 40-ft of frontage along Treat Avenue. The project site contains three existing buildings: a two-story industrial building, a one-story industrial building, and a one-story temporary building. Collectively, these three buildings measure 21,599 square feet. Royal, Inc., a non-profit organization that provides counseling to youth, recently vacated the second floor of the two-story industrial building. Currently, the existing buildings are occupied by Charyn Auctions, a reseller of food service equipment.
- 3. Surrounding Properties and Neighborhood. The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with residential, industrial, and institutional uses. The immediate neighborhood includes two-to-three-story residential development to the north, Cesar Chavez Elementary School to the west, a series of one-to-two-story industrial properties to the east across Treat Avenue, and a public park (Parque Ninos Unidos) to the south. Parque Ninos Unidos occupies the entire block face on the north side of 23rd Street between Folsom Street and Treat Avenue. The project site is located within the boundaries of the Proposed Calle 24 Special Use District, which was established as part of the interim controls by the Board of Supervisors per Ordinance No. 133-15, and the Calle 24 Latino

Cultural District, which was established by Board of Supervisors Resolution, File No. 140421 in May 2014. Other zoning districts in the vicinity of the project site include: P (Public), NC-3 (Neighborhood Commercial-Moderate Scale), and the 24th-Mission NCT (Neighborhood Commercial Transit) Zoning District.

- 4. **Project Description.** The proposed Project includes demolition of the three existing buildings on the project site, and new construction of a four-story, 40-ft tall, residential building (approximately 109,917 gross square feet) with 117 dwelling units, approximately 5,291 square feet of PDR use, 65 below-grade off-street parking spaces, 1 car-share parking space, 160 Class 1 bicycle parking spaces, and 14 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 2 three-bedroom units, 45 two-bedroom units, 46 one-bedroom units, and 24 studio units. The Project includes 4,775 square feet of public open space, 5,209 square feet of common open space via ground floor courtyard and roof deck, and 3,356 square feet of private open space via balconies and terraces. The Project would also include a lot merger of Lots 006, 007 and 024 on Block 3639.
- 5. **Public Comment**. The Department has received a few public correspondences regarding the proposed project. This correspondence has primarily expressed opposition to the project, though the Department has received a few letters in support.

From Lucia Bogatay, the Department received correspondence expressing positive sentiment for the architecture of the Project.

From Ronald Charyn of Charyn Auctions (existing tenant), the Department received a letter in support of the project. They noted that the Project Sponsor (Axis Development) has provided them with in-kind and financial assistance to relocate the existing business.

From Emily Kuehler, the Department received correspondence questioning the location of the garage entrance on Treat Avenue.

From the Mission Kids Co-Op, the Department received correspondence, which advocated for childcare, rather than a local artist galley, particularly in this location given its proximity to a public park.

From Juliana Sloane, the Department received correspondence expressing concern over parking and traffic.

From Edward Stiel, the Department received correspondence, which requesting a full Environmental Impact Report (EIR) for the Project. This correspondence stated that the Project would cast additional shadow on Parque Ninos Unidos and Cesar Chavez Elementary School, increase traffic and vehicle emissions, and have a wind tunnel effect. In addition, this letter stated that the development would lead to further involuntary displace with increased no fault evictions and landlord harassment.

From J. Scott Weaver on behalf the Calle 24 Latino Cultural District (LCD), the Department received a letter expressing concern over the project and its impact on the existing businesses, residents, and non-profits within the Calle 24 LCD. This letter noted that the proposed market rate housing, along with the other development occurring in the Mission, will affect the neighborhood and create a climate of gentrification. This letter also questions the Community Plan Exemption (CPE) published for the Project, and requests additional environmental review of the project's impacts. Finally, the letter concludes with a request to analyze the project, both individually and cumulatively, with respect to the potential impacts of market rate development on the Calle 24 Latino Cultural District.

In addition, the Department has engaged with on-going dialogue between community members and the Project Sponsors to review the various aspects of the project, including the inclusion of on-site PDR space, the amount of affordable housing, and the project's larger public benefits.

- 6. **Planning Code Compliance:** The Planning Code Compliance findings set forth in Motion No. 19744, Case No. 2014-000601ENX (Large Project Authorization, pursuant to Planning Code Section 329) apply to this Motion, and are incorporated herein as though fully set forth.
- 7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
 - The proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.

Overall, the Project is necessary and desirable for the neighborhood and surrounding community. The Project proposes construction of 117 dwelling units for rent, which includes 19 on-site below-market rate (BMR) units. Housing production is a high priority for the City of San Francisco, and the production of new rental housing is a desirable use across the City. Since the project site is located in three distinct zoning districts, the Project includes construction of 108 dwelling units in the UMU Zoning District, 7 dwelling units in the RH-3 Zoning District, and 2 dwelling units in the RH-2 Zoning District. Given the aggregation of the three lots, the increased residential density on the RH-3 portion of the project site will not have an adverse impact upon the surrounding neighborhood or community. The Project does not displace any existing housing, and develops an underutilized site with new public amenities, including a publically-accessible mid-block alley, new landscaping and improved streetscapes. The Project exceeds the amount of open space required for the future residents, and appropriately responds to the adjacent public park. Although the Project would remove an existing PDR use, the Project provides new market-rate and below-market rate housing, which is in high demand across San Francisco. In addition, the Project features new PDR use (arts activity) highlighting local artists, which will assist in enlivening the street and publically-accessible mid-block alley thus adding to the diversity of uses along this portion of Folsom Street.

2. Such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property,

improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:

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

The Project is located on an irregularly-shaped site with 242-ft of frontage on Folsom Street, 40-ft of frontage on Treat Avenue, and approximately 299-ft of frontage against Parque Ninos Unidos. The Project is designed as a four-story, 40-ft tall, residential development, which incorporates sunken residential entryways along Folsom Street, as well as massing setbacks. This massing is appropriate given the larger neighborhood context, which includes one-and-two-story industrial buildings, and two-and-three-story residential buildings. The surrounding neighborhood is extremely varied with many examples of smaller-scale residential properties along Folsom Street and larger-scale industrial properties to the east of Treat Avenue. The Project's overall mass and scale are further refined by the building modulation, which incorporates projecting bays and sunken entryways. In addition, the Project incorporates a 25-ft wide publically-accessible midblock alley, which provides an appropriate mass break and entry court. Overall, these features provide variety in the building design and scale, while providing for features that strongly complement the neighborhood context. Thus, the Project is appropriate and consistent with the mass and scale of the surrounding neighborhood.

b) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading and of proposed alternatives to off-street parking, including provisions of car-share parking spaces, as defined in Section 166 of this Code;

For the 117 dwelling units, the Project is allowed to have a maximum of 90 off-street parking spaces. Currently, the Project provides 54 off-street parking spaces via mechanical lifts, 3 ADA parking spaces, 1 ADA van spaces have been identified, and 8 standard parking spaces (which include five spaces for electrical vehicles), as well as one car-share parking spaces. Therefore, the Project provides off-street parking well below the maximum permitted amounts. Further, the Project incorporates only one garage entrances consisting of a 12-ft wide entrance on Treat Avenue. The Project complies with the requirements for off-street parking, bicycle parking and car-share.

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

The Project is primarily residential in nature with 117 dwelling units. The proposed residential density is not anticipated to produce noxious or offensive emissions.

 Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs; In compliance with Planning Code Section 138.1, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, and new street trees. The Project also incorporates a publically-accessible mid-block alley. These improvements would vastly improve the public realm and surrounding streetscape.

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

The Project complies with all relevant requirements and standards of the Planning Code, and is seeking exceptions under the Large Project Authorization to address the Planning Code requirements for: 1) rear yard (Planning Code Section 134); 2) dwelling unit exposure (Planning Code Section 140); 3) street frontage (Planning Code Section 145.1); 4) off-street freight loading (Planning Code Section 152.1); and 5) horizontal mass reduction (Planning Code Section 270.1). Overall, the Project is consistent with objectives and policies of the General Plan (See Below).

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

The Project is consistent with the intent and requirements of the UMU (Urban Mixed-Use), RH-2 (Residential House, Two-Family), and RH-3 (Residential, House, Three-Family) Zoning District. The Project includes new residential units, which are principally permitted within the RH-2, RH-3 and UMU Zoning Districts.

- General Plan Compliance. The General Plan Compliance Findings set forth in Motion No. 19744,
 Case No. 2014-000601ENX (Large Project Authorization, pursuant to Planning Code Section 329),
 apply to this Motion, and are incorporated herein as though fully set forth.
- 9. Planning Code Section 101.1(b) establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:
 - A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The project site does not possess any neighborhood-serving retail uses. The Project provides 117 new dwelling units, which will enhance the nearby retail uses by providing new residents, who may patron and/or own these businesses.

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

The project site does possess any existing housing. The Project would provide 117 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. In addition, the Project would add PDR (arts activity) use, which adds to the public realm and neighborhood character by highlighting local artists. The Project is expressive in design, and relates well to the scale and form of

the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

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

The Project does not currently possess any existing affordable housing. The Project will comply with the City's Inclusionary Housing Program by providing 19 below-market rate dwelling units for rent. Therefore, the Project will increase the stock of affordable housing units in the City.

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

The project site is served by nearby public transportation options. The Project is located along a Muni bus line (12-Folsom/Pacific), and is within walking distance of the BART Station at 24th and Mission Streets. In addition, the Project is within one block of 24th Street and the 48-Quintara/24th Street bus route. Future residents would be afforded proximity to a bus line. The Project also provides off-street parking at the principally permitted amounts and sufficient bicycle parking for residents and their guests.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project does not include commercial office development. Although the Project would remove a PDR use, the Project does provide new housing, which is a top priority for the City. The Project incorporate new PDR use, thus assisting in diversifying the neighborhood character.

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

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

G. That landmarks and historic buildings be preserved.

Currently, the project site does not contain any City Landmarks or historic buildings.

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

Although the Project does have shadow impacts on the adjacent public park, the adjacent public park (Parque Ninos Unidos) is still afforded access to sunlight, which should not dramatically affect the use and enjoyment of this park. Since the Project is not more than 40-ft tall, additional study of the shadow impacts was not required per Planning Code Section 295.

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

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Application No. 2014-000601CUA**, under Planning Code Sections 209.1 and 303 and Planning Commission Resolution No. 19548, to allow dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area in the RH-3 Zoning District, and allow the new construction of more than 75 dwelling units per the Mission 2016 Interim Zoning Controls, subject to the following conditions attached hereto as "EXHIBIT A" which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 19745. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94012.

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

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

I hereby, certify that the Planning Commission ADOPTED the foregoing Motion on September 22, 2016.

Jonas P. Ionin

Commission Secretary

AYES:

Fong, Hillis, Johnson, Koppel and Richards

NAYS:

Melgar and Moore

ADOPTED:

September 22, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow the dwelling unit density at a ratio of one dwelling unit per 1,000 square feet of lot area, pursuant to Planning Code Sections 209.1 and 303, within the RH-3 Zoning District and a 40-X Height and Bulk District, and allow new construction of more than 75 dwelling units per the Mission 2016 Interim Zoning Controls; in general conformance with plans, dated August 30, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2014-000601CUA and subject to conditions of approval reviewed and approved by the Commission on September 22, 2016 under Motion No. 19745. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

COMPLIANCE WITH OTHER REQUIREMENTS

The Conditions of Approval set forth in Exhibit A of Motion No. 19744, Case No. 2014-000601ENX (Large Project Authorization under Planning Code Section 329) apply to this approval, and are incorporated herein as though fully set forth, except as modified herein.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on September 22, 2016 under Motion No. 19745.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19745 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

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

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

- 1. Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.
 - For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>
- 2. Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 3. Diligent Pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 4. Extension. All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.
 - For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>
- Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.
 - For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, <u>www.sf-planning.org</u>
- 6. Additional Project Authorization. The Project Sponsor must obtain a project authorization under Planning Code Section 329 for a Large Project Authorization with modifications to the requirements for rear yard, dwelling unit exposure, off-street loading and horizontal mass reduction, and satisfy all the conditions thereof. The conditions set forth below are additional conditions required in

connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

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

7. **Mitigation Measures.** Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2014-000601ENV) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

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MISSION 2015 INTERIM CONTROLS ADDITIONAL FINDINGS (2675 Folsom Street)

Large Projects: Any residential or mixed-use project that would include the net addition or new construction of more than 75,000 gross square feet or includes more than 75 dwelling units shall require Conditional Use authorization under Planning Code Section 303(c). An application for conditional use shall include the following information:

1. <u>Demographic Changes</u>: Provide information about the socio-economic characteristics of the neighborhood and evaluate how the proposed project would affect existing and future residents, businesses and community-serving providers of the area.

<u>Demographics</u>: Information regarding demographics of the Mission neighborhood was obtained from the October 27, 2015 City and County of San Francisco, Board of Supervisor's Budget and Legislative Analyst's Office Policy Analysis Report, "Displacement in the Mission District" ("Mission District Displacement Report").

Table 1 is a summary of the Mission neighborhood demographics.¹

Table 1 Demographics of Mission Neighborhood 2009-2013			
Total Population	38,287		
Hispanic/Latino	18,372		
Hispanic/Latino % Total	48%		
# Households	14,454		
Average Household Size	2.6		
Households w/ Children	3,041		
% Total	21%		
# Households: Related Individuals % Total # Households: Unrelated Individuals % Total	6,263 43% 8,191 57%		
Owner-occupied Units % Total Renter-occupied Units % Total	3,655 25% 10,789 75%		

<u>Demographic Trends:</u> The <u>Mission District Displacement Report</u> included a discussion of the demographic and socio-economic and income changes that occurred in the Mission neighborhood from 2000 to 2009-2013. **Table 2**² below is a summary of demographic trends and **Table 3**³ is a summary of income changes during this same time period.

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¹ Information in **Table 1** comes from the <u>Mission District Displacement Report Exhibit 2</u> and <u>Exhibit 9</u>.

² Information in **Table 2** comes from Exhibit 2 and Exhibit 9 of the Mission District Displacement Report.

³ Information in **Table 3** comes from Exhibit 12 of the Mission District Displacement Report.

Table 2 Demographic Trends in Mission Neighborhood				
	2000	2009-2013	% Change	
Total Population Hispanic/Latino Hispanic/Latino % Total	42,266	38,281	-9%	
	25,180	18,372	-27%	
	60%	48%	-12%	
# Households	13,071	14,454	+11%	
Average Household Size	3.2	2.6	-19%	
Households w/ Children	4,088	3,041	-26%	
% Total	31%	21%	-10%	
# Households: Related Individuals % Total # Households: Unrelated Individuals % Total	6,655	6,263	-6%	
	51%	43%	-8%	
	6,416	8,191	+28%	
	49%	57%	+8%	
Owner-occupied Units % Total Renter-occupied Units % Total	2,482	3,655	+48%	
	19%	25%	+6%	
	10,589	10,789	+2%	
	81%	75%	-6%	

The Mission Displacement Report also indicates that if current trends continue, the Mission District's Hispanic/Latino population will decline from 48 percent of the total population to 31 percent by 2025.

Table 3 Income Trends in Mission Neighborhood					
Annual Household Income 2000 2009-2013 % Change					
Less than \$35,000	3,682	4,592	+25%		
\$35,000 – 99,999	5,798	5,060	-13%		
\$100,000 – 149,999	1,972	2,100	+6%		
More than \$150,000	1,633	2,702	+65%		

The University of California Berkeley's Center for Community Innovation's July 2015 "case studies on Gentrification and Displacement in the San Francisco Bay Area" ("Berkeley Mission District Case Study") also included information regarding demographic changes and income trends in the Mission neighborhood. **Table 4**⁴ below is a summary of the Berkeley Mission District Case Study demographic information.

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⁴ Information in **Table 4** comes from the <u>Berkeley Mission District Case Study</u> Table 4.1, Figure 4.2, Figure 4.3

Table 4 Berkeley Mission District Case Study Demographic Information					
2000 2013 % Change					
Total Population Hispanic/Latino	54,428 50%	51,578 38%	-5% -12%		
Family Households	41%	38%	-3%		
Median Income	\$70,199	\$76,762	+8%		

<u>Project Information:</u> The proposed Project is 119,000 square foot, 40-foot tall residential building with 117 dwelling units, 90 off-street parking spaces in a subterranean garage accessed off of Treat Avenue. The Project contains 11,600 square feet of open space, a mid-block alley, connecting Folsom Street and Treat Avenue and includes twenty-four (24) studios, forty-six (46) one-bedroom units, forty-five (45) two-bedroom units and two (2) three-bedroom units. Car sharing and bicycle parking spaces are also included.

The Project includes nineteen (19) on-site affordable housing units, a rental development, as set forth in Planning Code section 415, the affordable housing units will be affordable to individuals making 55% of Area Mean Income (AMI).

Discussion of Demographic Changes

Reviewing the demographic information provided and available, the overall population in the Mission has decreased by 5-9% from 2000 to 2013. The Hispanic/Latino population has decreased by 12-27%, the number of families has decreased 3-10%, the overall number of owner-occupied units has increased 6% and the number of renter-occupied units has decreased by 6% during this same time period.

Socio-economically, the <u>Mission District Displacement Report</u> indicates that from 2000 to 2009-2013, the number of households in the Mission neighborhood making less than \$35,000 increased by 25% and the number of households making more than \$100,000 increased by 71% and the number of households making \$35,000-\$99,999 decreased by 13 percent.

From 2010 to 2014, according to the May 29, 2015 City and County of San Francisco, Board of Supervisor's Budget and Legislative Analyst's Office Policy Analysis Report, "Housing Development in the Mission District" ("Housing Development in the Mission Report"), the Mission District gained approximately 627 housing units. Only 498 of those housing units resulted from new construction and the remaining 145 units resulted from alterations of existing units. Approximately 16 housing units were also demolished during this timeframe. Of the 627 new units, 60 units (or 10%) were affordable residential units (40 units for low income and 20 for moderate income). This is consistent with the findings of the Berkeley Mission District Case Study which found that "the Mission District has failed to see significant increases in its housing stock," identifying only 96 new housing units being built

In September 2015, John Rahaim, the Director of Planning, prepared a summary to the Board of Supervisors of the Housing Balance Report ("<u>Housing Balance Report Summary</u>"). According to that summary, from the 3rd quarter 2005 until the 2nd quarter 2015, only 1,707 net new housing units were built in the Mission neighborhood with 637 of the units built considered affordable housing units. ⁶ As a result, 37.3% of the total new housing built in the Mission over the past 10 years has been affordable housing. ⁷

According to the September 10, 2015, Office of the Controller – Office of Economic Analysis report entitled "Potential Effects of Limiting Market-Rate Housing in the Mission" ("Controller's Report"), the amount of housing built or in the pipeline in the Mission under the Eastern Neighborhoods Plan is "only a small fraction of the development capacity [envisioned]." According to the report, the "Eastern Neighborhoods planning process provided for 15,005 new housing units in the Mission, of which approximately 500 are either under construction or have been built since 2008, when the plan was passed." This means there are another 14,500 remaining units under the plan to be built in the Mission.

The Project is constructing 117 new residential units, including 19 on-site affordable units. According to the Housing Development in Mission Report, which looked at new housing construction from 2009 to 2013, the Project would result in a 18% increase in new residential units in the Mission District and a 28% increase in the number of new affordable units,. According to the Housing Balance Report Summary, which looked at new housing construction from 2005-2015, the Project would result in a 7% increase in new residential units and a 2% increase in affordable units. The Project would also only represents 1% of the total number of new housing units envisioned under the Eastern Neighborhood Plan. This new housing will help address the housing shortfall and housing pressure in the Mission neighborhood that the Berkeley Mission District Case Study and the Mission District Displacement Report both identified. Unfortunately, this is only a "drop in the bucket" of the total demand for new housing in the City or the Mission.

According to the <u>Mission District Displacement Report</u>, from 1980 to 2010 the City added an average of 2,011 housing units per year. Its estimated annual demand during that period was 15,300 new housing units per year. This resulted in a 13,289 unit per year shortfall and a total shortfall of 398,666 units from 1980 to 2010. ¹⁰ The <u>Housing Balance Report Summary</u> found that from the third quarter 2005 to the second quarter of 2015, city-wide 22,605 new housing units were constructed. ¹¹ **If 15,300 new housing units per year were required, the total shortfall in housing build during this period was 130,395 units or only 17% of the total**

⁵ Berkeley Mission District Case Study p. 29, Table 4.2.

⁶ Housing Balance Report Summary, Table 2.

⁷ Housing Balance Report Summary, Table 2.

⁸ Controller's Report, p. 10.

⁹ Controller's Report, p. 10.

¹⁰ Housing Balance Report As a result of the shortfall, the Legislative Analyst's Office estimates the City's housing need was 561% greater than the housing supply produced during that period. <u>Mission District Displacement Report</u>, pgs. 4 and 27.

¹¹ Housing Balance Report Summary, Table 1.

amount of housing needed was built.

Given the significant shortfall in housing units constructed, constructing any housing will be beneficial to meet housing demand. Whether that new housing will push out, price out or force out existing residents and businesses in the Mission neighborhood was analyzed in the September 10, 2015, Controller's Report. Looking only at the rise in income levels and the limited construction of new market-rate housing, the Controller's Report determined a link between market-rate housing construction and gentrification was unlikely. The data analyzed found no link between market-rate housing construction and "no statistical relationship between housing prices and evictions, in the Mission or in the city as a whole." Instead, it found that reducing market-rate housing construction does not slow the changes that are occurring in the Mission and would likely only place additional stress on housing affordability by further constraining housing supply.

This finding was further substantiated by a recently published study from the California Legislative Analyst Office dated February 9, 2016 titled "Perspectives on Helping Low Income Californians Afford Housing" ("LAO Report") which found that when new construction is abundant in communities around the State, middle-income households looking to upgrade the quality of their housing often move from older, more affordable housing into new housing which in turn frees up the older housing for lower income households. The LAO Report, looking at both Los Angeles and San Francisco, concluded that the more constrained the supply of new housing is to increased demand, the greater the probability that an affordable unit will move out of the affordable housing stock to a middle income or even higher income household.

The <u>Controller's Report</u> also looked at population changes and frequency of movement. It found that "[r]ather than the construction of new and demolition of old housing, the population change in the Mission since the 1990s has largely occurred through changes in the occupancy of the existing housing stock." ¹⁴ It found that approximately 5,000 new residents move to the Mission each year. ¹⁵ Given that the overall population of the Mission has declined during that period, it indicates people are leaving the Mission as quickly as new residents are entering the Mission, but that the change is not linked to new housing construction. If the Mission has only been adding approximately 193 new housing units per year since 2000, the demand for new housing is significant.

The Project will construct 98 new market-rate housing units and 19 affordable housing units. It will increase the housing supply by 18% over what was constructed from 2009 to 2013. Based on the evidence included in the reports cited above, the Project will not impact the demographic changes occurring in the Mission.

¹² Controller's Report, pgs. 22-23.

¹³ Controller's Report, pg. 18.

¹⁴ Controller's Report, p. 7.

¹⁵ Controller's Report, p. 7.

2. <u>Economic Pressure</u>: Provide information about the additional housing supply provided by the project and evaluate how that may affect affordability of newly vacant units of housing (indirect displacement) and the rate of evictions (direct displacement) within the neighborhood.

The Project would provide 117 new residential units, including 19 on-site affordable units. Approximately 58% of the total Project units will be studios or one-bedroom units and 40% of the units will be two-bedrooms and three-bedrooms. As noted in the Mission District Displacement Report, the annual demand for new housing in the City is 15,300 new housing units per year. The Project in constructing 117 new residential units would meet 1% of the City's estimated annual housing demand.

According to the <u>Berkeley Mission District Case Study</u>, the Mission is "host to a sizable stock of subsidized housing: nearly 2,000 units."¹⁷ The <u>Controller's Report</u> also found that from 2001 to 2013, of the 1,464 units constructed in the Mission, 51% of them were affordable units with 646 units developed in 100% affordable projects and 97 units developed in market-rate projects.¹⁸

Indirect Displacement

The Controller's Report defines "Indirect Displacement" as housing price inflation caused by the development of new housing nearby. The theory behind "Indirect Displacement" is that construction of new market-rate housing can increase the overall price of adjacent existing housing. The Controller ran three separate pricing models with one model looking at the impact of proximity to market-rate housing built in the Mission in the previous year on home sale prices and the other two models looking at the impact of proximity of market-rate housing built in the Mission over a two (2) and three (3) year period. The results of the modeling found that new market-rate housing had a **negative** effect on nearby house prices. Specifically, the Controller's Report analyzed a property 250 feet from 75 units of new market-rate housing. The report found that construction of the new market-rate housing would result, at a maximum, in a 5.9% **lower** price for the existing property. As a result, the construction of new housing did not increase surrounding land prices or result in indirect displacement. This is also consistent with the Controller's Report's findings, as noted above, that there is not "statistical relationship between housing prices and evictions." ²⁰

The <u>LAO Report</u> also looked at displacement and found that as market-rate housing construction tends to slow the growth in prices and rents, it can make it easier for low-income households to afford their existing homes. This can help to lessen the displacement of low-income households. The LAO analysis of low-income neighborhoods in the Bay Area actually suggested a link between <u>increased</u> construction of market-rate housing and <u>reduced</u> displacement.²¹

¹⁶ Mission District Displacement Report, pgs. 4 and 27.

¹⁷ Berkeley Mission District Case Study, p. 31.

¹⁸ Controller's Report, p. 7.

¹⁹ Controller's Report, p. 26.

²⁰ Controller's Report, p.18.

²¹ LAO Report, p. 9.

Direct Displacement

The <u>Controller's Report</u> defines "Direct Displacement" as the no-fault eviction of a household **in order to demolish its housing unit**, so that new market-rate housing may be constructed on the parcel. The <u>Controller's Report</u> found that since 1997, 3,835 eviction notices have been filed in the Mission neighborhood, but that only 2.6% of those notices have been for the demolition of a residential unit, or "Direct Displacement" as that term is defined.

The Rent Control Board maintains a database of evictions within the City. This database does not capture buy-outs and other "non-official" eviction proceedings. The March 23, 2015, Annual Report by the Rent Control Board to the Board of Supervisors found a total of 2,120 eviction notices were filed **in the City** from March 1, 2014 through February 28, 2015. This includes 145 notices for failure to pay rent. A breakdown of notices by neighborhood was not available.

The Berkeley Mission District Case Study found that between 2009 and 2013 there were 71 Ellis Act evictions in the Mission District and from 2008 to 2014 "165 or about 28% of the total share of buyouts." Buyouts are not required to be reported and may therefore be under reported. While Ellis Act evictions, buyout and other "Direct Displacement" is occurring in the Mission neighborhood, because the Project site has been used for commercial purposes for the last approximately 64 years, no "Direct Displacement" of residential units will occur.

3. <u>Total Housing Production</u>: Provide information about i) the maximum allowable dwelling unit density the site could accommodate and ii) the density of the proposed project, then iii) evaluate how effectively the proposed project would house future residents – add or change the net supply of housing for all income levels and types of tenure.

The Project is located primarily in the Urban Mixed Use ("UMU") zone with a portion of the site in the RH-2 and RH-3 zones and is in the 40-X Height and Bulk District. The Project site is approximately 36,000 square feet. Under the UMU zoning, the maximum allowable density on the Project site is dictated by the physical requirements of the Planning Code such as height, bulk, setback, open space, exposure, unit mix, and other requirements. Under the RH-2 zoning and the RH-3 zoning, the number of units allowed in each zone is two units and three units respectively.

The Project site is over ½ of an acre. Assuming a modification from the setback, open space, exposure and unit mix requirement, the maximum allowable dwelling units density the Project site could accommodate is **approximately 150** new dwelling units.

The Project is proposing 117 new dwelling units, which is a reduction of 33 units from the maximum buildout scenario or 30% fewer overall units.

The Project includes 19 permanently affordable units. These housing units will be restricted for individuals and families making 55% of AMI in perpetuity pursuant to Planning Code Section

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²² Berkeley Mission District Case Study, pgs. 33-34.

415.8. These new affordable housing units increase by 28% the number of affordable units in the Mission based on the figures in the <u>Housing Development in the Mission Report</u>.

The remaining 98 residential units will provide long-term housing for a mix of individuals and families. The 24 studio units will likely house one (1) person while the 46 1-bedroom units may house a combination one (1) person or two (2) people. The 47 2- and 3-bedroom units are likely to house families and/or unrelated individuals living together (i.e., roommates). The tenure of residents cannot be determined, but the development is a rental product with regular turnover of units expected.

According to the <u>Controller's Report</u>, based on the 5-year census data collected from 2009 to 2013, "87% of Mission residents lived in the same house one year previously, and 13% moved from another location. More than half of the movers – 8% of the total in the Mission moved from somewhere else in San Francisco into the Mission." This "population churn" is lower than the citywide average of 16 percent. As a result, the housing units being built will likely be occupied by Mission residents for more than one year.

The residential units being developed are affordable by design. They include smaller sized units ranging from 357 to 538 square feet for studios, 527 to 630 square feet for 1-bedrooms, 700 to 1,322 square feet for 2-bedrooms, and 1,500 to 1,700 square feet for the two (2) 3-bedroom units. Assuming rents based on a price per square foot, the smaller size of the units combined with the limited building amenities offered creates a market rate rental development that is affordable by design.

4. <u>Affordable Housing Production</u>: Provide information about whether additional affordable housing could be provided on the site, through the availability of public financing or financial incentives, or through use of the State Density Bonus Law, Government Code Section 65915 or other applicable affordable housing incentive program to provide an economic incentive or financial support for additional affordable units on the site.

The Project site is located within the Mission Area of the Eastern Neighborhoods Community Plan. Because it is within a recently adopted comprehensive plan area, it is not eligible for the proposed Local Bonus Program. The Project is eligible for the State Density Bonus Law, but its use is not feasible or practical.

In August 2015, Seifel Consulting Inc. prepared a "Financial Analysis of San Francisco's Proposed Affordable Housing Bonus Program" ("Seifel Report"). That report analyzed key financial factors that were likely to influence the inclusion of additional affordable housing on project sites through either the proposed Local Bonus Program or the State Density Bonus Law. In reviewing the cases studied, the Seifel Report found a link between the ability to use of the State Density Bonus Law and land costs, hard construction costs, soft costs, construction financing, revenues and impact fees. Projects were more likely to utilize the State Density Bonus Law where a development benefitted from "economies of scale" or spreading development costs across more units. Unfortunately, simply adding more units to a development does not necessarily achieve "economies of scale" as adding more units increase certain costs while decreasing others. The Seifel Report found that the

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²³ Controller's Report, p. 7.

State Density Bonus Law "made sense" when "project sponsors have owned the property for a long time or developers are able to purchase sites at favorable terms" or in "higher priced areas where the increased number of market rate units at high price levels could more than offset the increased number of BMR units, or where development costs are significantly less than estimated." Here, the Project sponsor recently purchased the Project site, which means the land costs are market-rate, the types of units being developed are affordable by design which means they are not intended for higher prices or in a higher priced area and construction costs are at all all-time high. For all these reasons, including the site constraints, utilization of the State Density Bous Law is not feasible.

The Project will provide 19 on-site inclusionary housing units. It is, however, a market-rate development. Housing subsidy financing from the State and Federal government is very competitive and a market-rate development with affordable housing would not meet the minimum qualifications for such financial awards. Those subsidies are targeted toward 100% affordable projects. Similarly, the value of City affordable housing dollars is better leverage or maximized by supporting 100% affordable projects. As a result, the Project is highly unlikely to qualify for or receive any financial incentives to construct more affordable housing.

5. <u>Housing Preservation</u>: Provide information about existing housing on the project site in terms of occupancy types, relative affordability, adaptability rent-control and other tenant-features.

The Project site does not have any existing housing.

6. <u>Tenant Displacement</u>: Provide information about whether the Rent Board has recorded a history of evictions or buyouts on the property.

The Project site has been in commercial use since 1952. The Rent Board confirmed via telephone on January 27, 2016, that there is "[n]o record of any evictions at that address" (i.e., 2675 Folsom Street Avenue).

Additional Information for Displacement, Demolition or ·Conversion of Certain Uses: If the project would displace, demolish or convert Assembly, Recreation, Arts & Entertainments, Light Manufacturing, Auto Repair, Trade Shops or Institutional uses in any zoning district in making its Conditional Use Authorization Application the application shall include the following analysis:

The Project site is occupied by one tenant. The tenant is Charyn Auctions, a reseller of food service equipment. Charyn Auctions occupies 16,000 square of the site and stores, as well as repairs, commercial kitchen equipment. Another tenant, Royal Inc., a non-profit organization that provides counseling to youth, recently vacated the property. They formerly occupied 4,000 square feet on the second floor of the existing building.

²⁴ Seifel Report, p. 7.

(a) Relocation assistance in non-PDR zoning districts: In zoning districts other than PDR districts, provide information about the existing or last known Assembly, Recreation, Entertainment, PDR or Institutional tenants, for the last-known tenant the information required would be limited to uses that have been operating within three years prior to the entitlement date of the project, and disclose whether the tenant has relocated or relocation benefits have been or will be provided.

The Project site is located in the UMU and RH-2 and RH-3 zones. It is not located in a PDR district. In the past three years, there have been two businesses operating on the project site.

The first business, Charyn Asset Management ("Charyn") provides asset management and auction services to businesses selling surplus food service assets (i.e., industrial equipment, fixtures, furniture, appliances, etc.). Charyn's operations on-site include storage and refurbishment of appliances and other equipment to be sold at auction. Given the nature of its business, large trucks regularly frequent the Project site, picking up and dropping off appliances, equipment and other assets. This creates a potential conflict with the adjacent children's park (Parque Ninos Unidos) and elementary school (Cesar Chavez Elementary). This conflict is one reason why Charyn has been looking to relocate for several years.

Charyn's lease term expires in August 2018. Prior to the expiration of its lease, Charyn approached the Project Sponsor seeking an early termination of its existing lease. The Project Sponsor and Charyn came to an agreement to allow Charyn to terminate its lease early and relocation assistance has been provided. Under the agreement, Charyn will vacate the building by October 31, 2016. Charyn's is in the process of obtaining a new space for their business. Given its regional and national presence, Charyn is looking for a location along major truck route with easy access to and from the freeway. Because of the nature of the business, it is also looking to locate in a neighborhood with similar types of surrounding uses to avoid potential conflicts with adjacent users.

The second business is Realizing Our Youth As Leaders (ROYAL), Inc. ("Royal"). Royal is an after-school non-profit organization that offers counseling and mentoring services to disadvantaged youth. They have two locations in the City including one in the South of Market Area and one in the Excelsior. Royal's lease expired on March 31, 2016, and they did not seek to renew the lease, nor was a lease renewal offered. No relocation benefits were offered or provided to Royal.

(b) <u>Businesses and Community Building Uses</u>: If the existing Assembly, Recreation, Entertainment, PDR or Institutional tenants have not been relocated or offered relocation benefits then the applicant shall provide information regarding potential impacts to the community and benefits of the project as described below:

Charyn has been offered and has accepted relocation assistance. Royal successfully relocated to locations in the South of Market Area and the Excelsior upon the expiration of their lease. No relocation benefits were provided to Royal.

(c) <u>Jobs & Economic Profile</u>: An analysis of the economic and fiscal impact of the proposed project. Towards this end, the application shall include an analysis of the loss of the existing use compared to the benefit of the proposed use, including an estimate, if known, of permanent job creation and/or job retention in the community of the proposed use compared to the existing use and associated wages and benefits for both;

The two uses on the Project site have or will be relocating. One use, Royal, an educational non-profit, has relocated to other sites in the South of Market and Excelsior neighborhoods. The second use, Charyn, is planning to relocate to the East Bay. The actual employment figures, salaries and benefits provided by Royal or Charyn are unknown. The following is a discussion of likely employees, salaries and benefits based on research conducted as part of preparing these findings.

Royal, a non-profit afterschool program, would typically work with independent contractors, employees and interns. Employees would likely be a program director and support staff. According to PayScale, an on-line wage comparison platform, the range of salaries for a non-profit program director is \$43,000 to \$70,000 depending on education and experience and the range of salaries for non-profit support staff is \$35,000 to \$60,000, again depending on education and experience. Independent contractors in the education space receive an hourly wage of \$15 to \$35 per hour and interns are either unpaid or paid minimum wage. Independent contractors and interns would both be part-time workers with their wages and hours varying depending on the case load. Given the likely size of Royal, it is unlikely that there are benefits offered. Royal has relocated to within the community, which means there will be no loss of jobs or benefits from their relocation.

Based on research conducted, it appears that Charyn employs six (6) full-time employees. They include one (1) sales person and five (5) support/administrative and warehouse employees. According to PayScale, an on-line wage comparison platform, the range in salary for a full-time sales person is \$31,000 to \$93,000 depending on education and experience and the range in salary for a support, administrative and warehouse employee is \$36,000 to \$64,000 depending on education and experience. It is unknown what benefits are provided. Charyn is likely to relocate to the East Bay.

The Project will provide a variety of employment opportunities. Short-term employment will be provided to construction workers, including union labor, during the 24-month construction period. The average wages and benefits of the construction jobs created varies depending on the trade. Once completed, the Project will create three (3) full-time management and one (1) to two (2) maintenance jobs. According to PayScale, the range in salary for the full-time management position is \$35,000 to \$77,000 depend on education and experience and the range in salary for part-time maintenance technicians is \$13 to \$22 per hour, which equates to \$13,000 to \$23,000 a year, assuming 20 hours per week. The benefits offered with these jobs is unknown at this time.

Based on the research conducted, the Project will replace some of the jobs that exist on the site at comparable income levels and likely comparable benefits. As it is unknown if the individuals working at Charyn are community residents, or individuals that travel to the Project site from other locations and jurisdictions, the impact on jobs in the community is

unknown.

(d) <u>Available Space in the Mission.</u> Discuss whether sufficient vacant space for the use type being demolished or removed exists in the neighborhood; and

The Project will demolish an existing approximately 22,111 square foot Industrial building that contains some office space. Based on an April 19, 2016, search of LoopNet, an online commercial real estate platform that lists and tracks commercial real estate in the United States, there are approximately 149,000 square feet of industrial properties/buildings between 3,000 and 35,000 square feet within a one (1) mile radius of 2675 Folsom Street Avenue. A table of the properties identified in that search is attached. A similar search for office space with the same parameters yielded a total of approximately 33,000 square feet of vacant office space with 5,000 square feet or less of space and approximately 12,000 square feet of vacant office space at 3,000 square feet or less.

Based on a search of LoopNet the loss of the existing building will not impact the type of space <u>available</u> in the neighborhood.

(e) Affordability of Community-Building Uses. Provide an assessment of the affordability of community-building uses. Community-building uses shall include but not be limited to arts, nonprofit services and childcare uses. This assessment should discuss the nature of the community-building uses, the affordability of the uses and the amount of space provided for such uses on the existing site compared to similar uses associated with the proposed project, if any.

The existing building on the Project site is a commercial/industrial building and is occupied by Charyn a commercial tenant. A non-profit, Royal, previously occupied the second floor of the building in approximately 4,000 square feet. Royal has since relocated, voluntarily to new locations in the South of Market area and the Excelsior.

The Project will include approximately 800 square feet of art gallery space. The space will be used as a rotating community gallery showcasing local artists. Give that the previous building was a commercial structure not intended for a community use, its loss is not significant in the community and a comparison of it to the proposed new community space being provided is not warranted.

(f) Non-Residential Displacement. Discuss existing businesses or non-profit organizations that will not be retained in the proposed project, or offered an opportunity to lease space in the proposed project, in terms of length of lease, number of employees, whether the use is minority owned and a non-restaurant or bar use, and if a business is retail whether that business is formula retail. Discuss whether a commercial tenant has been displaced through rent increases or lack of lease renewal in the last 12 months.

As noted above, the existing tenant on-site, Charyn, has desired to voluntarily relocate to a

superior location for quite some time. Charyn will relocate to a location in the East Bay with more compatible surrounding land uses. Charyn's operations are not compatible with the surrounding land uses that currently exist or with a residential development. As a result, they will not be offered space in the proposed Project. As noted above, Charyn employs six (6) individuals in varying capacities. It is unknown if Charyn is minority owned. It is a wholesale business and will be relocating, voluntarily due to business concerns. They have been offered and have accepted relocation benefits that will allow them to successfully relocate to a location of their choice.

Royal is a non-profit that relocated in March 2016. Royal's lease expired on March 31, 2016, and they did not seek to renew the lease nor was a lease renewal offered. It is unknown if Royal is a minority owned business. Royal is a non-profit in the education space. It is unknown how many employees work at Royal on a full-time or part-time basis. As Royal has already successfully relocated to new spaces in the South of Market area and the Excelsior, they will not be offered space in the proposed Project.

PROJECT DESCRIPTION

Site is located at 2675 Folsom Street in San Francisco, CA.

The proposed Project is an 109,917 gross square foot building with 117 residential units and 74 parking spaces + 1 car share space. It is four (4) stories, and 40 feet in height. The proposed Project has approximately 242 linear feet of street frontage along Folsom Street, approximately 245 linear feet at the northern property line, approximately 40 linear feet along Treat Avenue and approximately 299 linear feet along Parque Niños Unidos.

The proposed Project includes a twenty (20) foot-wide mid-block connection through the Project site connecting Folsom Street and Treat Avenue. The proposed building, while connected with a central corridor for ADA access, is broken into 41-foot segments along the Folsom Street and the Pargue Niños Unidos frontages to create defined and regular façade breaks. Within these segments, there are regularly occurring decks and patios, recessed ground floors and building breaks, and material variations in color, rhythm and texture. These breaks visually reduce the scale and mass of the proposed building along these frontages. The base of the building has also been set back on all sides to give added visual depth to the streetscape and an interior courtyard is provided that matches the existing mid-block rear yard pattern providing light and air and openness in the rear of the Project site.

PROJECT TEAM

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David Baker Architects

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CB Engineers 449 10th Street

San Francisco, CA 94103 t: (415) 437-7330

Attn: Igor Tartakovsky

LANDSCAPE ARCHITECT Fletcher Studio

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Fisher

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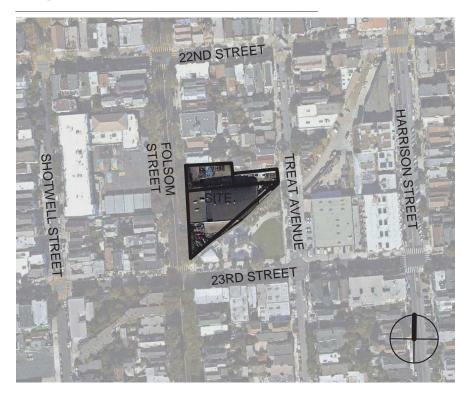
STRUCTURAL ENGINEER

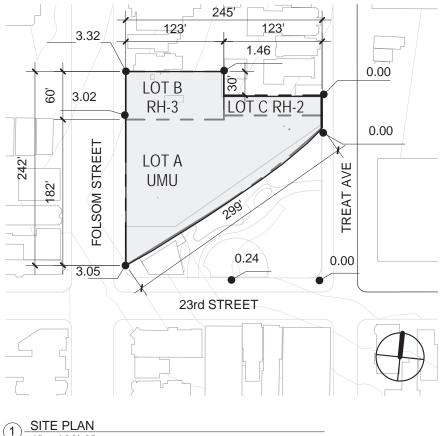
Tipping Structural

1906 Shattuck Avenue Berkeley, CA 94704 t: (510) 549-1906

Attn: Marc Steyer, Gordon Yagisawa

VICINITY MAP





1" = 120'-0"



Cover Sheet

AERIAL VIEW



DRAWING LIST

G.40

G.42

PDR Display/Gallery/Studio Space

Site Survey

G.00	Cover Sheet	A.00	Site Plan (Existing Conditions)
G.01	Project Data	A.01	Site Plan
G.10	Demolition Plan	A.10	Basement Floor Plan
G.11	Rear Yard Calculation	A.11	Ground Floor Plan
G.12	Open Space Calculation	A.12	Level 2 Floor Plan
G.13	Exposure Diagrams - Levels 1-2	A.13	Level 3 Floor Plan
G.14	Exposure Diagrams - Levels 3-4	A.14	Level 4 Floor Plan
G.15	Active Use	A.15	Roof Plan
G.16	Mid-Block Connection and Horizontal Mass	A.20	Folsom Elevation
	Reduction	A.21	Park Elevation
G.17	Gross Square Footage Calculation	A.22	Treat Elevation
G.18	Concept Diagrams	A.24	Materials
G.20	Site Photos	A.30	Sections
G.21	Site Photos	A.40	Unit Floor Plans - Nested Units
G.30	Site Aerial	A.41	Unit Floor Plans - Folsom North Corner
G.31	Folsom Street View	A.42	Unit Floor Plans - Folsom Park Corner
G.32	Mid-Block Connection View	A.43	Unit Floor Plans - Court Studios
G.33	Folsom Street Stoops View	A.44	Unit Floor Plans - Treat Corner
G.34	Parque Niños Unidos	A.45	Unit Floor Plans - Treat 3 BR Unit (Levels 2-3)
G.35	Treat Commons Community Garden	A.46	Unit Floor Plans - Treat 3 BR Unit (Level 4)
G.36	Park Playground	L.01	Landscape Ground Level Plan
G.37	Midblock Connection View Toward Folsom	L.02	Landscape Ground Level Plan
	Street	L.03	Landscape Roof Deck Plan
G.38	Midblock Connection View Toward Treat Avenue		
G.39	Treat Avenue Entry - Folsom Art Walk		
	<u> </u>		

21413

scale: As indicated 2016.08.30

	Lot A	Lot B	Lot C	Total
Lot information				
Zone	UMU	RH-3	RH-2	-
Address	2675 Folsom (3639/006)	2675 Folsom (3639/007)	970 Treat (3639/024)	-
Height	40-X	40-X	40-X	-
FAR	3.0	1.8	1.8	-
Current use	Warehouse	Parking	Parking	-
Site area	25,682 SF	7,350 SF	3,065 SF	36,097 SF
<u>Units</u>				
Allowed	-	7	2	9
Provided	108	7	2	117
				*23 BMR Units
				Provided On-site
<u>Parking</u>				
Required	81 MAX	7	2	90 MAX
Provided	65 + 1 Car Share	0	0	65 + 1 Car Share
<u>Bikes</u>				
Required	-	-	-	111
Class 1	-	-	-	105
Class 2	-	-	-	6
Provided	-	-	-	174
Class 1	_	-	-	160
Class 2	-	-	-	14

Area Schedule (Gross)				
Garage	12554 SF			
Level 1	23043 SF			
Level 2	23572 SF			
Level 3	25661 SF			
Level 4	25087 SF			
	400047.05			

109917 SF

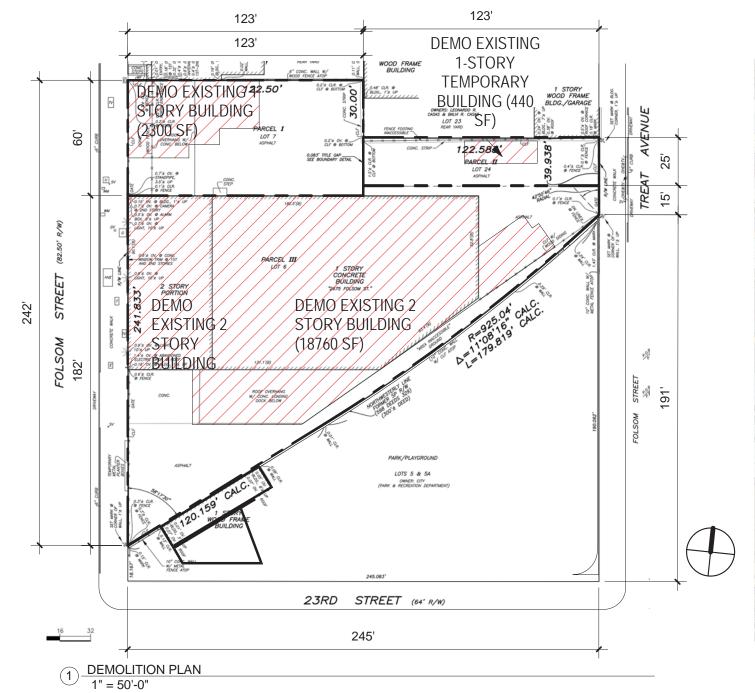
Area By Type (NSF)			
Circulation	10115 SF		
Common	3534 SF		
Garage / Bike Room	15556 SF		
pdr	5291 SF		
Residential	73340 SF		
Service / Trash	4512 SF		
Stairs / Elevator	2666 SF		
Storage	2333 SF		
Total SF	117348 SF		

Unit Mix				
Comments	Count	Approximate SF		
S	24	348-470 SF		
1 BR	46	485-599 SF		
2 BR	45	743-1154 SF		
3 BR	2	1509-1725 SF		

117



21413



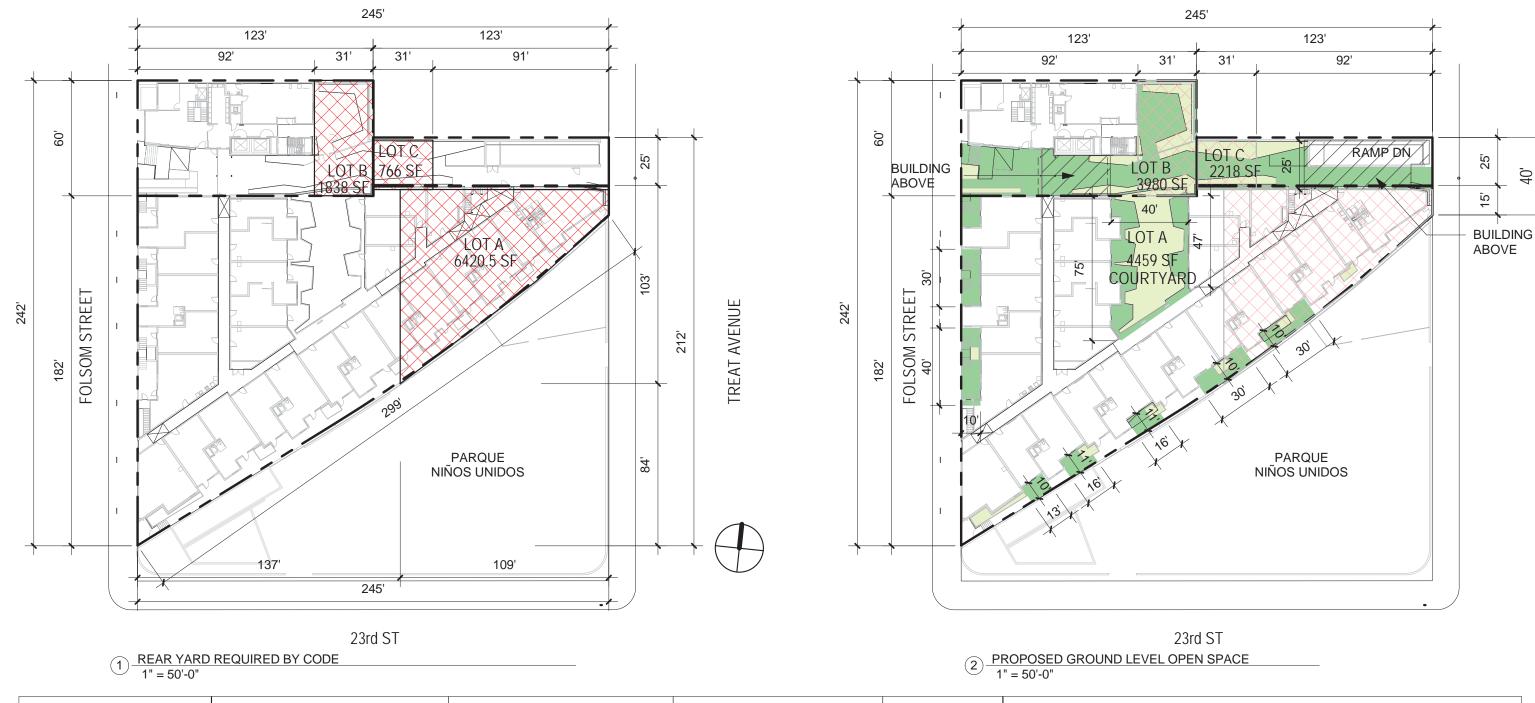


Demolition: 3 structures (Total Building Footprint of Approximately 21,500 SF)





21413 scale: 1" = 50'-0" date: 2016.08.30



Rear yard	Lot A	Lot B	Lot C	Total
Required	6,420.5 SF (25,682 SF * 25%)	1,837.5 SF (7,350 SF * 25%)	766 SF (3,064.5 SF * 25%)	9,024 SF
Provided	4,459 SF (COURTYARDS + UNIT PATIOS/STOOPS)	3,980 SF	2,218 SF	10,657 SF

We are seeking a variance for rear yard configuration per planning code section 134, wherein the sum of outer court and roof deck are more than area of required rear yard.

Corner Lots and Lots at Alley Intersections

On a corner lot as defined by this Code, or on a lot at the intersection of a street and an alley of at least 25 feet in width, the required rear yard may be substituted with an open area equal to 25 percent of the lot area which is located at the

same levels as the required rear yard in an interior corner of the lot, an open area between two or more buildings on the lot, or an inner court.





15

TREAT AVENUE



Lot C Open space Lot A Lot B Total 8,640 SF (80 SF * 108 DU) 1,164 SF (166.25 SF * 7 DU) 266 SF (133 SF * 2 DU) Required 10,070 SF 3,773 SF 2,377 SF Provided 7,190 SF 13,340 SF 0 SF 2,743 SF 2.032 SF 4,775 SF Public Common 4,179 SF 1,030 SF 0 SF 5,209 SF Private 3,011 SF 0 SF 345 SF 3,356 SF

Common Open Space 2727 SF
Common Roof Deck 2482 SF
Private Open Space 3356 SF
Public Open Space 4774 SF
13339 SF

SEC. 102.4. COURT

Any space on a lot other than a yard which, from a point not more than two feet above the floor line of the lowest story in the building on the lot in which there are windows from rooms abutting and served by the court, is open and unobstructed to the sky.

An "outer court" is a court, one entire side or end of which is bounded by a front setback, a rear yard, a side yard, a front lot line, a street, or an alley.

Private Open Space is for use by individual residents. Common open space is intended for shared (2+) resident use. Public open space is for use by the general public.





Open Space Calculation

21413 scale: As indicated date: 2016.08.30

G.12







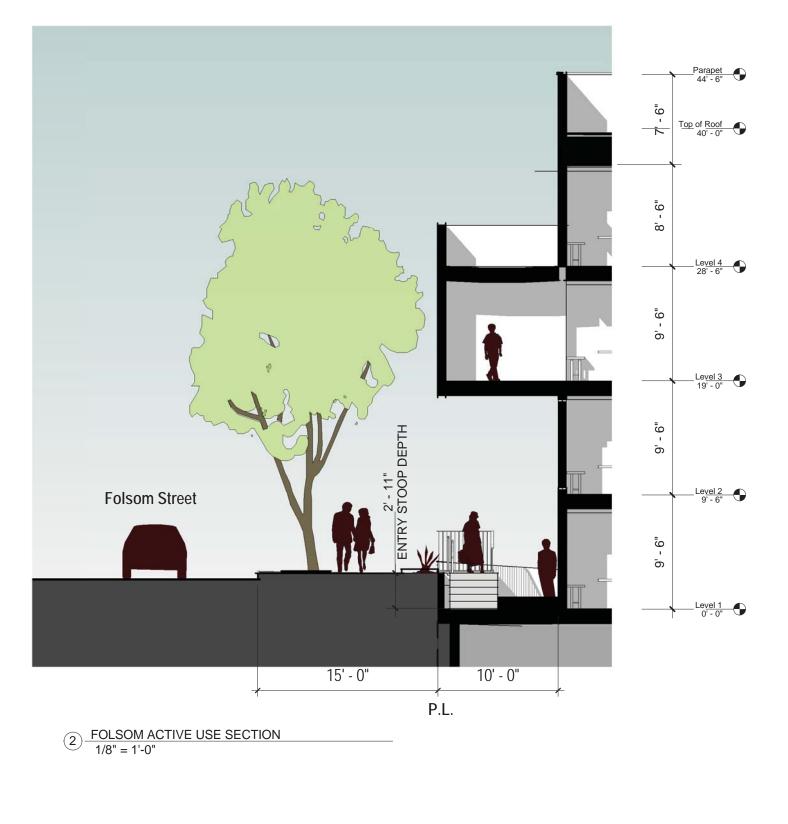
21413 scale: 1" = 50'-0" date: 2016.08.30







21413 scale: 1" = 50'-0" date: 2016.08.30



Active Use

Active use required along Folsom Street. Of the 6 units along Folsom Street, 5 units (83%) are providing direct, individual pedestrian access to the public sidewalk and are considered active.





Units With Active Usage

ELEVATION ACTIVE USE 1" = 20'-0" scale: As indicated

3.01 ELEVATION

PRIVATE PATIOS

3.00 **ELEVATION**

FOLSOM STREET

2.50

RETAINING WALL

2.26 ELEVATION

PLANTING STRIP

2.81

ELEVATION

2.98

ELEVATION

TREE

TREE

TREE (E)

TREE (E)

0

13'

TREE

TREE (E)

(屋)

0.00

(€)

G.15UNIT 2A.5

UNIT 1A

UNIT 2A.1

UNIT 1A

UNIT 2D.1

UNIT 1A

STAIRS

DOWN

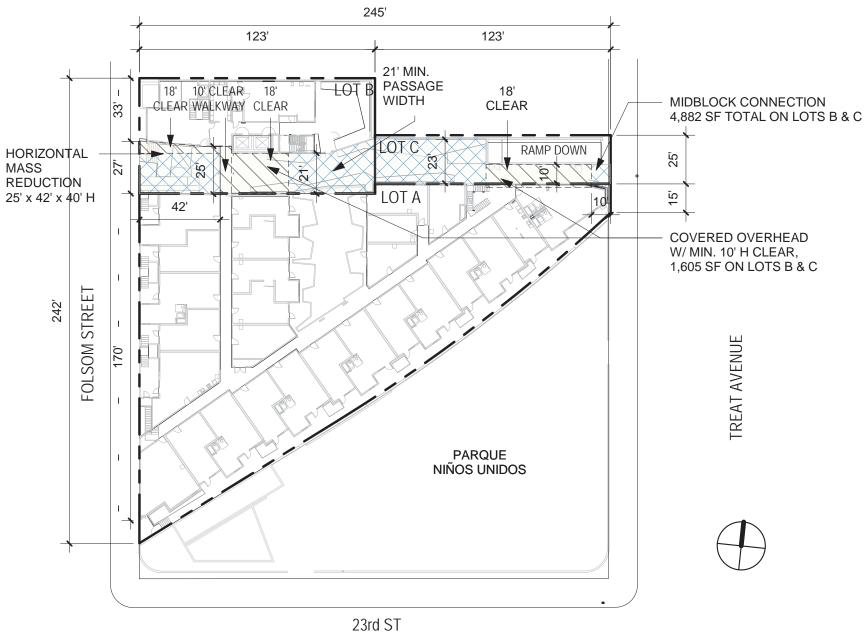
0.00

UNIT 2E

0.00

21413 **G.15** 2016.08.30

-1.25



1" = 50'-0" Midblock Connection and Horizontal Mass Reduction

Horizontal Mass Reduction	Code	Provided
Min. width Min. depth Max. height above grade	30' 60' 25'	25' 42' FULL HEIGHT
Max. bldg. frontage	200'	170'

Midblock Connection	Code	Provided
Min. bldg to bldg width	20'	21'
Min. width of pedestrian way	10'	10'
Min. height clearance	15'	18'
Reg'd setback above 25'	10'	0'
Open to sky	60%	67%



OPEN TO SKY



COVERED

A variance is needed for horizontal mass reduction on the width and depth per planning code 270.1, wherein the intent of the reduction is met. See A.30 for midblock section.



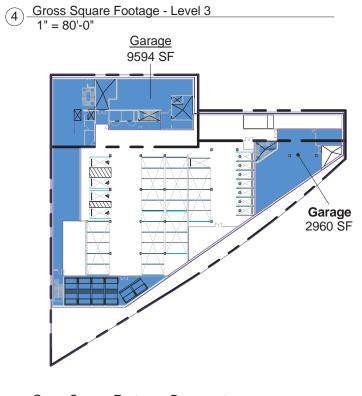


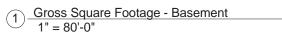




Area Schedule (Gross)	
Garage	12554 SF
Level 1	23043 SF
Level 2	23572 SF
Level 3	25661 SF
Level 4	25087 SF
	109917 SF

Gross Square Footage calculated according to definition outlined in Sec. 102 of the SF Planning Code.







@ Gross Square Footage - Level 1
1" = 80'-0"



Gross Square Footage - Level 2
1" = 80'-0"



2675 FOLSOM STREET

Gross Square Footage Calculation

21413 scale: 1" = 80'-0" date: 2016.08.30

G.17







2675 FOLSOM STREET



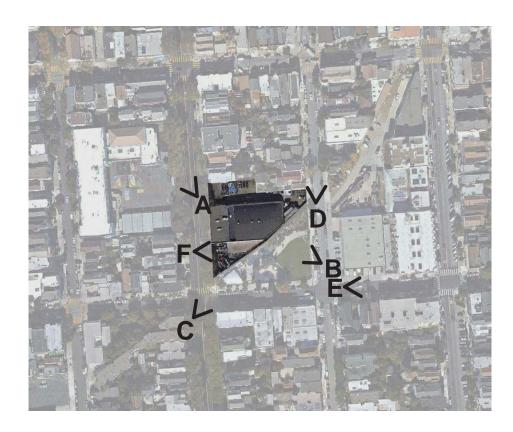
A - View north on Folsom



B - View northwest across park towards site



C - View northwest at Folsom and 23rd



D - View north on Treat



E - View east on 23rd



F - View west from Folsom towards site

21413



date: 2016.08.30

G.20





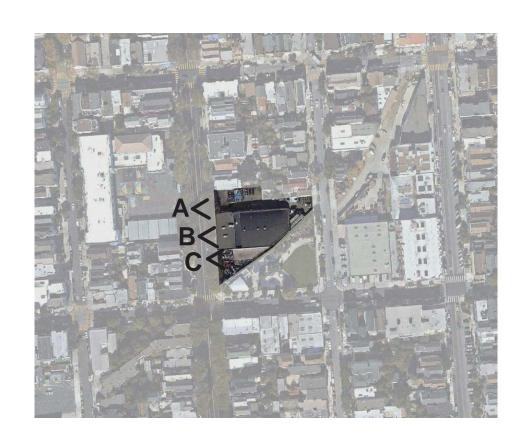








A - View of Lot B (RH-3) on Folsom



B - Existing building on Folsom



C - Existing condition of Lot B (RH-3) on Folsom





Site Photos

21413

G.21











CLIRREN





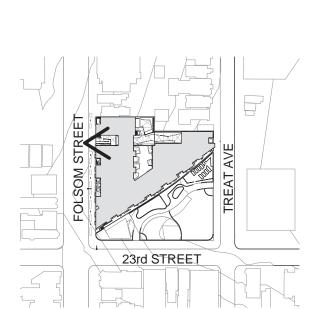








CURRENT





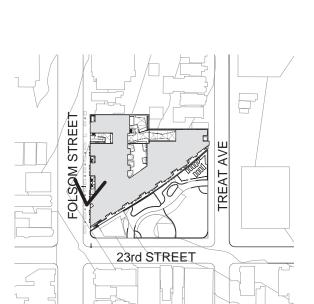




21413 scale: 1" = 200'-0" date: 2016.08.30



CURRENT











Folsom Street Stoops View



CURRENT







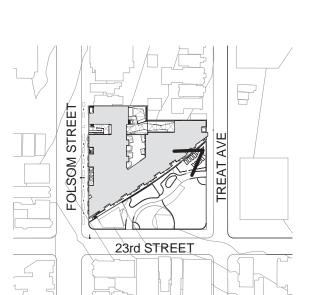




Parque Niños Unidos

G.34









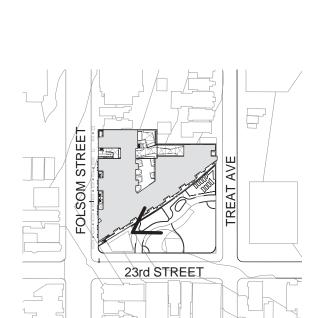




Treat Commons Community Garden



CURRENT





































2675 FOLSOM STREET

Treat Avenue Entry - Folsom Art Walk

21413 scale: 1" = 200'-0" date: 2016.08.30



A - DISPLAY/PROGRAMMING SPACE - GROUND LEVEL

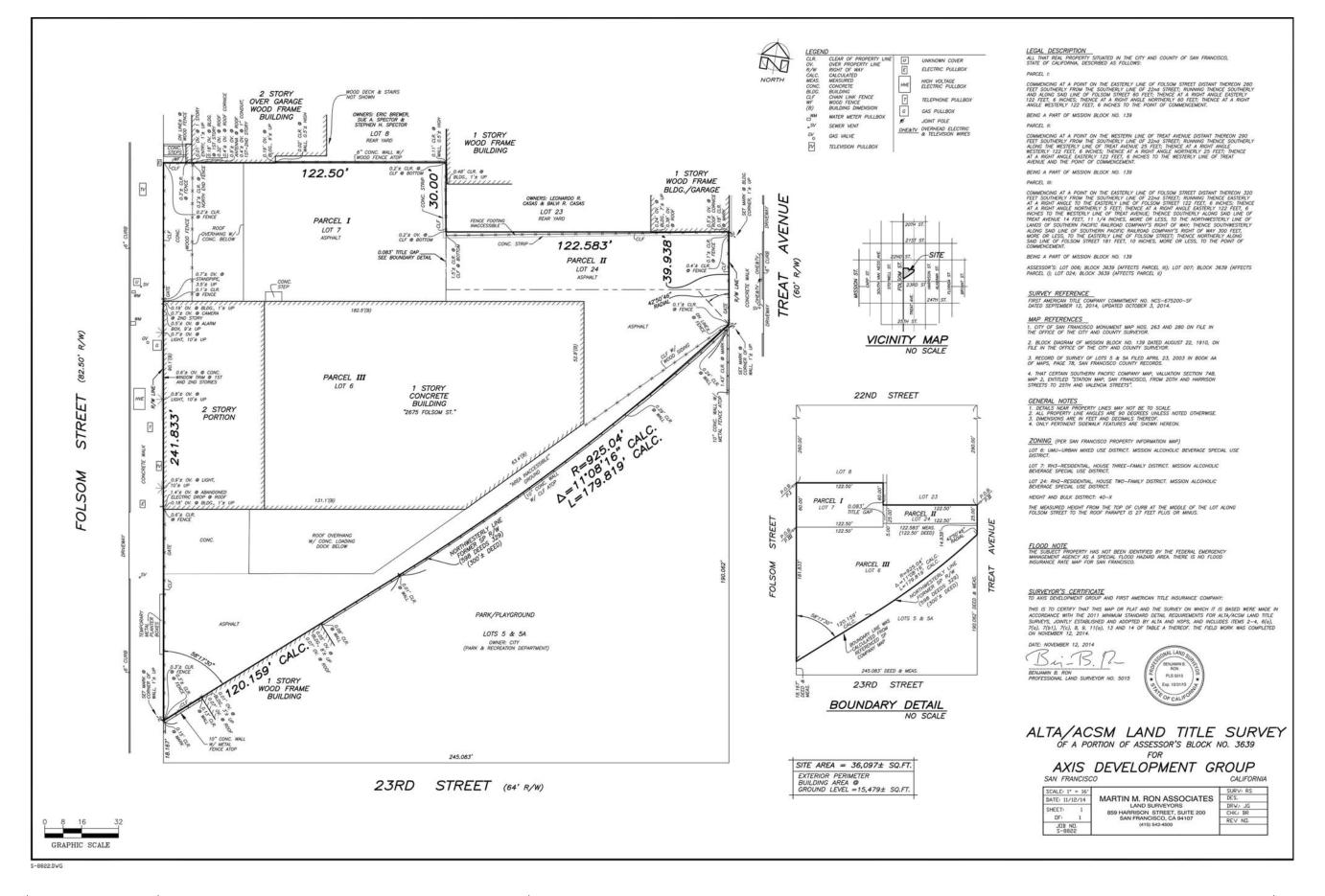


B - DISPLAY/GALLERY SPACE - BASEMENT LEVEL



FOLSOM STREET





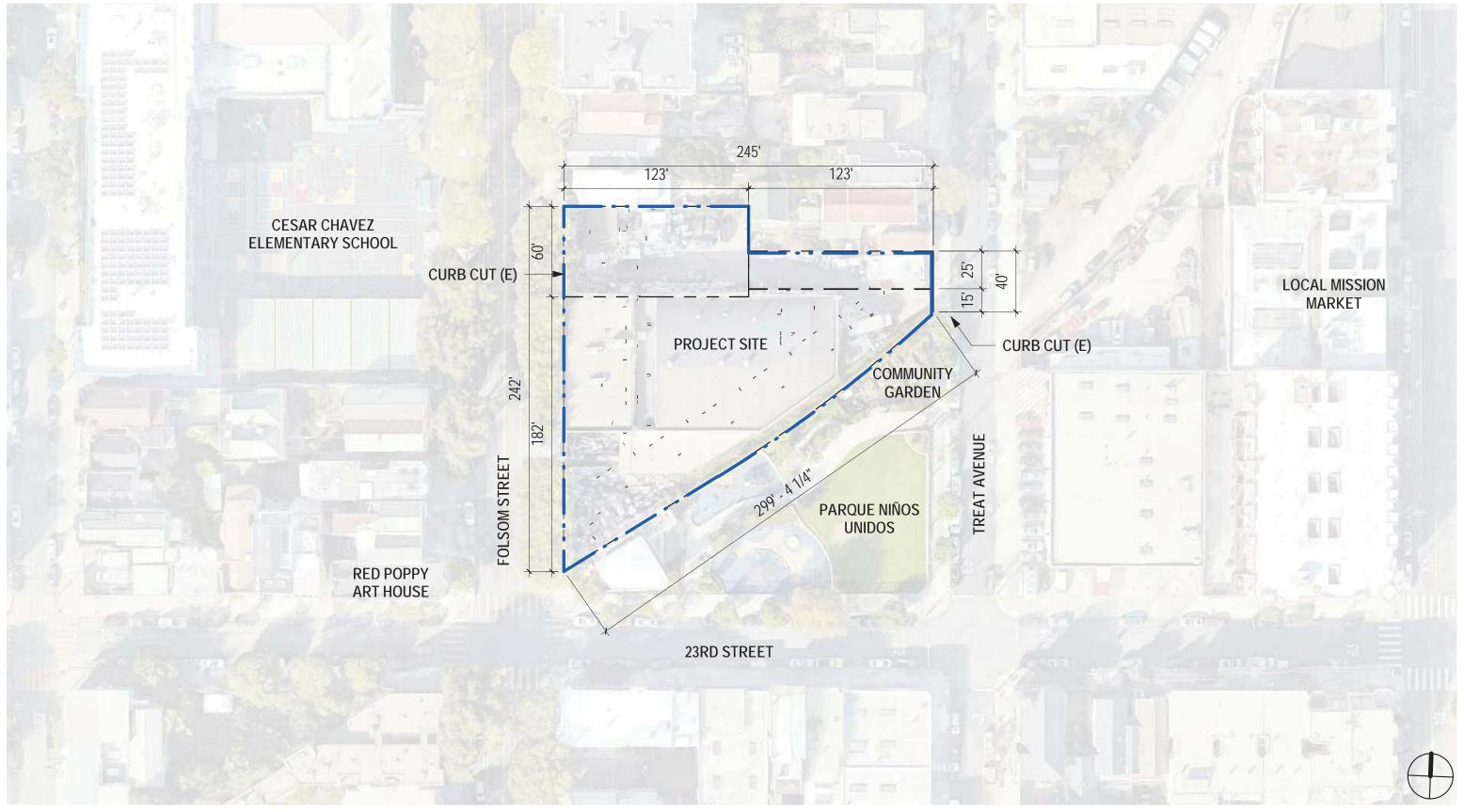




21413

scale: 1" = 120'-0"

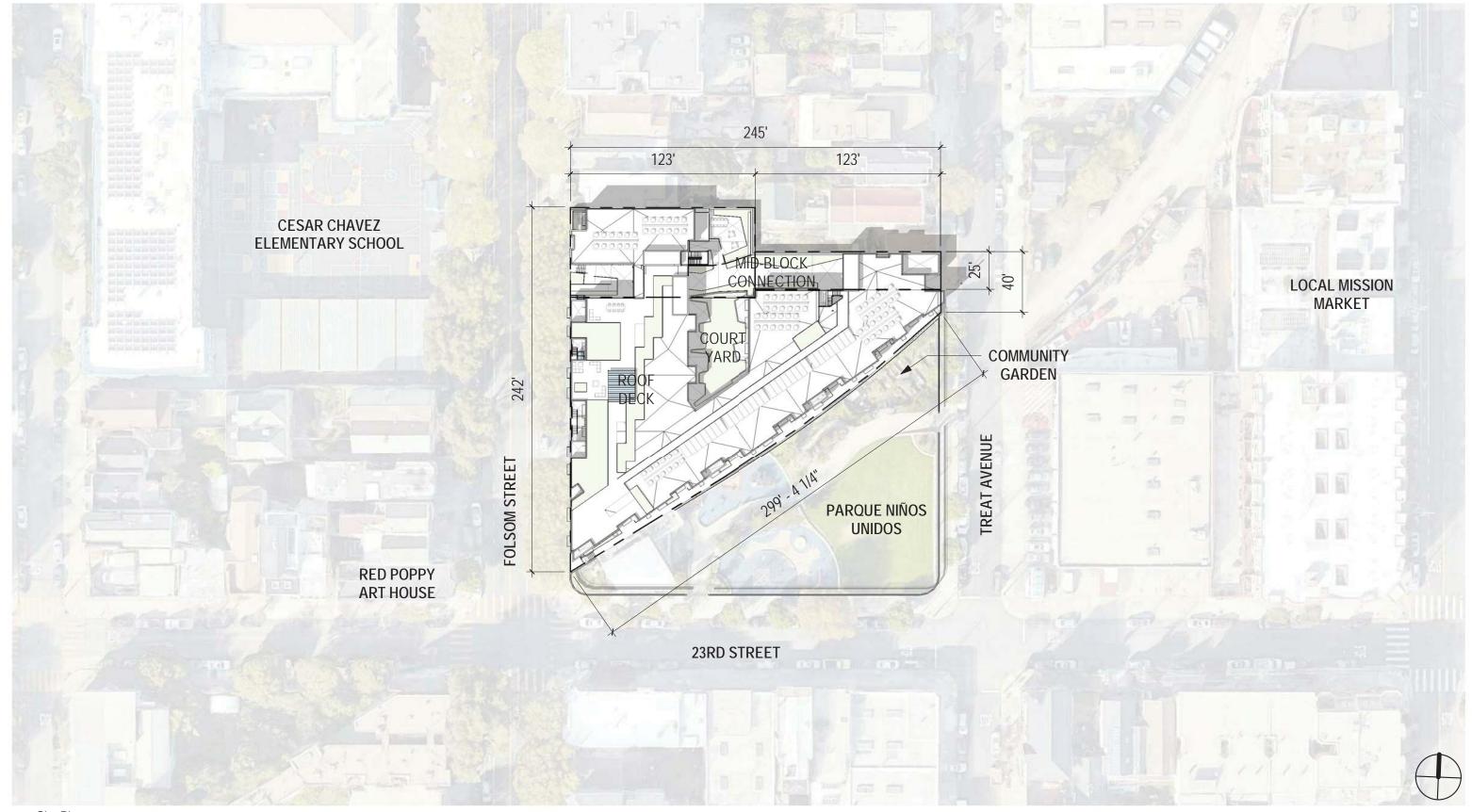
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1" = 60'-0"





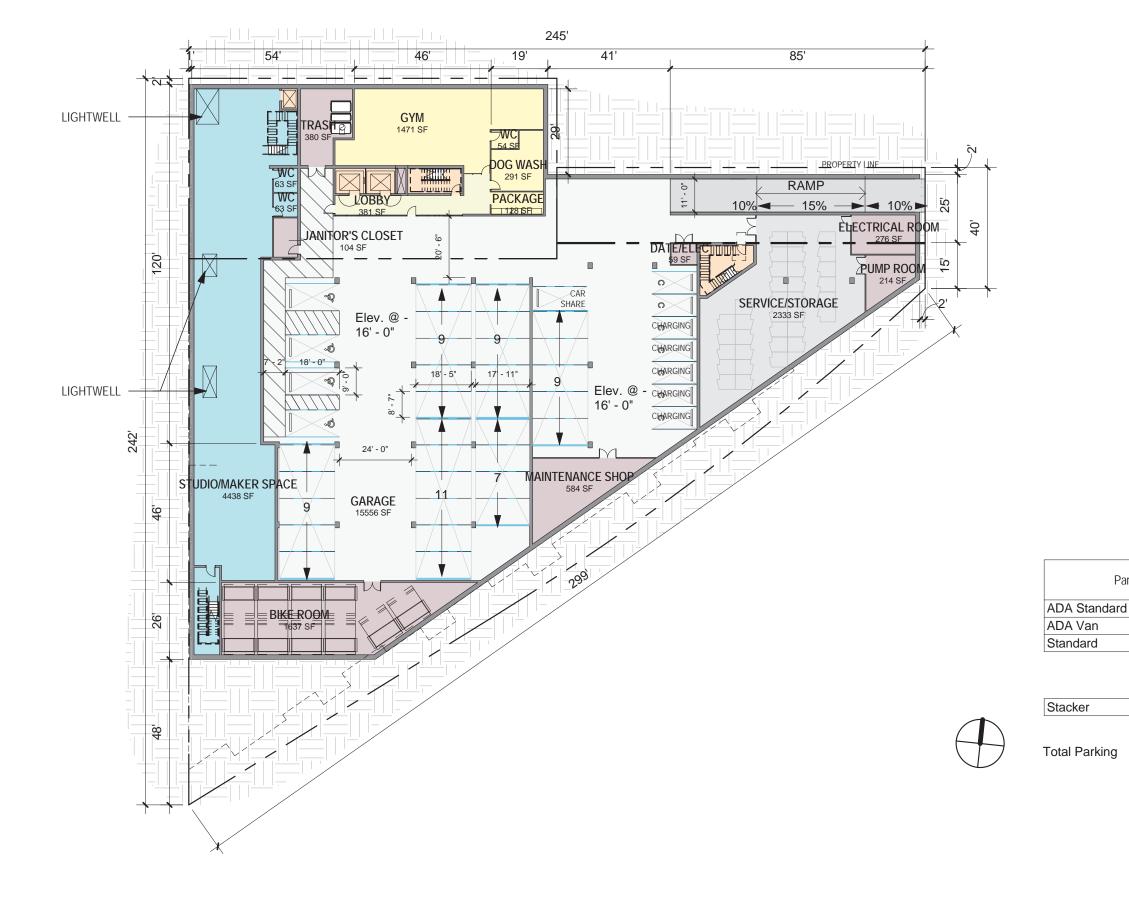


1 Site Plan 1" = 60'-0"





scale: 1" = 60'-0"





21413 scale: 1/32" = 1'-0" date: 2016.08.30

Parking Schedule

3

8 12

54 54

66

1/32" = 1'-0"



Ground Floor Plan





21413 scale: 1/32" = 1'-0" 2016.08.30



1 <u>Level 2</u> 23rd ST











21413

Level 3 Floor Plan

Scale: 1/32" = 1'-0"
date: 2016.08.30

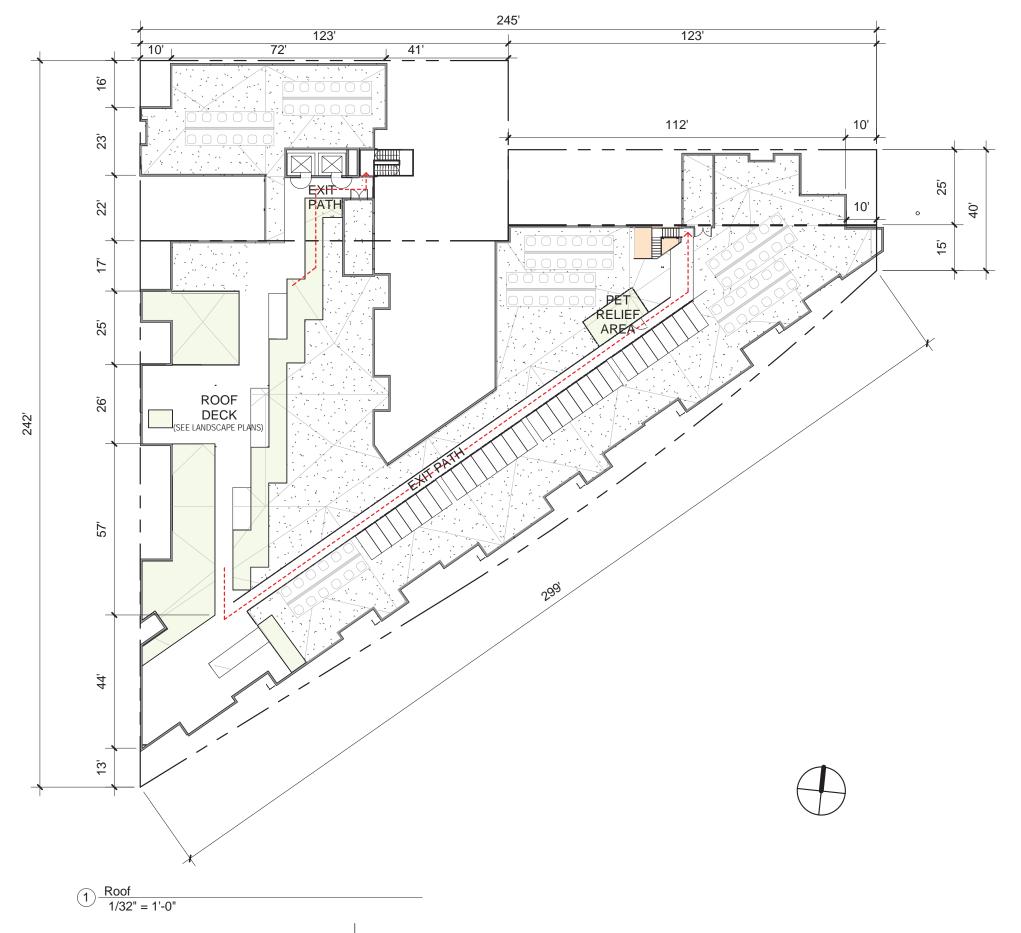






2675 FOLSOM STREET

21413 scale: 1/32" = 1'-0" date: 2016.08.30







2675 FOLSOM STREET

Roof Plan

21413 scale: 1/32" = 1'-0" date: 2016.08.30



ART GALLERY — MIDBLOCK CONNECTION —

23rd ST

MATERIAL LEGEND

- 1) FIBER CEMENT BOARD HORIZONTAL LAP SIDING COLOR 1
- 2) FIBER CEMENT BOARD HORIZONTAL LAP SIDING COLOR 2
- 3) METAL SIDING
- 4) ALUMINUM STOREFRONT
- 5) IRON BALCONY RAILING/PERFORATED PANEL
- 6) DARK BRONZE FRAME ALUMINUM WINDOWS
- 7) RECLAIMED WOOD



2675 FOLSOM STREET

Folsom Elevation

21413 scale: 1" = 20' - 0"

scale: 1" = 20' - 0" date: 2016.08.30



FOLSOM ST TREAT AVE

Park Elevation

MATERIAL LEGEND

- 1) FIBER CEMENT BOARD HORIZONTAL LAP SIDING COLOR 1
- 2) FIBER CEMENT BOARD HORIZONTAL
- LAP SIDING COLOR 2
- 3) METAL SIDING
- 4) ALUMINUM STOREFRONT
- 5) IRON BALCONY RAILING/PERFORATED PANEL
- 6) DARK BRONZE FRAME ALUMINUM WINDOWS
- 7) RECLAIMED WOOD



21413

date: 2016.08.30



MATERIAL LEGEND

- 1) FIBER CEMENT BOARD HORIZONTAL LAP SIDING COLOR 1
- 2) FIBER CEMENT BOARD HORIZONTAL LAP SIDING COLOR 2
- 3) METAL SIDING
- 4) ALUMINUM STOREFRONT
- 5) IRON BALCONY RAILING/PERFORATED PANEL
- 6) DARK BRONZE FRAME ALUMINUM WINDOWS
- 7) RECLAIMED WOOD



21413

scale: 1" = 20' - 0" date: 2016.08.30



1 LIGHT FIBER CEMENT BOARD HORIZONTAL LAP SIDING



2 DARK FIBER CEMENT BOARD HORIZONTAL LAP SIDING



3 METAL SIDING



4 ALUMINUM STOREFRONT



5 IRON RAILINGS AND PERFORATED PANEL GATES



6 DARK BRONZE FRAME ALUMINUM WINDOWS



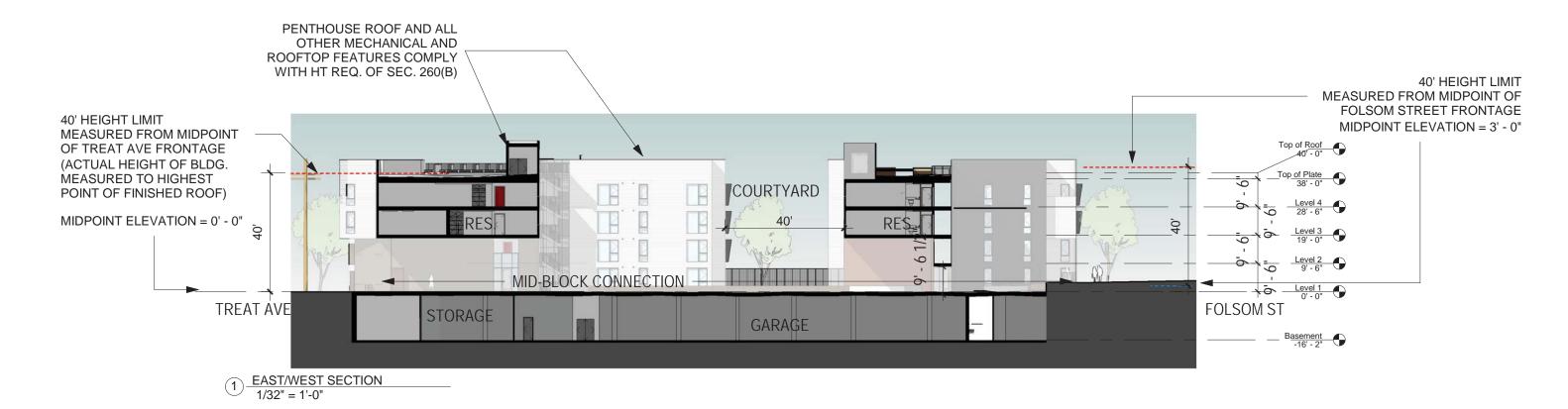
7 RECLAIMED WOOD

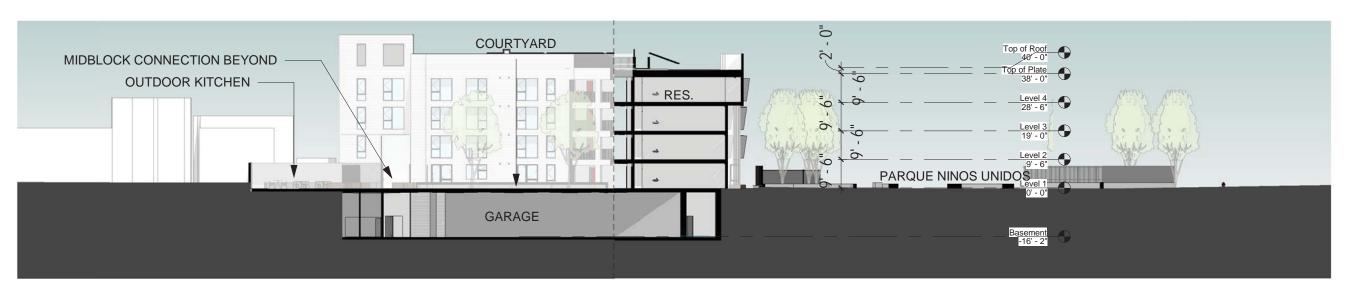


Materials

21413 scale: 12" = 1'-0" date: 2016.08.30

A.24





2 NORTH/SOUTH SECTION 1/32" = 1'-0"



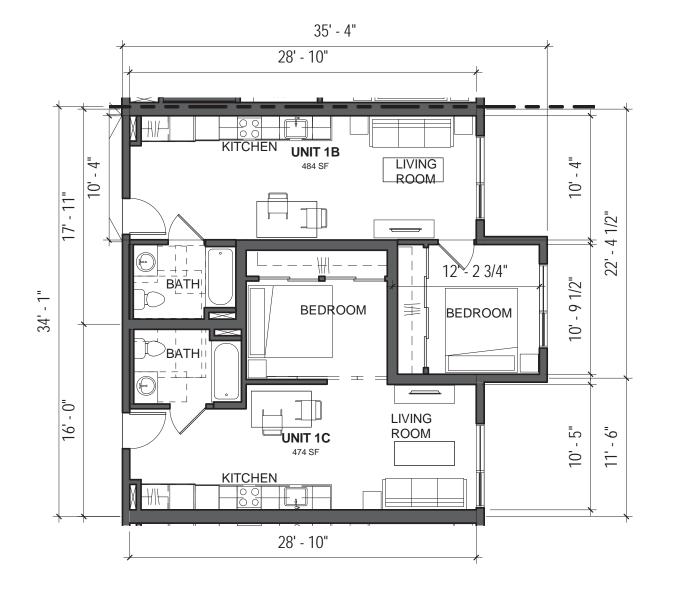
DEVELOPMENT GROUP 2675 FOL

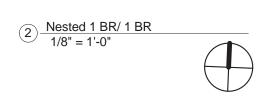
Sections

21413 scale: 1/32" = 1'-0" date: 2016.08.30









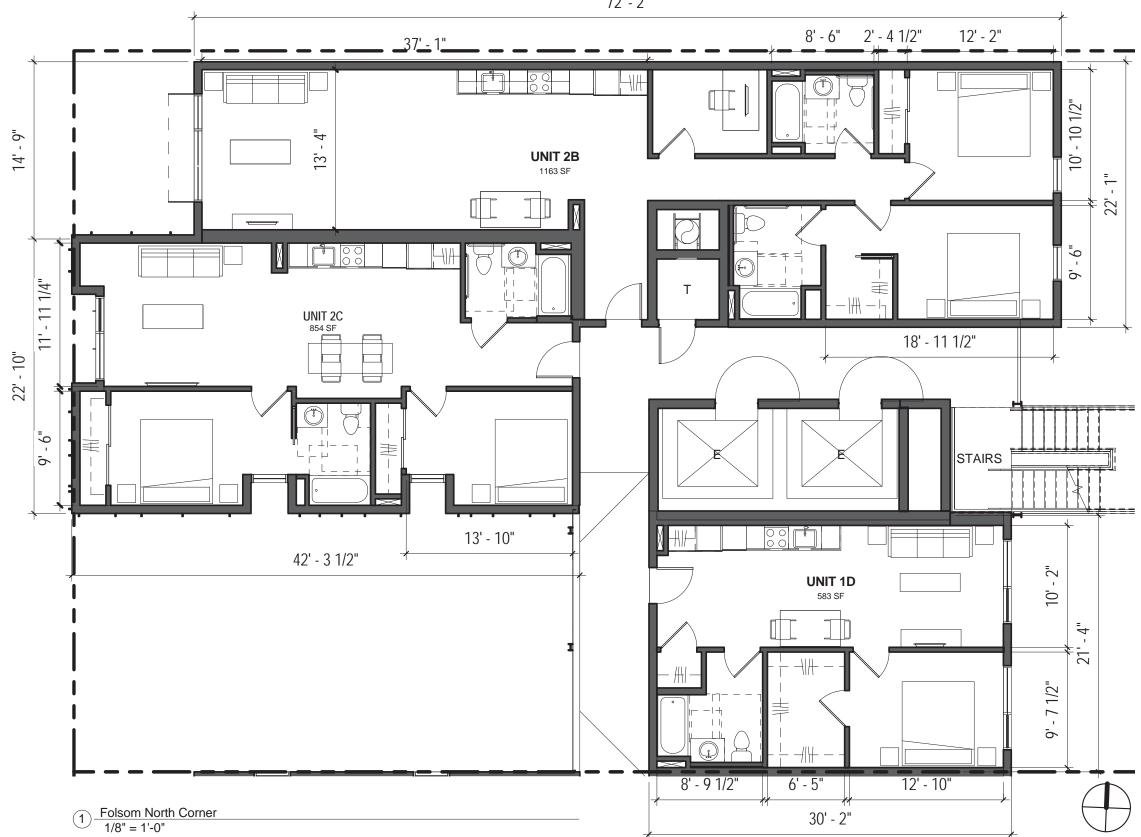


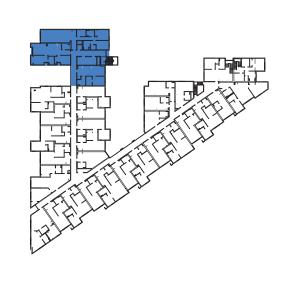




Nested 2 BR/1 BR 1/8" = 1'-0"

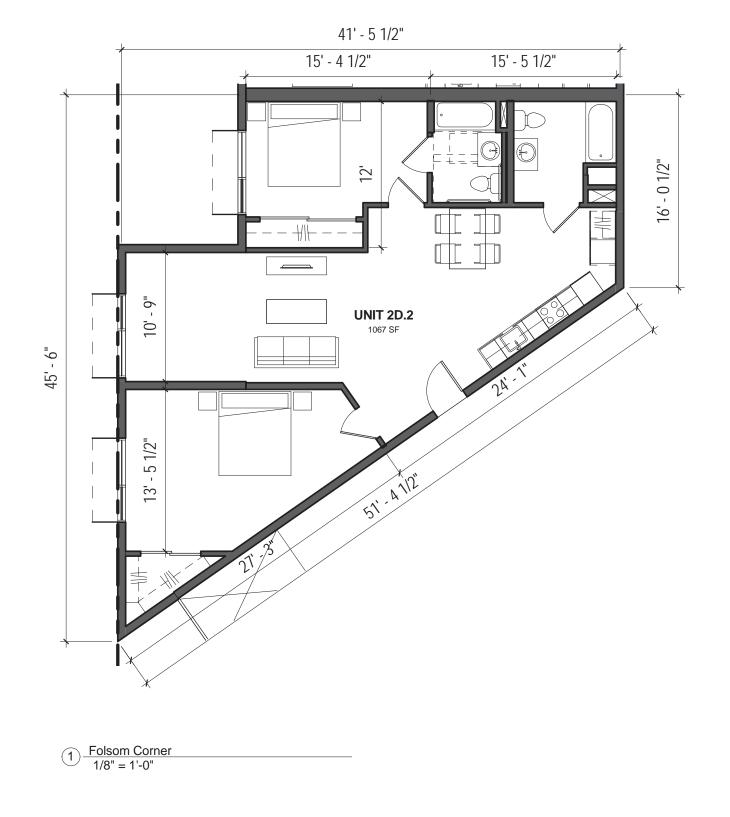
21413 scale: As indicated date: 2016.08.30

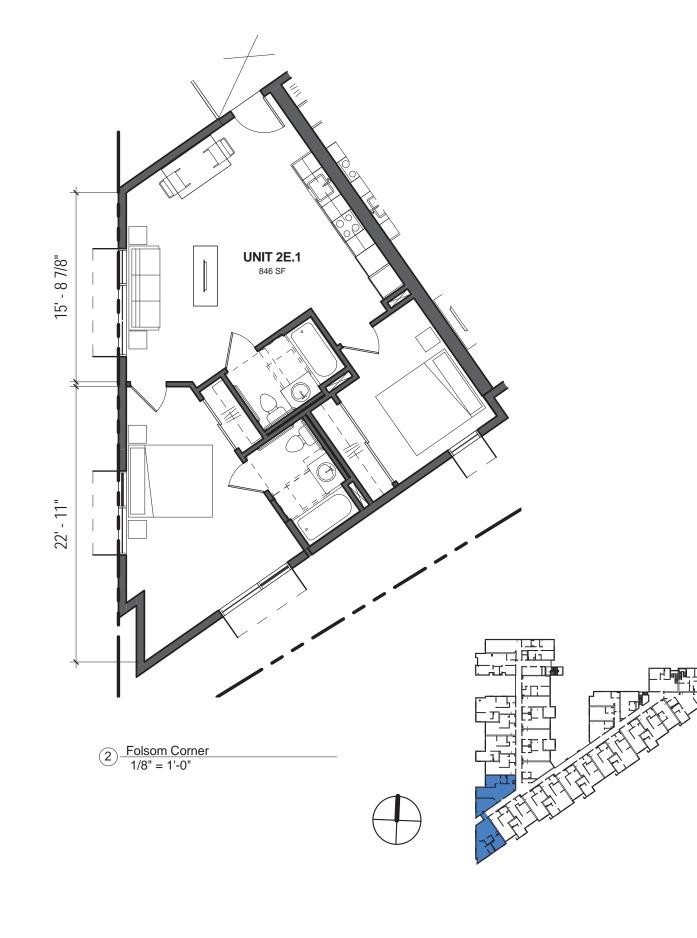






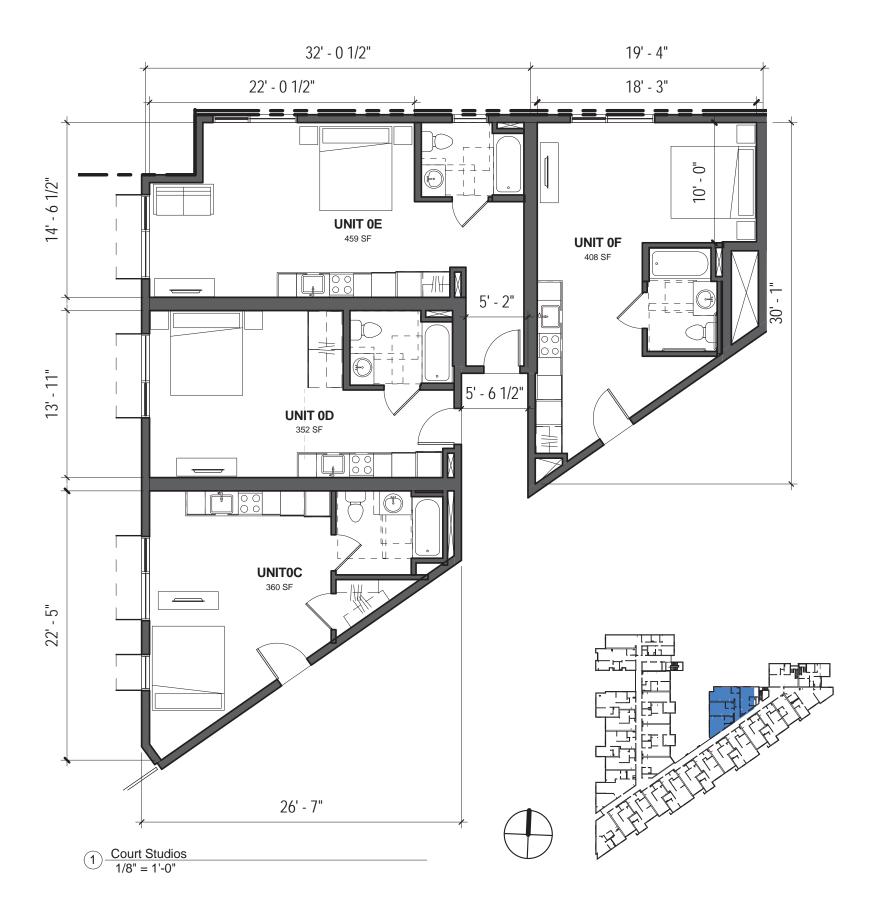






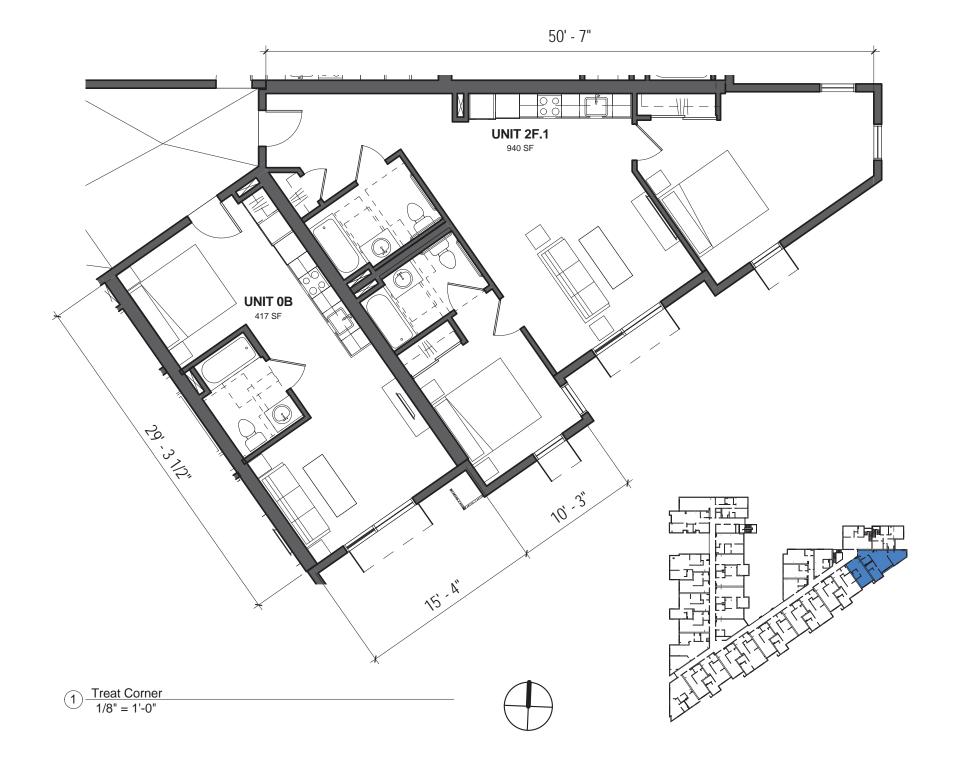






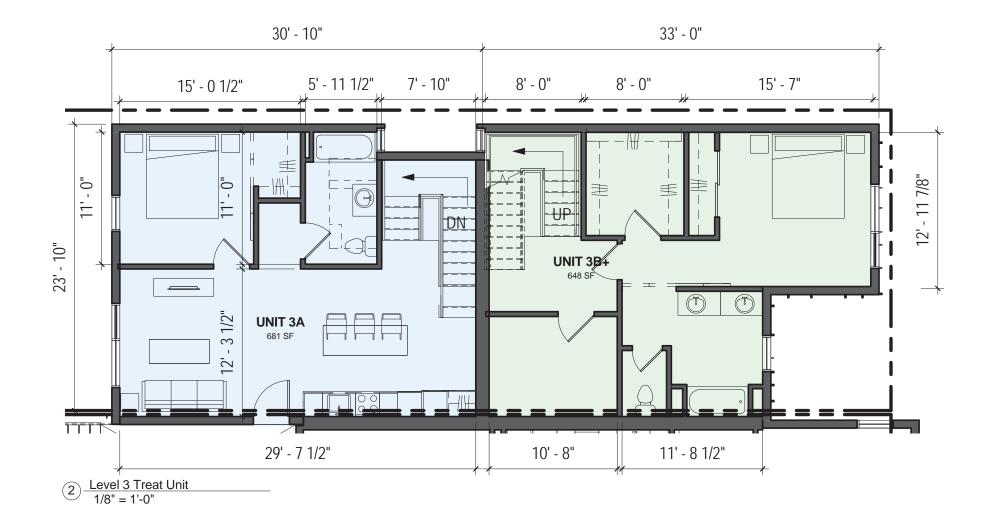












63' - 10"

UNIT B (Levels (3-4) 3 BEDROOM / 2 BATH ENTRY ON LEVEL 4 ~ 1700 SF

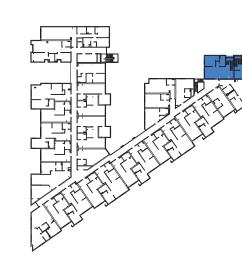
8' - 1 1/2" 7' - 11 1/2"

UNIT 3A+

782 SF

1 Level 2 Treat Unit 1.16

1/8" = 1'-0"



UNIT A (LEVELS 2-3) 3 BEDROOM / 3 BATH ENTRY ON LEVEL 3 ~ 1500 SF



DEVELOPMENT GROUP 2675 FOLSOM STREET

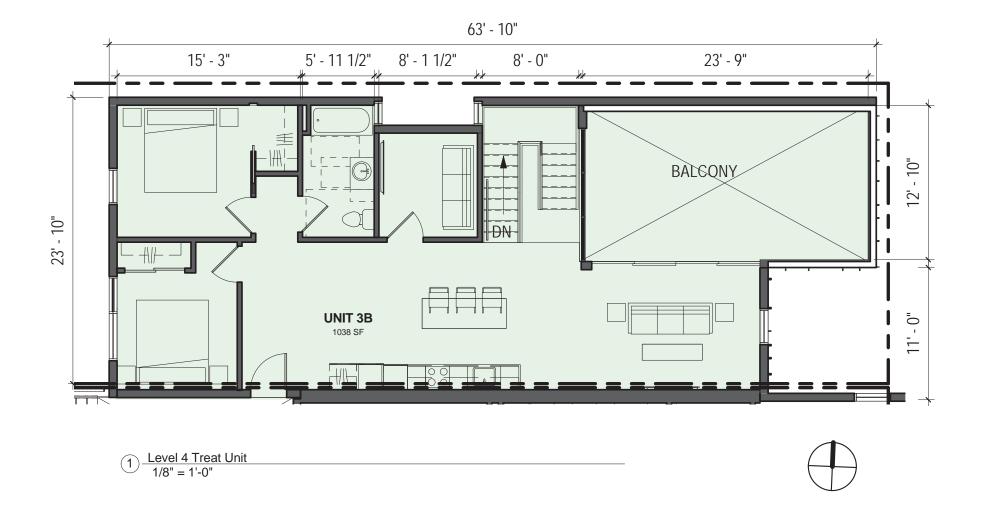
Unit Floor Plans - Treat 3 BR Unit (Levels 2-3)

21413 scale: As indicated date: 2016.08.30

1' - 0"

A.45

UNIT B (LEVELS 3-4) 3 BEDROOM / 2 **BATH ENTRY ON LEVEL 4** ~ 1700 SF







STREETSCAPE



- ① Streetscape Planting Zone: 4 ft width Planting Palette Tree: Jacaranda mimosafolia (Jacaranda) Penstemon Margarita BOP (Blue Bedder) Lomandra Longifolia Breeze (Dwarf Mat Rush)
- Existing Tree- Jacaranda Mimosifolia
- 3 Existing Utilities
- Access Path: 4 ft x 8 ft, spaced 20 ft o.c

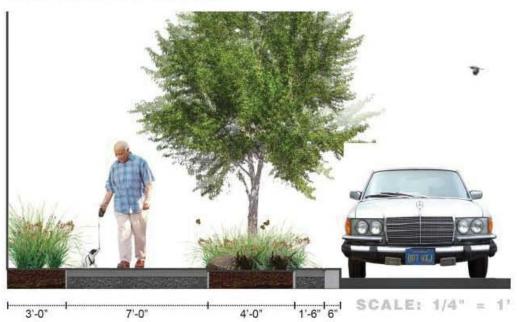
 Outdoor Kitchen
- Sidewalk: 10 ft width

MID-BLOCK CONNECTION



- 6 Raised Planters Planting Palette Tree: Magnolia stellata (Star Magnolia) Cyathea cooperi (Coin Spot Tree Fern) Juncus patens (California Gray Rush) Phormium spp. (New Zealand Flax) Heuchera spp. (Coral Bells) Carex divulsa (Berkeley Sedge)
- Seat Wall
- 9 Decorative Perforated Steel Fence
- 10 Gate
- (1) Private Patio

STREETSCAPE SECTION















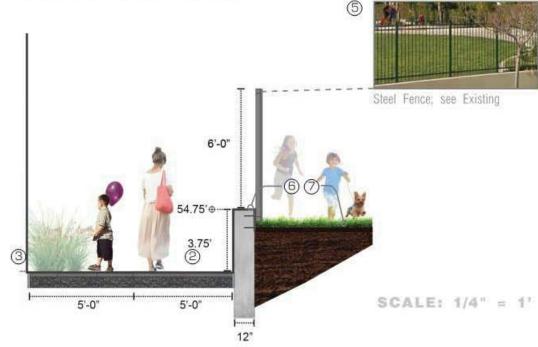
- 1 Private Patio Planting Zone Planting Palette Bulbine Fruitescens Dianella (Cassa Blue) Lomandra Longifolia Breeze (Dwarf Mat Rush)
- ② Stone Pavers over Agg. Base Size : 2 ft x 4 ft Stone Type : Dark Slate Finish : Natural Cleft

ACCESS PATH



- 3 Border Planting Zone Planting Palette Bulbine Fruitescens Juncus patens (California Gray Rush) Phormium spp. (New Zealand Flax) Heuchera spp. (Coral Bells) Carex divulsa (Berkeley Sedge)
- Access Path: 5 ft Wide
- 5 Steel Fence; see Existing
- 6 Concrete Retaining Wall; at Steel Fence
- Adjacent Public Park

ACCESS PATH SECTION











ROOF DECK





② Lightweight Concrete Color: Davis Integral Light Grey, Mesquite, Outback, & Dark Grey Finish: Med. Sandblast

3 Decorative Perforated Steel Fence



- 4 Outdoor Kitchen with Concrete Bar + BBQ
- (5) Cafe Tables and Chairs
- 6 Community Table
- 7 Gas Fire Pit with Basalt Benches
- Steel Pergola









21413

scale:

date: 2016.08.30