File No. 170348 Committee Item No. 5
Board Item No. 15

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Land Use and Transportation Date May 8, 2017

Board of Supervisors Meeting Date 5/16/17

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Completed by: Alisa Somera Date May 4, 2017
Completed by: _____ Date _____

BOARD of SUPERVISORS

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Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
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MEMORANDUM

LAND USE AND TRANSPORTATION COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Mark Farrell, Chair
Land Use and Transportation Committee

FROM: Alisa Somera, Legislative Deputy Director

DATE: May 9, 2017

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, May 9, 2017

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting, Tuesday, May 9, 2017. This item was acted upon at the Committee Meeting on Monday, May 8, 2017, at 1:30 p.m., by the votes indicated.

Item No. 37 **File No. 170348**

Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District, and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Aaron Peskin - Aye
Supervisor Katy Tang - Aye
Supervisor Mark Farrell - Excused
Supervisor Ahsha Safai - Absent

c: Board of Supervisors
Angela Calvillo, Clerk of the Board
Jon Givner, Deputy City Attorney

FILE NO. 170348 ORDINANC IO.

[Planning Code, Zoning Map - 1500 Mission Street Special Use District]

Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District, and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Findings.

(a) This ordinance is related to companion legislation that amends two General Plan height maps for the 1500 Mission Street (Assessor's Block 3506, Lots 006 and 007) project. The companion legislation is on file with the Clerk of the Board of Supervisors in File No. 170408 and incorporated herein by reference.

(b) This ordinance also is a companion to legislation that ratifies the City's purchase and sale agreement with the Project Sponsor for the City to purchase the office building site

portion of the development. This legislation is on file with the Clerk of the Board of Supervisors in File No. 170471.

(c) The legislation referenced in subsection (a) that amends the General Plan provides a description of the project and adopts findings under the California Environmental Quality Act ("CEQA," California Public Resources Code Sections 21000 et seq.). For purposes of the actions contemplated herein, this ordinance adopts the environmental findings from the General Plan amendment legislation.

(d) On December 15, 2016, in Motion No. 19822, the Planning Commission initiated this ordinance in accordance with Planning Code Section 302. This Resolution is on file with the Clerk of the Board of Supervisors in File No. 170348.

(e) On March 23, 2017, in Resolution No. 19886, the Planning Commission found that this ordinance is, on balance, in conformity with the General Plan and the priority policies of Planning Code Section 101.1. A copy of this Resolution is on file with the Clerk of the Board of Supervisors in File No. 170348 and is incorporated herein by reference. The Board hereby adopts the Planning Commission General Plan and Planning Code Section 101.1 findings as its own.

(f) Also in Resolution No. 19886, the Planning Commission adopted findings under Planning Code Section 302 determining that this ordinance serves the public necessity, convenience, and general welfare. The Board of Supervisors adopts as its own these findings.

Section 2. The Planning Code is hereby amended by adding Section 249.12, to read as follows:

SEC. 249.12. 1500 MISSION STREET SPECIAL USE DISTRICT.

*(a) **Purpose.** There shall be a 1500 Mission Street Special Use District, which is comprised of Lots 006 and 007 in Assessor's Block 3506, whose boundaries are designated on Zoning Map SU07 of the Zoning Map of the City and County of San Francisco. This district is intended to facilitate a transit-oriented, high-density, mixed-use residential project and a City and County of San Francisco office development. This area was identified in the Downtown Plan and the Market and Octavia Area Plan of the General Plan as an area to encourage housing adjacent to the downtown and government offices near other governmental functions in the Civic Center and City Hall.*

*(b) **Use Controls.** References to the 1500 Mission Street Special Use District in this subsection shall be as of the effective date of this Section 249.12.*

*(1) **Ground Floor Uses.** Public agency office space shall be permitted at the ground floor.*

*(2) **Residential Affordable Housing Program.** The provisions of Section 249.33(b)(3) of this Code shall apply within this Special Use District, except that the Affordable Housing Fee and the off-site housing alternative shall be equivalent to 27.5% of the number of units in the project, and the on-site percentage shall be 13.5% of the number of units in the project.*

*(3) **Usable Open Space for Dwelling Units.** Requirements for common usable open space pursuant to Section 135 may be met by providing one of the publicly-accessible types delineated in Section 249.33(b)(4).*

*(4) **Obstructions over Streets and Usable Open Space.** Overhead horizontal projections intended primarily to reduce ground level wind speeds which leave at least 7½ feet of headroom may extend over a street, common usable open space, sidewalk, or setback where the depth of any such projection is no greater than the headroom it leaves, and in no case is greater than 20 feet.*

*(5) **Lot Coverage.** The provisions of Section 249.33(b)(5) shall apply within this Special Use District.*

*(6) **Floor Area Ratio.** The maximum FAR allowed shall be that described in Section 123(c), provided that it shall not be greater than 9:1. Gross Floor Area shall have the meaning as defined in Section 102, and shall include all residential uses, except for residential uses that are affordable units as defined in Section 401 and the affordable units' proportional share of residential common areas and amenities. Floor Area Bonuses, as set forth in Section 249.33(b)(6)(B), shall apply within this Special Use District.*

*(7) **Mid-Block Alley.** An east-west mid-block pedestrian alley of not less than 25 feet in width shall extend from South Van Ness Avenue to the western main lobby entrance of the proposed City office building. Additionally, a north-south alley of not less than 25 feet in width shall extend from Mission Street to the aforementioned east-west mid-block pedestrian alley. These two alleys shall be subject to the provisions of Section 270.2(e) through 270.2(i), except for subsections 270.2(e)(5) and 270(e)(14). Additionally, the Planning Director may waive or modify subsection 270.2(e)(9) in the case of documented exceptional circumstances and operational conditions relating to the unique nature of the City's tenancy on the site. Other provisions of Section 270.2 shall not apply within this Special Use District.*

*(8) **Off-Street Parking.** To accommodate public agency fleet parking and short-term parking associated with a public-serving permit center, the maximum amount of off-street parking that may be provided within the proposed City office building shall be one space for each 3,000 gross square feet of floor area. Off-street parking within other buildings in this Special Use District may be used on a temporary or ongoing basis as additional accessory parking for the proposed public agency office space.*

*(9) **Dwelling Unit Exposure.** Provisions of Section 140(a)(1) shall apply within this Special Use District. The additional five horizontal feet of open space required at subsequent floors pursuant to Section 140(a)(2) shall be capped at 65 feet in every horizontal dimension.*

*(10) **Access to Off-Street Parking and Loading.** In consideration of City policy to restrict curb cuts and off-street parking and loading access on South Van Ness Avenue and Mission Street, the residential component and the City office component shall each be permitted to provide separate parking and loading ingress and egress openings on the 11th Street frontage of no greater than 24 feet in width each, in lieu of the limitations set forth in Sections 145.1(c)(2) and 155(s)(5). To the extent feasible as determined by the Planning Director, in consultation with the Director of Real Property, in order to facilitate the preservation of a portion of the 11th Street façade of the existing 1500 Mission Street building, enhance pedestrian conditions, and further activate 11th Street, a shared ingress (but not egress) to both the residential component and the City office component shall be provided to reduce the residential component opening to no greater than 12 feet in width.*

Section 3. The Planning Code is hereby amended by revising Section 270, to read as follows:

SEC. 270. BULK LIMITS: MEASUREMENT.

* * * *

*(g) **1500 Mission Street Special Use District (Planning Code Section 249.12).** In Bulk District R-3, bulk limitations are as follows:*

(1) In height districts 130/240-R-3 and 130/400-R-3, there are no bulk limitations below 130 feet in height, and structures above 130 feet in height shall meet the following bulk limitations.

(A) Buildings between the podium height limit and 240 feet in height may not exceed a plan length of 170 feet and a diagonal dimension of 225 feet.

(B) Buildings between 241 and 400 feet in height may not exceed a plan length of 156 feet and a diagonal dimension of 165 feet, and may not exceed a maximum average floor area of

13,100 gross square feet. To encourage tower sculpting, the gross floor area of the top one-third of the tower shall be reduced by 7% from the maximum floor plate of the tower above the podium height limit unless the overall tower floor plate is reduced by an equal or greater volume.

(C) To provide adequate sunlight and air to streets and open spaces, a minimum distance of 115 feet must be preserved between all structures above 130 feet in height at all levels above 130 feet in height. Spacing shall be measured horizontally from the outside surface of the exterior wall of the subject building to the nearest point on the closest structure above 130 feet in height.

(2) The procedures for granting special exceptions to bulk limits described in Section 272 shall not apply.

Section 4. The Planning Code is hereby amended by revising Zoning Map SU07 as follows:

Description of Property	**Special Use District to be Superseded**	**Special Use District Hereby Approved**
Assessor's Block 3506, Lots 006 and 007	Van Ness & Market Downtown Residential Special Use District	1500 Mission Street Special Use District (Planning Code Section 249.12)

Section 5. The Planning Code is hereby amended by revising Zoning Map HT07 as follows:

Description of Property	Height/Bulk District to be Superseded
Assessor's Block 3506, Lot 006	85/250-R-2, 120/320-R-2
Assessor's Block 3506, Lot 007	85/250-R-2, 85-X

Description of Property for Assessor's Block 3506, Lots 006, 007	Height/Bulk District Hereby Approved
Along the northerly portion of the South Van Ness Avenue and 11th Street frontages measuring approximately 170 feet in depth and 422 feet in width; Assessor Block and Lot to be assigned.	130/240-R-3
Along the southerly portion of the 11th Street frontage and the easterly portion of the Mission Street frontage measuring approximately 105-feet in depth from Mission Street and 156-feet in width along Mission Street; Assessor Block and Lot to be assigned.	85-X
The westerly portion of the Mission Street frontage and southerly portion of the South Van Ness frontage measuring approximately 308 feet in width along Mission Street and approximately 110	130/400-R-3

feet in depth from Mission Street; Assessor Block and Lot to be assigned.	

Section 6. Exception to Inclusionary Housing Requirements of Planning Code Section 415.3(b)(1)(B).

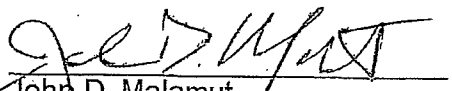
(a) In Section 1.A. of Ordinance No. 254-14, the Board of Supervisors acknowledged that the "[d]eveloper has designated the remainder of the Goodwill Site for a high density multifamily residential complex of approximately 110 affordable and 440 market rate units . . ." A copy of Ordinance No. 254-14 is on file with the Clerk of the Board of Supervisors in File No. 141120 and is incorporated herein by reference. The level of inclusionary affordable housing for the project identified in Ordinance No. 254-14 (20% or 110 units) exceeds the amount of affordable housing that would have applied under Planning Code Section 415.3(b)(1)(B) (13.5% or 74 units). The Board of Supervisors recognizes that but for this higher level of affordable housing, it would not have approved the conditional purchase agreement in Ordinance No. 254-14.

(b) Consequently, the Board of Supervisors hereby creates an exception to the inclusionary housing requirements of Planning Code Section 415.3(b)(1)(B) to require no less than 20% inclusionary affordable housing for this project.

Section 7. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 8. Scope of Ordinance. Except as to uncodified Sections 4, 5, and 6, in enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

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

By: 
John D. Malamut
Deputy City Attorney

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FILE NO. 170348

LEGISLATIVE DIGEST

[Planning Code, Zoning Map - 1500 Mission Street Special Use District]

Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District, and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The 1500 Mission Street project site currently is zoned C-3-G (Downtown General) and comprised of various height and bulk districts on two separate lots. Planning Code Section 270 establishes standards for addressing the bulk of buildings. The 1500 Mission Street project involves the creation of a new City office building and a separate mixed-use development on reconfigured lots.

Amendments to Current Law

This ordinance would add Planning Code Section 249.12 to establish the 1500 Mission Street Special Use District ("SUD"). The SUD would overlay the existing C-3-G zoning to create an additional set of controls unique to the property located within the SUD. The legislation would amend Planning Code Section 270 regarding bulk controls for the SUD. The ordinance also would modify the Zoning Map to recognize the geographic location of the SUD and to establish new height and bulk limits for the SUD. The legislation would make findings under the California Environmental Quality Act and findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1.

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SAN FRANCISCO
PLANNING DEPARTMENT

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April 3, 2017

Ms. Angela Calvillo, Clerk
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: **Transmittal of Planning Department**
Case Number 2014-000362GPAPCAMAP:
1500 Mission Street Special Use District

BOS File No: ___(pending)___Planning Code, Zoning Map – 1500 Mission Street SUD
Planning Commission Recommendation: *Approval of Planning Code Text and Zoning Map Amendments*

BOS File No: ___(pending)___General Plan Amendment
Planning Commission Recommendation: *Approval of General Plan Amendment*

Dear Ms. Calvillo,

On December 15, 2016 the Planning Commission initiated a General Plan Amendment to amend Map 3, Height Map, of the Market and Octavia Area Plan and Map 5, Height and Bulk Map, of the Downtown Area Plan to change the height and bulk district of Assessor's Block 3506, Lots 006 and 007.

On March 27, 2017 the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the adoption of the proposed Planning Code, Zoning Map Amendment Ordinance and the related General Plan Amendment Ordinance, initiated by the Planning Commission.

The two Proposed Ordinances, would 1.) create Section 249.12 to establish the 1500 Mission Street Special Use District and 2.) amend Map 3, "Height Districts" of the Market and Octavia Area Plan and Map 5, "Proposed Height and Bulk Districts" of the Downtown Area Plan of the General Plan to change the height and bulk district of Assessor's Block 3506, Lots 006 and 007. On Map 3 of the Market and Octavia Area Plan, the height and bulk of said parcels would change from 85', 320' Tower / 120' Podium and 250' Tower / 85' Podium, 320' Tower / 120 Podium to 85', 250 Tower / 130' and 250' Tower / 120' Podium, 400' Tower / 130' Podium respectively. Specifically, the 1500 Mission Street Special Use District would:

- Modify height and bulks of the subject parcels from 85-R-2, 85/250-R-2 and 120/320-R-2 to 85-X, 130/240-R-3 and 130/400-R-3
- Modify bulk controls allowing for larger floor plates owing to the unique needs of the City permit center and to address particularly windy conditions in the area;

- Allow for parking for the City's fleet in excess of what is currently permitted;
- Allow office uses above the fourth floor as a contingency should the City not occupy the office building
- Exempt affordable units and their proportional share of residential common areas from gross floor area calculations;
- Permit certain overhead projections intended primarily to reduce ground level wind speeds; and
- Limit the maximum horizontal area required for Dwelling Unit Exposure requirements to 65 feet

At the March 27, 2017 hearing, the Commission voted to recommend approval of the proposed General Plan and the Planning Code Text and Zoning Map Amendment Ordinances. Please find attached documents relating to the Commission's action. The original, signed to form, Microsoft Word versions of the Ordinances and legislative digests will be sent directly to the Clerk from the Department of Real Estate. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

Aaron Starr
Manager of Legislative Affairs

cc:
Mayor's Office, Nicole Elliot
Supervisor Jane Kim
District 6 Legislative Aide, April Ang
Deputy City Attorney, John Malamut
Deputy City Attorney, Jon Givner

Attachments (one copy of the following):
Planning Commission Motion No. 19883 – Final EIR Certification
Planning Commission Motion No. 19884 – Adoption of CEQA Findings
Planning Commission Resolution No. 19885 – Adoption approval recommendation for the Ordinance entitled, "Ordinance amending the General Plan by revising the height and bulk designations for the 1500 Mission Street project, Assessor's Block 3506 Lots 006 and 007, on Map 3 of the Market and Octavia Area Plan and on Map 5 of the Downtown Area Plan; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan as proposed for amendment and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code Section 340."
Planning Commission Resolution No. 19886 – Adoption of approval recommendation of Ordinance entitled, "Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Block 3506, Lots 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District and Zoning Map HT07 to modify the height and bulk district designations for the project site; adopting findings under the California

Environmental Quality Act; making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code Section 302."

Planning Commission Motion No. 19887 – Downtown Project Authorization

Planning Commission Motion No. 19821 – Initiation of General Plan Amendments

Planning Commission Motion No. 19822 – Initiation of Planning Code, Zoning Map Amendments (SUD)

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Planning Commission Resolution No. 19822

HEARING DATE: DECEMBER 15, 2016

Project Name:	**1500 Mission Street (a.k.a Goodwill Site)**
Case Number:	2014-000362PCAMAP
Project Sponsor:	Matthew Witte, 415-677-9000 Related California 44 Montgomery Street, Ste 1300 matthew.witte@related.com San Francisco, CA 94104
Staff Contact:	Tina Chang, AICP tina.chang@sfgov.org, 415-575-9197
Reviewed by:	Daniel A. Sider, AICP dan.sider@sfgov.org, 415-558-6697

RESOLUTION OF INTENT TO INITIATE AN AMENDMENT TO THE PLANNING CODE IN ORDER TO FACILITATE THE CONSOLIDATION OF CITY OFFICES INTO A SINGLE BUILDING AND ALLOW THE CREATION OF A RESIDENTIAL DEVELOPMENT THAT WOULD PROVIDE AFFORDABLE UNITS IN EXCESS OF THE CITY'S INCLUSIONARY AFFORDABLE HOUSING PROGRAM, INCLUDING 1) AN AMENDMENT OF THE PLANNING CODE TEXT TO ADD SECTION 249.XX TO ESTABLISH THE 1500 STREET SPECIAL USE DISTRICT AND AMEND SECTION 270 TO REGULATE BUILDING BULK WITHIN THE SPECIAL USE DISTRICT; 2) AMENDMENTS TO SPECIAL USE DISTRICT MAP SU07 AND HEIGHT AND BULK MAP HT07 TO REFLECT THE CREATION OF THE SPECIAL USE DISTRICT AND REDESIGNATE THE HEIGHT AND BULK OF ASSESSOR'S BLOCK 3506, LOT 006 AND 007, FROM 85-R-2, 85/250-R-2 AND 120/320-R-2 TO 85-X, 130/240-R-3 AND 130/400-R-3.

PREAMBLE

WHEREAS, Section 4.105 of the Charter of the City and County of San Francisco authorizes the Planning Commission to propose ordinances regulating or controlling the height, area, bulk, set-back, location, use or related aspects of any building, structure or land for Board of Supervisors' consideration and periodically recommend to the Board of Supervisors for approval or rejection proposed amendments to the General Plan; and

WHEREAS, the Planning Code and associated zoning maps implement goals, policies, and programs of the General Plan for the future physical development of the City and County of San Francisco that take into consideration social, economic and environmental factors; and

WHEREAS, the Planning Code and associated zoning maps shall be periodically amended in response to changing physical, social, economic, environmental or legislative conditions; and

WHEREAS, on April 29, 2015, Steve Vettel of Farella Braun & Martel on behalf of Goodwill SF Urban Development, LLC ("Project Sponsor") filed applications requesting a) approval of a Downtown Project Authorization pursuant to Section 309 of the San Francisco Planning Code; b) a Planning Code Text Amendment; and c) Zoning Map Amendments. On October 19, 2016, Mr. Vettel also submitted an application for a General Plan Amendment to facilitate the construction of a mixed-use project located at 1500 Mission Street ("Project") with 1) an approximately 264-foot tall that would consolidate office space for multiple City departments, including the Department of Building Inspection, SF Public Works, and the Planning Department; and 2) an approximately 400-foot tall building containing approximately 560 dwelling units providing on-site inclusionary affordable dwellings units amounting to 20 percent of the total constructed units, in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) as described below along with a request to i) change the building height and bulk districts at the project site from 85-X, 85/250-R-2 and 120/320-R-2 to 85-X, 130/240-R-3 and 130/400-R-3; ii) amend Section 270 to add subsection (g) to modify bulk limits owing to the unique needs of the City's one-stop permit center and the locations windy conditions; iii.) allow for parking in excess of that which is currently permitted for the office use owing to the unique needs of the City's vehicular fleet; iv.) allow office use above the fourth floor as a contingency should the City not occupy the office building; v.) permit certain overhead projections intended primarily to reduce ground level wind speeds; and vi.) limit the maximum horizontal area required for Dwelling Unit Exposure requirements to 65 feet.

WHEREAS, the Project is located on the Mission Street transit corridor, and responds to the transit-rich location by proposing increased housing and employment on the Project site; and

WHEREAS, the project site is located within the Hub Plan Area currently being studied by the Planning Department and is consistent with the proposed heights and bulks associated with the Hub Project; and

WHEREAS, San Francisco faces a continuing shortage of affordable housing low-income residents. The San Francisco Planning Department reported that for the five-year period between 2005 and 2009, 14,397, total new housing units were built in San Francisco. This number includes 3,707 units for low and very low-income households out of a total need of 6,815 low and very low-income housing units for the same period. According to the state Department of Housing and Community Development, there will be a regional need for 214,500 new housing units in the nine Bay Area counties from 2007 to 2014. Of that amount, over 58%, or 125,258 units, are needed for moderate/middle, low and very low-income households. The Association of Bay Area Governments (ABAG) is responsible for allocating the total regional need numbers among its member governments which includes both counties and cities. ABAG estimated that San Francisco's low and very low-income housing production need from 2007 through 2014 is 12,124 units out of a total new housing need of 31,193 units, or 39 percent of all units built. The production of low and moderate/middle income units fell short of the ABAG goals; and

WHEREAS, the 2015 Consolidated Plan for July 1, 2015 to June 30, 2020, issued by the Mayor's Office of Housing, establishes that extreme housing pressures face San Francisco, particularly in regard to low- and moderate/middle-income residents. Many elements constrain housing production in the City. This is especially true of affordable housing. San Francisco is largely built out, with very few large open tracts of land to develop. There is no available adjacent land to be annexed, as the cities located on San Francisco's southern border are also dense urban areas. Thus new construction of housing is limited to areas of the City not previously designated as residential areas, infill sites, or to areas with increased density. New

market-rate housing absorbs a significant amount of the remaining supply of land and other resources available for development and thus limits the supply of affordable housing; and

WHEREAS, the findings of former Planning Code Section 313.2 for the Jobs-Housing Linkage Program, now found in Planning Code Sections 413 *et seq.*, relating to the shortage of affordable housing, the low vacancy rate of housing affordable to persons of lower and moderate/middle income, and the decrease in construction of affordable housing in the City are hereby reaffirmed; and

WHEREAS, the Project would address the City's severe need for additional housing for low income households, by providing on-site inclusionary affordable dwellings units in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) through compliance with the terms of section 415 and additional affordable units included as part of a real estate conveyance with the City for the City Office building; and

WHEREAS, the Project provides a unique opportunity to satisfy the City and County of San Francisco's unmet office needs to provide a consolidated one-stop permit center; enhanced pedestrian connectivity via a mid-block public space and alley network extending from Mission Street to South Van Ness Avenue, and ground floor community event spaces; and

WHEREAS, the proposed City office building is fiscally prudent and has a positive net present value over the next thirty years. In addition to lower operating expenses compared to current assets or other alternatives (including the purchase of existing office space or other newly constructed office space), the project will also be more efficient and environmentally sustainable. Additional benefits are anticipated through enhanced inter-agency collaboration through colocation, a one-stop permit center, a connection to existing City offices at 1 South Van Ness, and employee and customer efficiencies given proximity to other government offices in the Civic Center area. The Project would address the City's severe need for additional housing for low income households, by providing on-site inclusionary affordable dwellings units in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) as described above; and

WHEREAS, the proposed General Plan Amendment and Special Use District would not result in increased development potential from what is permitted under the existing height and bulk districts; and

WHEREAS, the Project proposes neighborhood-serving amenities, such as new ground floor retail; proposes new publicly accessible open space, improved pedestrian connectivity, enhanced public service and incorporation of sustainability features into the Project; and

WHEREAS, the City Attorney's Office drafted a Proposed Ordinance to make the necessary amendments to the Planning Code related to creation of a special use district, modification of bulk controls applicable to the project site, and revision to the Zoning Map SU07 and H07 to implement the Project. The Office of the City Attorney approved the Proposed Ordinance as to form; and

WHEREAS, a Planning Code and Zoning Map Amendment Initiation is not a project under California Environmental Quality Act; and

WHEREAS, 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 Planning Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Planning Department, Jonas Ionin (Commission Secretary) as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

RESOLVED, that pursuant to Planning Code Section 302, the Commission Adopts a Motion of Intent to Initiate amendments to the Planning Code Text and Zoning Maps;

AND BE IT FURTHER RESOLVED, that pursuant to Planning Code Section 306.3, the Planning Commission authorizes the Department to provide appropriate notice for a public hearing to consider the above referenced Planning Code Text and Zoning Maps Amendment contained in the draft Ordinance, approved as to form by the City Attorney in **Exhibit B**, to be considered at a publicly noticed hearing on or after March 16, 2017.

I hereby certify that the foregoing RESOLUTION was ADOPTED by the San Francisco Planning Commission on December 15, 2016.

Jonas P. Ionin
Commission Secretary

AYES: Fong, Richards, Johnson, Koppel, Melgar, Moore

NAYS: None

ABSENT: Hillis

ADOPTED: December 15, 2016

SAN FRANCISCO
PLANNING DEPARTMENT

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Planning Commission Motion No. 19883

HEARING DATE: March 23, 2017

Case No.:	2014-000362ENV
Project Address:	1500 Mission Street Project
Zoning:	C-3-G (Downtown General Commercial) District Van Ness & Market Downtown Residential Special Use District 120/320-R-2, 85/250-R-2, 85-X Height and Bulk Districts
Block/Lot:	3506/002, 003[1]
Lot Size:	110,772 square feet (2.5 acres)
Project Sponsor:	Goodwill SF Urban Development, LLC Related California Urban Housing Matthew Witte, (949) 697-8123 mwitte@related.com
Lead Agency:	San Francisco Planning Department
Staff Contact:	Michael Li – (415) 575-9107 michael.j.li@sfgov.org

ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR A PROPOSED MIXED-USE PROJECT THAT WOULD DEMOLISH THE EXISTING 1580 MISSION STREET BUILDING, RETAIN AND REHABILITATE A PORTION OF THE EXISTING 1500 MISSION STREET BUILDING, AND DEMOLISH THE REMAINING PORTIONS OF THE 1500 MISSION STREET BUILDING AND CONSTRUCT A MIXED-USE DEVELOPMENT WITH TWO COMPONENTS: AN APPROXIMATELY 767,200-SQUARE-FOOT, 396-FOOT-TALL (416 FEET TO THE TOP OF THE PARAPET) RESIDENTIAL AND RETAIL/RESTAURANT BUILDING AT THE CORNER OF SOUTH VAN NESS AVENUE AND MISSION STREET ("RETAIL/RESIDENTIAL BUILDING"); AND AN APPROXIMATELY 567,300-SQUARE-FOOT, 227-FOOT-TALL (257 FEET TO THE TOP OF THE PARAPET) OFFICE AND PERMIT CENTER BUILDING FOR THE CITY AND COUNTY OF SAN FRANCISCO ("CITY") ON 11TH STREET BETWEEN MARKET AND MISSION STREETS ("OFFICE BUILDING") WITH A MID-RISE PODIUM EXTENDING WEST TO SOUTH VAN NESS AVENUE. THE PROJECT WOULD ALSO INCLUDE VEHICULAR PARKING, BICYCLE PARKING, AND LOADING FACILITIES, BOTH PRIVATE AND PUBLICLY ACCESSIBLE USABLE OPEN SPACE, AND STREETSCAPE AND PUBLIC-REALM IMPROVEMENTS.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the final Environmental Impact Report identified as Case No. 2014-000362ENV, the 1500 Mission Street Project (hereinafter "Project"), above, based upon the following findings:

1. The City and County of San Francisco, acting through the Planning Department (hereinafter "Department") fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 *et seq.*, hereinafter "CEQA"), the State CEQA Guidelines (Cal.

[1] Lots 002 and 003 are also referred to in some property records as Lots 006 and 007, respectively.

Admin. Code Title 14, Section 15000 *et seq.*, (hereinafter "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31").

A. The Department determined that an Environmental Impact Report (hereinafter "EIR") was required and provided public notice of that determination by publication in a newspaper of general circulation on May 13, 2015.

B. The Department held a public scoping meeting on June 2, 2015 in order to solicit public comment on the scope of the 1500 Mission Street Project's environmental review.

C. On November 9, 2016, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.

D. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site on November 9, 2016.

E. On November 9, 2016, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.

F. Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on November 9, 2016.

2. The Commission held a duly advertised public hearing on said DEIR on December 15, 2016 at which opportunity for public comment was given, and public comment was received on the DEIR. The period for acceptance of written comments ended on January 4, 2017.

3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 56-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Responses to Comments document, published on March 8, 2017, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.

4. A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Responses to Comments document all as required by law.

5. Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.

6. On March 23, 2017 the Commission reviewed and considered the information contained in the FEIR and hereby does find that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code.

7. The Planning Commission hereby does find that the FEIR concerning File No. 2014-000362ENV reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Responses to Comments document contains no significant revisions to the DEIR, and hereby does CERTIFY THE COMPLETION of said FEIR in compliance with CEQA and the CEQA Guidelines.

8. The Commission, in certifying the completion of said FEIR, hereby does find that the project described in the EIR:

   A. Will have significant, project-specific impacts on historic architectural resources; and,

   B. Will have significant, cumulative construction-period transportation impacts.

9. The Commission reviewed and considered the information contained in the FEIR prior to approving the Project.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of March 23, 2017.

Jonas P. Ionin
Commission Secretary

AYES:	Richards, Fong, Johnson, Koppel, and Moore
NOES:	None
ABSENT:	Hillis and Melgar
ADOPTED:	March 23, 2017

SAN FRANCISCO
PLANNING DEPARTMENT

Subject to: (Select only if applicable)

☒ Affordable Housing (Sec. 415)
☒ Transit Impact Dev't Fee (Sec. 411)
☒ Childcare Fee (Sec. 414)
☒ First Source Hiring (Admin. Code)
☒ Better Streets Plan (Sec. 138.1)
☒ Public Art (Sec. 429)

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Planning Commission Motion No. 19884
CEQA Findings
HEARING DATE: MARCH 23, 2017

Case No.: 2014-000362ENVGPAPCAMAPDNXSHD
Project Address: 1500 Mission Street
Current Zoning: C-3-G (Downtown General)
120/320-R-2, 85-R-2 Height and Bulk Districts
Van Ness & Market Downtown Residential Special Use District
Proposed Zoning C-3-G (Downtown General)
130/240-R-3, 130/400-R-3, 85-X
1500 Mission Street Special Use District
Block/Lot: 3506/006, 007
Project Sponsor: Matt Witte – (415) 653.3181
Related California
44 Montgomery Street, Suite 1300
San Francisco, CA 94104
Staff Contact: Tina Chang – (415) 575-9197
Tina.Chang@sfgov.org

ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, INCLUDING FINDINGS OF FACT, FINDINGS REGARDING SIGNIFICANT AND UNAVOIDABLE IMPACTS, EVALUTION OF MITIGATION MEASURES AND ALTERNATIVES, AND A STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO APPROVALS FOR THE PROJECT AT 1500 MISSION STREET TO DEMOLISH AN EXISTING 30-FOOT TALL 29,000 SQUARE FOOT BUILDING AT 1580 MISSION STREET, RETAIN AND REHABILITATE A PORTION OF AN EXISTING 28-FOOT TALL 57,000 SQUARE FOOT BUILDING AND DEMOLISH THE BUILDING AT 1500 MISSION STREET AND THE NEW CONSTRUCTION OF TWO NEW BUILDINGS, A 464,000 SQUARE FOOT, 16-STORY, 227-FOOT-TALL CITY OFFICE BUILDING AND A 552,290 SQUARE FOOT, 39-STORY, 396-FOOT-TALL RESIDENTIAL TOWER CONTAINING APPROXIMATELY 550 DWELLING UNITS, INCLUDING APPROXIMATELY 110 BELOW MARKET RATE UNITS; UP TO 8,000 SQUARE FEET OF GROUND FLOOR RETAIL, 29,000 SQUARE FEET OF PRIVATE AND COMMON OPEN SPACE; 620 BICYCLE PARKING SPACES (553 CLASS 1, 67 CLASS 2) AND UP TO 409 VEHICULAR PARKING SPACES WITHIN THE VAN NESS AND MARKET DOWNTOWN RESIDENTIAL SPECIAL USE DISTRICT, DOWNTOWN-GENERAL

(C-3-G) ZONING DISTRICT AND PROPOSED 1500 MISSION STREET SPECIAL USE DISTRICT AND PROPOSED 130/400-R-3, 130/240-R-3 AND 85-X HEIGHT AND BULK DISTRICTS.

PREAMBLE

On October 13, 2014, Steve Vettel of Farella, Braun & Martel on behalf of Goodwill SF Urban Development, LLC ("Project Sponsor") filed an Environmental Evaluation Application for the Project. 2014. On May 13, 2015, the Department published a Notice of Preparation of Environmental Impact Report and Notice of Public Scoping Meeting ("NOP"). Publication of the NOP initiated a 30-day public review and comment period that began on May 13, 2015 and ended on June 15, 2015. On June 2, 2015, the Department held a public scoping meeting regarding the Project. On November 9, 2016, the Department published the Draft Environmental Impact Report (hereinafter "DEIR"), including the Initial Study ("IS"), and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the Project Site by the Project Sponsor on November 9, 2016.

On April 29, 2015, the Project Sponsor filed an application requesting approval of a Downtown Project Authorization pursuant to Section 309 of the San Francisco Planning Code to facilitate the construction of two new buildings approximately 390 and 264-feet tall located at 1500 Mission Street ("Project") containing approximately 550 dwelling units, approximately 462,000 square feet of office space, 51,000 square feet of ground floor retail space, approximately 7,600 square foot publicly accessible open space in the form of a "forum" at the ground floor, up to 423 parking spaces, 6 loading spaces, and 369 bicycle parking spaces. On February 23, 2017 the Project Sponsor submitted an updated application to correct the proposed building heights to 396 and 216 feet for the residential and office buildings respectively, the total number of proposed vehicular parking to 409 spaces, bicycle parking to 620, retail square footage to 38,000 square feet, office square footage to 449,800 square feet. Additionally, the application was updated to reflect the Project's inclusion of 4,400 square feet of on-site child care.

On April 29, 2015, the Project Sponsor also filed an application for a Planning Code Amendment and Zoning Map amendment to supersede the existing Van Ness & Market Downtown Residential Special Use District with a new special use district for the Project and to amend height and bulk districts to permit one approximately 390-foot residential tower with a podium height of 110 feet and one 264-foot tall tower with a podium height of 93 feet.

On October 19, 2016, the Project Sponsor filed amendments to the Planning Code Text and Zoning Map Amendment Applications and a General Plan Amendment Application to add Section 270(g) to amend bulk controls to the proposed special use district and Map 3 (Height Districts) of the Market and Octavia Plan.

On December 15, 2016, the Planning Commission adopted Resolutions 19821 and 19822 to initiate legislation entitled, (1) "Ordinance amending the General Plan by revising the height designation for the 1500 Mission Street project, Assessor's Block 3506 Lots 006 and 007 on Map 3 of the Market and Octavia Area Plan and on Map 5 of the Downtown Area Plan; adopting findings under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1;" and (2) Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Block 3506, 006 and 07) project, to regulate bulk controls in the Special Use District; to modify Zoning Map SU07 to place the project site into this Special Use District and Zoning Map HT07 to modify the height and bulk district designations for the project site; adopting findings under the California

Environmental Quality Act; making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 01.; and adopting findings of public necessity, convenience, and welfare under Planning Code Section 302," respectively.

On December 15, 2016, the Commission held a duly advertised public hearing on the DEIR, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for commenting on the EIR ended on January 4, 2017. The Department prepared responses to comments on environmental issues received during the 56 day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected clerical errors in the DEIR.

On March 8, 2017, The Planning Department published a Responses to Comments document. A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Responses to Comments document all as required by law.

On March 23, 2017, the Commission reviewed and considered the FEIR and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. The FEIR was certified by the Commission on March 23, 2017 by adoption of its Motion No. 19883.

At the same Hearing and in conjunction with this motion, the Commission made and adopted findings of fact and decisions regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. ("CEQA"), particularly Section 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Section 15000 et seq. ("CEQA Guidelines"), Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") by its Motion No. [ ]. The Commission adopted these findings as required by CEQA, separate and apart from the Commission's certification of the Project's Final EIR, which the Commission certified prior to adopting these CEQA findings. The Commission hereby incorporates by reference the CEQA findings set forth in Motion No. 19884.

On March 23, 2017 the Commission conducted a duly noticed public hearing at a regularly scheduled meeting regarding (1) the General Plan Amendment amending Maps 3 and 5; and (2) the ordinance amending Planning Code to add the 1500 Mission Street Special Use District, and revise Zoning Map SU07 and HT07. At that meeting the Commission Adopted (1) Resolution 19886 recommending that the Board of Supervisors approve the requested General Plan Amendment; and (2) Resolution 19885 recommending that the Board of Supervisors approve the requested Planning Code Text and Map Amendments.

On March 23, 2017, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting regarding the Downtown Project Authorization application 2014-000362ENVGPAPCAMAPDNXSHD. At the same hearing the Commission determined that the shadow cast by the Project would not have any adverse effect on Parks within the jurisdiction of the Recreation and Parks Department. The Commission heard and considered the testimony presented to it at the public hearing and further considered written materials and oral testimony presented on behalf of the applicant, Department staff and other interested parties, and the record as a whole.

The Planning Department, Jonas P. Ionin, is the custodian of records; all pertinent documents are located in the File for Case No. 2014-000362ENVGPAPCAMAPDNXSHD, at 1650 Mission Street, Fourth Floor, San Francisco, California.

This Commission has reviewed the entire record of this proceeding, the Environmental Findings, attached to this Motion as Attachment A, regarding the alternatives, mitigation measures, environmental impacts analyzed in the FEIR and overriding considerations for approving the Project, and the proposed MMRP attached as Attachment B, which material was made available to the public.

MOVED, that the Planning Commission hereby adopts findings under the California Environmental Quality Act, including rejecting alternatives as infeasible and adopting a Statement of Overriding Considerations, and adopts the MMRP attached as Attachment B, based on the findings attached to this Motion as Attachment A as though fully set forth in this Motion, and based on substantial evidence in the entire record of this proceeding.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of March 23, 2017.

Jonas P. Ionin
Commission Secretary

AYES: Richards, Fong, Johnson, Koppel, Moore

NAYS: None

ABSENT: Hillis, Melgar

DATE: March 23, 2017

ACTION: Adoption of CEQA Findings

ATTACHMENT A

California Environmental Quality Act Findings

PREAMBLE

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

These findings are organized as follows:

Section I provides a description of the proposed project at 1500 Mission Street, the environmental review process for the Project, the City approval actions to be taken, and the location and custodian of the record.

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

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

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

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

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

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

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

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

I. PROJECT DESCRIPTION AND PROCEDURAL BACKGROUND

A. Project Description

The Project site consists of two parcels (Assessor's Block 3506, Lot 002 [1500 Mission Street] and Lot 003 [1580 Mission Street]),[1] located on the north side of Mission Street between 11th Street to the east and South Van Ness Avenue to the west, within San Francisco's South of Market (SoMa) neighborhood. The Project site is located within the Downtown Area Plan and Market & Octavia Area Plan and is located within the C-3-G (Downtown General Commercial) Use District, the Van Ness & Market Downtown Residential Special Use District, and the 120/320-R-2, 85/250-R-2, and 85-X Height and Bulk Districts.

The Project site totals 110,772 square feet (2.5 acres), and the lot is generally flat. The site is a trapezoidal shape with approximately 472 feet of frontage along Mission Street, 301 feet of frontage along South Van Ness Avenue, and 275 feet of frontage along 11th Street. The northern boundary of the site stretches for 321 feet abutting an eight-story City office building that fronts onto South Van Ness Avenue, Market Street and 11th Street (One South Van Ness Avenue).

The Project site is currently occupied by two existing buildings used by Goodwill Industries: a two-story, approximately 30-foot-tall 29,000-square-foot building located at 1580 Mission Street that was constructed in 1997 and contains a Goodwill retail store on the ground level and offices above, and an approximately 57,000-square-foot, approximately 28-foot-tall (including an approximately 97-foot-tall clock tower), largely single-story warehouse building located at 1500 Mission Street that was used until June 2016 by Goodwill for processing donated items. The warehouse building at 1500 Mission Street has a basement parking garage with approximately 110 public parking spaces (some of which are valet), and accessed from an approximately 25-foot-wide curb cut on South Van Ness Avenue.

The Project site also contains approximately 25 surface parking spaces and six surface loading spaces, accessed from an approximately 46-foot-wide curb cut on Mission Street. The warehouse building, which features an approximately 97-foot-tall clock tower atop the Mission Street façade, was constructed in 1925 for the White Motor Company and renovated in 1941 for use as a Coca-Cola bottling plant—a use that continued until the 1980s. The building located at 1580 Mission Street is less than 45 years of age and is considered a "Category C" property—Not a Historical Resource. The warehouse building located at 1500

[1] Some records refer to the parcels as Lots 006 and 007.

Mission Street has been determined individually eligible for the California Register of Historical Resources and is considered a "Category A" property – Known Historical Resource.

The Project proposes to demolish the existing 1580 Mission Street building, to retain and rehabilitate a portion of the existing 1500 Mission Street building, and to demolish the remaining portions on the 1500 Mission building and construct a mixed-use development with two components: an approximately 767,200-square-foot, 396-foot-tall (416 feet to the top of the parapet) residential and retail/restaurant building at the corner of South Van Ness Avenue and Mission Street ("Retail/Residential Building"); and an approximately 567,300-square-foot, 227-foot-tall (257 feet to the top of the parapet) office and permit center building for the City and County of San Francisco ("City") on 11th Street between Market and Mission Streets ("Office Building") with a mid-rise podium extending west to South Van Ness Avenue. The proposed Project includes a proposed Zoning Map amendment and Planning Code text amendment to create the 1500 Mission Special Use District to supersede the Van Ness & Market Downtown Residential Special Use District designation and a proposed amendment to Planning Code Section 270 associated with bulk limitations, allowing for an exceedance of the current Height and Bulk District limitations, additional off-street parking, and office space above the fourth floor.

The proposed Residential/Retail Building will consist of a 39-story residential apartment tower containing a maximum of 550 dwelling units over approximately 38,000 gross square feet of ground floor retail/restaurant space, and below grade parking for 300 vehicles and 247 bicycles. The proposed Office Building will consist of a 16-story tower consisting of 464,000 gross square feet of office space containing various City departments, a permit center and a childcare facility and below grade vehicle parking for 120 vehicles and 306 bicycles.

B. Project Objectives

The City and County of San Francisco Real Estate Division has developed the following objectives for the proposed Office Building aspect of the Project:

- Develop a new, seismically-sound, Class-A, LEED Gold City office building of enough size to accommodate several interdependent City departments currently housed in disparate buildings around the Civic Center, into a single building to foster interagency cooperation, and located in close proximity to mass transit.
- Allow for potential future physical connections to the existing City office building at One South Van Ness Avenue by developing a new City office building on an adjacent site.
- Provide large office floor plates on the lower levels of the building to accommodate the specific functional requirements of several essential services departments (San Francisco Public Works, Department of Building Inspection, and the Planning Department), to allow for a one-stop permit center, to centralize permitting functions for enhanced customer service and streamlined operations on a single floor.
- Ensure enough parking spaces are provided to accommodate vehicles used by inspectors and other City personnel who make off-site field trips, as well as parking for members of the public visiting the permit center and other City offices.
- Construct shared conference, meeting, training, and boardroom facilities on the lower levels of the building for use by occupants of the office building, other nearby City departments, and the public.

- Provide and activate publicly-accessible open space areas, including a mid-block pedestrian connection, with regular civic programming and other public events.

- Provide an early childcare facility primarily for use by City employees.

Goodwill SF Urban Development, LLC has developed the following objectives for the proposed Retail/Residential Building aspect of the Project:

- Redevelop a large underused site at a prominent location in the downtown area that will serve as an iconic addition to the City's skyline and a gateway to the Civic Center and that will include a range of residential unit types and neighborhood serving retail uses.

- Build a substantial number of dwelling units on the site, including 20 percent to be affordable to residents earning a maximum of 50 percent of the average median income, to contribute to the City's *General Plan* Housing Element goals, and the Association of Bay Area Governments' Regional Housing Needs Allocation for the City.

- Assist the City in fulfilling its objectives associated with the construction of a new City office building and one-stop permit center on a portion of the site not developed with residential and retail uses and that can be subdivided as a separate legal parcel and conveyed to the City.

- Create a mixed-use project generally consistent with the land use, housing, open space and other objectives and policies of the Market & Octavia Area Plan.

- Provide commercial retail space of sufficient size to attract neighborhood-serving retail and personal services that are not currently offered in the immediate vicinity for project residents, area residents, and the public, such as one or more restaurants and a market.

- Retain portions of the former Coca-Cola Bottling Co. building, including the original clock tower and elements of the facades along Mission and 11th Streets that contribute to the Streamline Moderne character-defining features of the building.

- Develop a project that is economically feasible, able to attract equity and debt financing, and that will create a reasonable financial return to the project sponsor.

C. Project Approvals

The Project requires the following Board of Supervisors approvals:

- Zoning Map amendments to change the site's height and bulk district designations and to add the newly created 1500 Mission Special Use District, and *General Plan* amendments to amend Map 3 (height districts) of the Market & Octavia Area Plan and Map 5 (height and bulk districts) of the Downtown Plan

- *Planning Code* amendments to create the 1500 Mission Special Use District, which would supersede the project site's current Van Ness & Market Downtown Residential Special Use District, to permit office uses on the ground floor and above the fourth floor and allow parking for the City's fleet vehicles, and to amend Section 270 regarding bulk limits by creating a new Subsection 270(g)

- Ratification of the City's conditional agreement to purchase the office building component
- Approvals for construction within the public right-of-way (e.g., sidewalk wind screens and benches) on Mission and 11th Street and South Van Ness Avenue

The Project requires the following Planning Commission approvals:

- Certification of the Final EIR
- Zoning Map amendments to change the site's height and bulk district designations and to add the newly created 1500 Mission Special Use District, and General Plan amendments to amend Map 3 (height districts) of the Market & Octavia Area Plan and Map 5 (height and bulk districts) of the Downtown Plan (recommendation to the Board of Supervisors)
- *Planning Code* amendments to create the 1500 Mission Special Use District, which would supersede the project site's current Van Ness & Market Downtown Residential Special Use District, to permit office uses on the ground floor and above the fourth floor and allow parking for the City's fleet vehicles, and to amend Section 270 regarding bulk limits by creating a new Subsection 270(g) (recommendation to the Board of Supervisors)
- Downtown Project Authorization (*Planning Code* Section 309), including exceptions to the requirement to eliminate existing and new exceedances of the pedestrian wind comfort criterion of Section 148, and the requirement for off-street freight-loading spaces for the residential building of Section 152.1 (four spaces required, three proposed)
- Findings, upon the recommendation of the Recreation and Park General Manager and/or Commission, that new shadow would not adversely affect public open spaces under Recreation and Park Commission jurisdiction (*Planning Code* Section 295)

Actions by Other City Departments and State Agencies

- Demolition, grading, building and occupancy permits (Department of Building Inspection)
- Approval of lot merger and subdivision applications; minor or major street encroachment permits for construction within the public right-of-way (e.g., wind canopy, sidewalk wind screens and benches) on Mission and 11th Street and on South Van Ness Avenue (San Francisco Public Works)
- Approval of placement of bicycle racks on the sidewalk and other sidewalk improvements; approval of construction within the public right of way; approval of the on-street commercial (yellow zone) and passenger (white zone) loading spaces proposed on South Van Ness Avenue and on 11th Street (San Francisco Municipal Transportation Agency)
- Approval of sewer connections, relocations and changes; approval of Erosion and Sediment Control Plan; approval of post-construction stormwater design guidelines (San Francisco Public Utilities Commission)
- Determination and recommendation to the Planning Commission that shadow would not adversely affect open spaces under Commission jurisdiction (San Francisco Recreation and Park Commission)

- Approval of Enhanced Ventilation Proposal, as well as Dust Control Plan for construction-period activities (San Francisco Department of Public Health)

- Issuance of permits for installation and operation of emergency generator (Bay Area Air Quality Management District)

D. Environmental Review

The Project Sponsor submitted an Environmental Evaluation Application for the Project on October 14, 2014. On May 13, 2015, the Department published a Notice of Preparation of Environmental Impact Report and Notice of Public Scoping Meeting ("NOP"). Publication of the NOP initiated a 30-day public review and comment period that began on May 13, 2015 and ended on June 15, 2015. On June 2, 2015, the Department held a public scoping meeting regarding the Project.

On November 9, 2016, the Department published the Draft Environmental Impact Report (hereinafter "DEIR"), including the Initial Study ("IS"), and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.

Notices of availability of the DEIR and of the date and time of the public hearing were posted near the Project Site by the Project Sponsor on November 9, 2016.

On November 9, 2016, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.

Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on November 9, 2016.

The Commission held a duly advertised public hearing on the DEIR on December 15, 2016, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for commenting on the EIR ended on January 4, 2017.

The Department prepared responses to comments on environmental issues received during the 45 day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected clerical errors in the DEIR. This material was presented in a Responses to Comments document, published on March 8, 2017, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.

A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Responses to Comments document all as required by law. The IS is included as Appendix A to the DEIR and is incorporated by reference thereto.

Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.

On March 23, 2017, the Commission reviewed and considered the FEIR and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. The FEIR was certified by the Commission on March 23, 2017 by adoption of its Motion No. [ ].

E. Content and Location of Record

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

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

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

F. Findings about Environmental Impacts and Mitigation Measures

The following Sections II, III and IV set forth the Commission's findings about the FEIR's determinations regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide the written analysis and conclusions of the Commission regarding the environmental impacts of the Project and the mitigation measures included as part of the FEIR and adopted by the Commission as part of the Project. To avoid duplication and redundancy, and because the Commission agrees with, and hereby adopts, the conclusions in the FEIR, these findings will not repeat the analysis and conclusions in the FEIR but instead incorporate them by reference and rely upon them as substantial evidence supporting these findings.

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

These findings do not attempt to describe the full analysis of each environmental impact contained in the FEIR. Instead, a full explanation of these environmental findings and conclusions can be found in the FEIR, and these findings hereby incorporate by reference the discussion and analysis in the FEIR supporting the determination regarding the project impact and mitigation measures designed to address those impacts. In making these findings, the Commission ratifies, adopts and incorporates in these findings the determinations and conclusions of the FEIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings, and relies upon them as substantial evidence supporting these findings.

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

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

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

II. LESS-THAN-SIGNIFICANT IMPACTS

The FEIR finds that implementation of the Project would result in less-than-significant impacts or less-than-significant impacts with mitigation in the following environmental topic areas: Land Use and Land Use Planning, Population and Housing, Noise, Greenhouse Gas Emissions, Recreation, Utilities and Services Systems, Public Services, Biological Resources, Geology and Soils, Hydrology and Water

Quality, Hazards and Hazardous Materials, Mineral and Energy Resources, and Agriculture and Forest Resources.

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

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

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible. The findings in this section concern 16 potential impacts and mitigation measures proposed in the IS and/or FEIR. These mitigation measures are included in the MMRP. A copy of the MMRP is included as Attachment B to the Planning Commission Motion adopting these findings.

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

Additionally, the required mitigation measures are fully enforceable and are included as conditions of approval in the Planning Commission's Downtown Project Authorization under Planning Code Section 309 and also will be enforced through conditions of approval in any building permits issued for the Project by the San Francisco Department of Building Inspection. With the required mitigation measures, these Project impacts would be avoided or reduced to a less-than-significant level. The Planning Commission finds that the mitigation measures presented in the MMRP are feasible and shall be adopted as conditions of project approval.

The following mitigation measures would be required to reduce 16 impacts identified in the Initial Study and/or FEIR to a less-than-significant level:

Impacts to Cultural Resources

- **Impact CR-4:** The proposed Project could cause a substantial adverse change in the significance of an archeological resource pursuant to Section 15064.5(f). With implementation of Mitigation Measure M-CR-4 (Archeological Testing Program), Impact CR-4 is reduced to a less-than-significant level.
- **Impact CR-5:** The proposed Project could result in a substantial adverse change in the significance of a tribal cultural resource. With implementation of Mitigation Measure M-CR-5 (Tribal Cultural Resources Interpretive Program), Impact CR-5 is reduced to a less-than-significant level.
- **Impact CR-6:** The proposed Project could disturb human remains, including those interred outside of formal cemeteries. With implementation of Mitigation Measure M-CR-6 (Inadvertent Discovery of Human Remains), Impact CR-6 is reduced to a less-than-significant level.

Impacts to Transportation and Circulation

- **Impact TR-3:** The proposed Project could cause a substantial increase in delays or operating costs such that significant adverse impacts to local or regional transit service could occur. With implementation of Mitigation Measure M-TR-3 (Avoidance of Conflicts Associated with On-Site Loading Operations), Impact TR-3 is reduced to a less-than-significant level.
- **Impact TR-4:** The proposed Project could create potential hazardous conditions for pedestrians, and otherwise interfere with pedestrian accessibility to the site and adjoining areas. With implementation of Mitigation Measure M-TR-3 (Avoidance of Conflicts Associated with On-Site Loading Operations), Impact TR-4 is reduced to a less-than-significant level.
- **Impact TR-5:** The proposed Project could result in potentially hazardous conditions for bicyclists, or otherwise substantially interfere with bicycle accessibility to the site and adjoining areas. With implementation of Mitigation Measure M-TR-3 (Avoidance of Conflicts Associated with On-Site Loading Operations), Impact TR-5 is reduced to a less-than-significant level.
- **Impact TR-6:** The proposed Project could create potentially hazardous conditions or significant delays for traffic, transit, bicyclists, or pedestrians associated with loading activities. With implementation of Mitigation Measure M-TR-3 (Avoidance of Conflicts Associated with On-Site Loading Operations), Impact TR-6 is reduced to a less-than-significant level.
- **Impact C-TR-5:** The proposed Project, in combination with other past, present, and reasonably foreseeable future projects, could result in cumulative bicycle impacts. With implementation of Mitigation Measure M-TR-3 (Avoidance of Conflicts Associated with On-Site Loading Operations), Impact C-TR-5 is reduced to a less-than-significant level.

Impacts to Air Quality

- **Impact AQ-3:** The proposed Project would generate toxic air contaminants, including diesel particulate matter, exposing sensitive receptors to substantial air pollutant concentrations. With implementation of Mitigation Measure M-AQ-3a (Construction Air Quality) and Mitigation Measure M-AQ-3b (Diesel Generator Specifications), Impact AQ-3 is reduced to a less-than-significant level.
- **Impact C-AQ-2:** The proposed Project could result in a considerable contribution to cumulative increases in short- and long-term exposures to toxic air contaminants. With implementation of Mitigation Measure M-AQ-3a (Construction Air Quality) and Mitigation Measure M-AQ-3b (Diesel Generator Specifications), Impact C-AQ-2 is reduced to a less-than-significant level.

Impacts to Noise

- **Impact NO-2:** The proposed Project could result in a substantial temporary or periodic increase in ambient noise and vibration in the project vicinity above levels existing without the Project during construction. With implementation of Mitigation Measure M-NO-2 (Construction Related Noise Reduction), Impact NO-2 is reduced to a less-than-significant level.
- **Impact C-NO-1:** The proposed Project, in combination with past, present, and reasonably foreseeable future projects, could result in a considerable contribution to cumulative impacts related to construction noise. With implementation of Mitigation Measure M-NO-2 (Construction Related Noise Reduction), Impact C-NO-1 is reduced to a less-than-significant level.

Impacts to Geology and Soils

- **Impact GE-6:** The proposed Project could directly or indirectly destroy a unique paleontological resource or site or unique geologic feature. With implementation of Mitigation Measure M-GE-6 (Inadvertent Discovery of Paleontological Resources), Impact GE-6 is reduced to a less-than-significant level.

Impacts to Hazards and Hazardous Materials

- **Impact HZ-2:** The proposed Project could create a significant hazard to the public or the environment through reasonably foreseeable conditions involving the release of hazardous materials into the environment. With implementation of Mitigation Measure M-HZ-2 (Hazardous Building Materials Abatement), Impact HZ-2 is reduced to a less-than-significant level.
- **Impact HZ-3:** The proposed Project could emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within a quarter-mile of an existing or proposed school. With implementation of Mitigation Measure M-HZ-2 (Hazardous Building Materials Abatement), Impact HZ-3 is reduced to a less-than-significant level.
- **Impact C-HZ-1:** The proposed Project, in combination with past, present, and reasonably foreseeable future projects, could result in a considerable contribution to cumulative impacts related to hazardous materials. With implementation of Mitigation Measure M-HZ-2 (Hazardous Building Materials Abatement), Impact C-HZ-1 is reduced to a less-than-significant level.

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

Based on substantial evidence in the whole record of these proceedings, the Planning Commission finds that there are significant project-specific and cumulative impacts that would not be eliminated or reduced to an insignificant level by the mitigation measures listed in the MMRP. The FEIR identifies one significant and unavoidable impact on cultural resources, and one significant and unavoidable impact on transportation and circulation. The FEIR also identifies that cumulative wind conditions would be altered in a manner that substantially affects the use of public areas in the vicinity and that cumulative shadow conditions on a park or open space under the jurisdiction of the Recreation and Park Department would be substantially affected; however, the FEIR concludes that the Project's contribution is not cumulatively considerable and therefore the Project's cumulative wind and shadow impacts are less than significant.

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

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

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

Impacts to Cultural Resources – Impact CR-2

The proposed Project would demolish most of the historic 1500 Mission Street building, which would cause a substantial adverse change in the significance of a historical resource, as defined in CEQA Guidelines Section 15064.5(b). No feasible mitigation measures were identified that would reduce this impact to a less than significant level after consideration of several potential mitigation measures. The Project Sponsor has agreed to implement four mitigation measures, as follows:

- Mitigation Measure M-CR-2a (Documentation);
- Mitigation Measure M-CR-2b (Historic Preservation Plan and Protective Measures);
- Mitigation Measure M-CR-2c (Video Recordation of the Historic Resource);
- Mitigation Measure M-CR-2d (Historic Resource Interpretation)

The Commission finds that, for the reasons set forth in the FEIR, although implementation of Mitigation Measures M-CR-2a, M-CR-2b, M-CR-2c and M-CR-2d would reduce the cultural resources impact of demolition of the 1500 Mission Street building, this impact would nevertheless remain significant and unavoidable.

Impacts to Transportation and Circulation – Impact C-TR-8

The proposed Project, combined with past, present, and reasonably foreseeable future projects, would contribute considerably to significant cumulative construction-related transportation impacts. No feasible mitigation measures were identified that would reduce this impact to a less than significant level after consideration of several potential mitigation measures. The Project Sponsor has agreed to implement one mitigation measure, as follows:

- Mitigation Measure M-C-TR-8 (Construction Coordination)

The Commission finds that, for the reasons set forth in the FEIR, although implementation of Mitigation Measure M-C-TR-8 would reduce the cumulative transportation and circulation impact of the construction phase of the Project, this impact would nevertheless remain significant and unavoidable.

V. EVALUATION OF PROJECT ALTERNATIVES

A. Alternatives Analyzed in the FEIR

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

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

B. Reasons for Approving the Project

Retail/Residential Building Component

- To redevelop a large underused site at a prominent location in the downtown area that will serve as an iconic addition to the City's skyline and a gateway to the Civic Center and that will include a range of residential unit types and neighborhood serving retail uses.
- To assist the City with the construction of a new City office building and one-stop permit center on a portion of the site not developed with residential and retail uses and that can be subdivided as a separate legal parcel and conveyed to the City.
- To build a substantial number of residential dwelling units on the site to contribute to the City's General Plan Housing Element goals and ABAG's Regional Housing Needs Allocation for the City and County of San Francisco.
- To create a mixed-use project generally consistent with the land use, housing, open space and other objectives and policies of the Market & Octavia Area Plan.

- To provide commercial retail space of sufficient size to attract neighborhood-serving retail and personal services that are not currently offered in the immediate vicinity for project residents, area residents, and the public, such as one or more restaurants and a market.

- To retain portions of the former Coca-Cola Bottling Co. building, including the original clock tower and elements of the facades along Mission and 11th Streets that contribute to the Streamline Moderne character-defining features of the building.

City Office Building Component

- To develop a new, seismically-sound, Class-A, LEED Gold City office building of enough size to accommodate several interdependent City departments currently housed in disparate buildings around the Civic Center, into a single building to foster interagency cooperation, and located in close proximity to mass transit.

- To allow for a one-stop permit center to centralize permitting functions for enhanced customer service and streamlined operations on a single floor.

- To construct shared conference, meeting, training, and boardroom facilities on the lower levels of the building for use by occupants of the office building, other nearby City departments, and the public.

- To provide and activate publicly-accessible open space areas, including a mid-block pedestrian connection, with regular civic programming and other public events.

- To provide an early childcare facility primarily for use by City employees.

C. Evaluation of Project Alternatives

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

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

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

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

- **Code Compliant Alternative.** An alternative that would consider project development of the site compliant with the site's existing Height and Bulk districts was not considered for further analysis because existing zoning would not meet most of the basic project objectives, nor would it address several other City policy objectives, nor would it comply with the *Planning Code*.

- **Phased Construction Alternative.** An alternative that would stagger the construction of this project as well as the construction of cumulative projects within the cumulative environment (0.25 mile) was rejected as such a requirement would be infeasible.

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

1. No Project Alternative

Under the No Project Alternative, the Project Site would foreseeably remain in its existing condition. The buildings on the project site would not be altered, and the proposed 1,334,500 combined square feet of residential, office, retail, open space, and supporting uses would not be constructed. While Goodwill Industries would no longer use the site, the site could be occupied with similar uses of office, retail and warehouse uses. The two-story, 29,000-square-foot building located at 1580 Mission Street would remain as retail uses on the ground level with offices above; and the approximately 57,000-square-foot, largely single-story building at 1500 Mission Street would continue to be used as a warehouse. Building heights on the site would not be increased and public parking would also remain unaltered.

This alternative would not preclude development of another project on the project site should such a proposal be put forth by the project sponsor or another entity. However, it would be speculative to set forth such an alternative project at this time.

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

1) The No Project Alternative would not meet any of the Project Sponsor's or City's objectives;

2) The No Project Alternative would be inconsistent with key goals of the General Plan with respect to housing production. With no new housing created here and no construction, the No Project Alternative would not increase the City's housing stock of both market rate and affordable housing, would not create new job opportunities for construction workers, and would not expand the City's property tax base.

3) The No Project Alternative would leave the Project Site physically unchanged, and thus would not achieve any of the objectives regarding the redevelopment of a large underutilized site (primarily consisting of obsolete warehouses and a surface parking lot), creation of a mixed-use project that provides a substantial number of new residential dwelling units and affordable housing, and creation of a City office building in immediate proximity to mass transit and existing City offices and services in the Civic Center.

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

2. Partial Preservation Alternative

The Partial Preservation Alternative would develop a similar program to that of the proposed Project, but would retain the entirety of both the Mission Street and 11th Street façades of the 1500 Mission Street building as part of the office space development. The approximately 42,000 square foot permit center would be housed within the ground floor of the existing building. The Partial Preservation Alternative would maintain most of the exterior character-defining features of the existing building.

The Partial Preservation Alternative would provide a residential and retail/restaurant component on a reduced footprint, as compared to the proposed project, and the 1500 Mission Street building would be retained along the entire length of its Mission and 11th Street facades. The residential tower would remain at the same location as under the proposed project, at the corner of Mission Street and South Van Ness Avenue, but the 10-story podium would not extend as far to the east of the 39-story tower as under the proposed project. This alternative would include approximately 511,500 square feet of residential space for 468 residential units, 82 units (15 percent) fewer than with the proposed project, and would provide approximately 35,900 square feet of retail/restaurant space (nearly 9,700 square feet of which would be restaurant), approximately 2,100 square feet (six percent) less than with the project. For the office tower, a new second story, set back approximately 38 feet from the Mission Street façade, would be added directly behind the clock tower of the 1500 Mission Street building.

The office tower would then step up to seven stories behind the portion of the existing building that would be retained, at a distance of approximately 110 feet from the Mission Street façade (90 feet from the rear elevation of the clock tower), and then up to 16 stories at the rear of the building. The new tower would be setback approximately 29 feet from the existing 11th Street façade. As with the proposed project, this alternative would also provide an approximately 4,400-square-foot childcare facility. This alternative would provide approximately 455,600 square feet of office space, or 5,800 square feet (one percent) more than with the project, including the permit center within the retained 1500 Mission Street building. Access to below-grade parking, which would contain 332 parking spaces (21 percent fewer parking spaces than the proposed project), would be provided via two ramps accessible from 11th Street—one for the office and permit center component at the northeast corner of the project site and one for the residential and retail/restaurant component located four bays south of the office and permit center ramp.

This alternative would reduce but not eliminate the significant and unavoidable impacts on historical resources and transportation and circulation. Additionally, this alternative meets many but not all of the Project Sponsor's and City's objectives. Specifically, while this alternative provides the ability to redevelop the underutilized site, it reduces the number of residential units by 16% and the retail/restaurant space by 6%.

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

1) The Partial Preservation Alternative would limit the Project to 468 dwelling units; whereas the proposed Project would provide up to 550 units to the City's housing stock and maximize the

creation of new residential units. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan is to increase the housing stock whenever possible to address a shortage of housing in the City.

2) The Partial Preservation Alternative would also limit the Project to 94 total affordable units; whereas the proposed Project would provide up to 110 affordable units to the City's stock of affordable housing and contribute to the City's Inclusionary Housing Program. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan is to increase the affordable housing stock whenever possible to address a shortage of housing in the City.

3) The Partial Preservation Alternative would create a project that would not fully utilize this site for housing production, thereby not fully satisfying General Plan policies such as Housing Element Policies 1.1 and 1.4, among others. The alternative would not further the City's housing policies to create more housing, particularly affordable housing opportunities as well as the proposed Project does, and would not remove all significant unavailable impacts.

4) Construction of the Partial Preservation Alternative would be more complicated, less efficient and more expensive to construct than the Proposed Project for the following reasons:

- The Partial Preservation Alternative results in a significantly lower housing unit count due to the reduced residential footprint.
- The reduced residential footprint also creates much less efficient residential floor plates, as the highly efficient Mission Street podium wing would be removed from the residential tower but the building core must stay the same.
- In order to preserve a larger portion of the 1500 Mission building, the foundation underneath the building would need to be rebuilt and reinforced in order to partially support the adjoining towers, and it would be expensive to undertake this work while the existing building remains intact.
- In order to retain the warehouse portion of the 1500 Mission Street building while also providing for vehicular access to both the office and residential subterranean garages, the existing facades, superstructure (columns and trusses) and roof would need to be reinforced and new vehicular access ramps from 11th Street would have to be constructed through and under the 11th Street façade, rather than built as part of new construction as contemplated in the Proposed Project.
- In order to achieve sufficient residential parking spaces, an easement would need to be granted from the Office Building to the Residential Building to allow a portion of the residential parking to be located in the existing basement of the 1500 Mission Street building. In order to connect the two basements, a tunnel would need to be created and mechanical stackers would need to be added to provide necessary parking thereby increasing the construction costs. In addition, deeper excavation would be needed to accommodate these mechanical stackers.
- Despite the reduction of residential square footage, there is relatively little reduction in general contractor's staff or general requirements given the scale and complexity of development.
- Despite the reduction of residential square footage, the costs for vertical circulation (stairs, elevators) remain nearly the same.

- Residential building façade surface area does not decrease proportionally to the decrease in residential square footage, which creates a relatively higher façade cost per residential unit.
- Despite the reduction of residential square footage, all large MEP equipment would remain nearly the same as the Proposed Project.

5) The residential/retail component of the Partial Preservation Alternative is economically infeasible. Large development projects are capital-intensive and depend on obtaining financing from equity investors to cover a significant portion of the project's costs, obtain a construction loan for the bulk of construction costs, and provide significant costs out-of-pocket. Equity investors require a certain profit margin to finance development projects and must achieve established targets for their internal rate of return and return multiple on the investment. Because the Partial Preservation Alternative would result in a project that is significantly smaller than the Project, and contains 92 fewer residential units, the total potential for generating revenue is lower while the construction cost per square foot is higher due to lower economies of scale and the impact of fixed project costs associated with development. The reduced unit count would not generate a sufficient economic return to obtain financing and allow development of the proposed Project and therefore would not be built.

Seifel Consulting, Inc., a qualified real estate economics firm, prepared on behalf of the Project sponsor a memorandum entitled "Financial Feasibility Analysis of 1500 Mission Street Project", which is included in the record and is incorporated herein by reference. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in the Partial Preservation Alternative negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Project. The memorandum concludes that the Partial Preservation Alternative is not financially feasible because the development costs for the Partial Preservation Alternative significantly exceed potential revenues, resulting in a negative developer margin or return.

Specifically, implementation of the Partial Preservation Alternative for apartment development would result in total development costs of $344,224,000 million and result in a total value of $341,551,000 million, resulting in negative $2,673,000 net developer margin or return. In addition, the Reduced Density Alternative does not meet either of the return thresholds as measured by Yield On Cost or Return on Cost. Similarly, implementation of the Partial Preservation Alternative as a condominium development rather than a rental project would also result in a negative net developer margin or return ($55,466,000 million) and would fail to meet either of the return thresholds.

The Planning Department engaged Strategic Economics, a qualified real estate economics firm, to independently review the Seifel Consulting analysis of the financial feasibility of the residential/retail component of the Partial Preservation Alternatives on behalf of the City. Strategic Economics produced a memorandum entitled "Peer Review of 1500 Mission Pro Forma," which is included in the record and is incorporated herein by reference. Strategic Economics verified that the methodology and assumptions used by Seifel Consulting were reasonable and verified the conclusion of the Seifel Consulting analysis that the residential/retail component of the Partial Preservation Alternative is financially infeasible.

6) The office component of the Partial Preservation Alternative is also economically infeasible. The City's Real Estate Division prepared an analysis of the Partial Preservation Alternative's

ability to meet the City's programmatic objectives, policies, requirements and financial feasibility, which is included in the record and is incorporated herein by reference. In December 2014, the City's Board of Supervisors approved a conditional Purchase and Sale Agreement ("PSA"), which contains an Approved Project Budget of $326.7 million. The Partial Preservation Alternative would increase the Approved Project Budget by $47 million, whereas the proposed Project would be developed at or below the Approved Project Budget. This renders the Partial Preservation Alternative economically infeasible for the City, given the City's other fiscal needs. Additionally, the Partial Preservation Alternative is infeasible in its failure to meet the City's objectives for the development Project as well as the proposed Project does. In particular, the Partial Preservation Alternative makes achieving the City's seismic and environmental policy goals more difficult and expensive by requiring retention of larger portions of existing buildings that are outdated, inefficient and environmentally unsound. The Partial Preservation Alternative also would significantly reduce available parking for City fleet vehicles and visitors to the permit center.

7) The Partial Preservation Alternative would create a project with fewer housing units in an area well-served by transit, services and shopping and adjacent to employment opportunities which would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Partial Preservation Alternative not meeting, to the same degree as the Project, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the Bay Area Air Quality Management District's ("BAAQMD") requirements for a GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options.

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

3. Full Preservation Alternative

The Full Preservation Alternative would be similar to the Partial Preservation Alternative; however, the office tower would be set back approximately 59 feet from the 11th Street façade of the 1500 Mission Street building, or more than twice the setback of the Partial Preservation Alternative. Also, in addition to preserving exterior features of the existing 1500 Mission Street building, this alternative would retain a substantial portion of the industrial warehouse section of the building, including wire glass skylights, exposed steel truss work/structural framing, unfinished concrete floor, and full-height interior space that would remain intact as part of the first floor permit center within the office building. The Full Preservation Alternative would retain the Mission and 11th Street facades of the existing 1500 Mission Street building in their entirety, and a new office tower would be constructed at the rear northwest corner of the existing building. All of the character-defining features on these two facades, and for the majority of the building, would be retained.

The Full Preservation Alternative would provide a residential and retail/restaurant component on a reduced footprint as compared to the proposed project (the same as with the Partial Preservation Alternative). Like the Partial Preservation Alternative, the Full Preservation Alternative would provide approximately 35,900 square feet of retail/restaurant space and 511,500 square feet of residential space that would accommodate 468 units. Under this alternative, an office tower would be set back approximately 59 feet from the 11th Street facade, or just over twice the setback in the Partial Preservation Alternative. Unlike the Partial Preservation Alternative, there would be no second floor addition behind

the clock tower, so the setback of the office tower would be approximately 111 feet from the Mission Street elevation (about 90 feet from the rear elevation of the clock tower).

The office tower, at the northeast corner of the building, would step up to 9 stories (compared to seven stories with the Partial Preservation Alternative), and then up to 16 stories at the rear of the building, beginning about 180 feet back from the Mission Street façade. This alternative would provide approximately 452,400 square feet of office space, 2,600 square feet (0.6 percent) more than with the proposed project, including the permit center within the retained portion of the 1500 Mission Street building, but no childcare facility due to the lack of available space for required childcare open spaces. As with the Partial Preservation Alternative, access to below-grade parking, which would contain 142 parking spaces (66 percent fewer parking spaces than the proposed project), would be provided via two ramps accessible from 11th Street, one for the office and permit center component at the northeast corner of the project site and one for the residential and retail/restaurant component located four bays south of the office and permit center ramp. This alternative would have one basement level of parking compared to the Partial Preservation Alternative, which would have two below-grade levels of parking.

The Planning Commission rejects the Full Preservation Alternative as infeasible because it would not eliminate all of the significant unavoidable individual impacts of the proposed Project and it would not meet the Project Objectives or City policy objectives for reasons including, but not limited to, the following:

1) The Full Preservation Alternative would limit the Project to 468 dwelling units; whereas the proposed Project would provide 550 units to the City's housing stock. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan is to increase the housing stock whenever possible to address a shortage of housing in the City.

2) The Full Preservation Alternative would also limit the Project to 94 total affordable units; whereas the proposed Project would provide up to 110 affordable units to the City's stock of affordable housing and contribute to the City's Inclusionary Housing Program. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan is to increase the affordable housing stock whenever possible to address a shortage of housing in the City.

3) The Full Preservation Alternative would create a project that would not fully utilize this site for housing production, thereby not fully satisfying General Plan policies such as Housing Element Policies 1.1 and 1.4, among others. The alternative would not create a project that is consistent with and enhances the existing scale and urban design character of the area or furthers the City's housing policies to create more housing, particularly affordable housing opportunities, and would not remove all significant unavailable impacts.

4) Construction of the Full Preservation Alternative would be more complicated, less efficient and more expensive to construct than the Proposed Project for the following reasons:

   - The Full Preservation Alternative results in a significantly lower housing unit count due to the reduced residential footprint.
   - The reduced residential footprint also creates much less efficient residential floor plates, as the highly efficient Mission Street podium wing would be removed from the residential tower but the building core must stay the same.

- In order to preserve a larger portion of the 1500 Mission building, the foundation underneath the building would need to be rebuilt and reinforced in order to partially support the adjoining towers, and it would be expensive to undertake this work while the existing building remains intact.
- In order to retain the warehouse portion of the 1500 Mission Street building while also providing for vehicular access to both the office and residential subterranean garages, the existing facades, superstructure (columns and trusses) and roof would need to be reinforced and new vehicular access ramps from 11th Street would have to be constructed through and under the 11th Street façade, rather than built as part of new construction as contemplated in the Proposed Project.
- In order to achieve sufficient residential parking spaces, an easement would need to be granted from the Office Building to the Residential Building to allow a portion of the residential parking to be located in the existing basement of the 1500 Mission Street building. In order to connect the two basements, a tunnel would need to be created and mechanical stackers would need to be added to provide necessary parking thereby increasing the construction costs. In addition, deeper excavation would be needed to accommodate these mechanical stackers.
- Despite the reduction of residential square footage, there is relatively little reduction in general contractor's staff or general requirements given the scale and complexity of development.
- Despite the reduction of residential square footage, the costs for vertical circulation (stairs, elevators) remain nearly the same.
- Residential building façade surface area does not decrease proportionally to the decrease in residential square footage, which creates a relatively higher façade cost per residential unit.
- Despite the reduction of residential square footage, all large MEP equipment would remain nearly the same as the Proposed Project.
- In order to preserve most of the warehouse component of the 1500 Mission building, the entire foundation underneath the building would need to be underpinned, increasing the most expensive component of the temporary shoring system.
- To achieve the parking counts for the Residential Building, a larger easement from the Office Building would need to be granted and a greater perimeter of the 1500 Mission Street building would need to be underpinned, contributing to an overall greater cost per parking spot.

5) The residential/retail component of the Full Preservation Alternative is economically infeasible. Large development projects are capital-intensive and depend on obtaining financing from equity investors to cover a significant portion of the Project's costs, obtain a construction loan for the bulk of construction costs, and provide significant costs out-of-pocket. Equity investors require a certain profit margin to finance development projects and must achieve established targets for their internal rate of return and return multiple on the investment. Because the Full Preservation Alternative would result in a project that is significantly smaller than the Project, and contains 92 fewer residential units, the total potential for generating revenue is lower while the construction cost per square foot is higher due to lower economies of scale and the impact of fixed project costs associated with development. The reduced unit count would not generate a sufficient economic return to obtain financing and allow development of the proposed Project and therefore would not be built.

Seifel Consulting, Inc., a qualified real estate economics firm, prepared on behalf of the Project sponsor a memorandum entitled "Financial Feasibility Analysis of 1500 Mission Street Project", which is included in the record and is incorporated herein by reference. Given the significant fixed development costs (such as property acquisition and site improvement costs), the lower number of units in the Partial Preservation Alternative negatively impacts its financial viability, as there are fewer units over which these fixed development costs can be spread in comparison to the Project. The memorandum concludes that the Partial Preservation Alternative is not financially feasible because the development costs for the Partial Preservation Alternative significantly exceed potential revenues, resulting in a negative developer margin or return.

Specifically, implementation of the Full Preservation Alternative for apartment development would result in total development costs of $337,631,000 million and result in a total value of $329,048,000, negative ($8,583,000) million net developer margin or return. In addition, the Reduced Density Alternative does not meet either of the return thresholds as measured by Yield On Cost or Return on Cost. Similarly, implementation of the Full Preservation Alternative as a condominium development rather than a rental project would also result in a negative net developer margin or return ($55,602,000 million) and would fail to meet either of the return thresholds.

The Planning Department engaged Strategic Economics, a qualified real estate economics firm, to independently review the Seifel Consulting analysis of the financial feasibility of the residential/retail component of the Partial Preservation Alternatives on behalf of the City. Strategic Economics produced a memorandum entitled "Peer Review of 1500 Mission Pro Forma," which is included in the record and is incorporated herein by reference. Strategic Economics verified that the methodology and assumptions used by Seifel Consulting were reasonable and verified the conclusion of the Seifel Consulting analysis that the residential/retail component of the Partial Preservation Alternative is financially infeasible.

6) The office component of the Full Preservation Alternative is also economically infeasible. The City's Real Estate Division prepared an analysis of the Full Preservation Alternative's ability to meet the City's programmatic objectives, policies, requirements and financial feasibility, which is included in the record and is incorporated herein by reference. In December 2014, the City's Board of Supervisors approved a conditional Purchase and Sale Agreement ("PSA"), which contains an Approved Project Budget of $326.7 million. The Full Preservation Alternative would increase the Approved Project Budget by $49 million, whereas the proposed Project would be developed at or below the Approved Project Budget. This renders the Full Preservation Alternative economically infeasible for the City, given the City's other fiscal needs. Additionally, the Full Preservation Alternative is infeasible in its failure to meet the City's objectives for the development Project as well as the proposed Project does. In particular, the Full Preservation Alternative makes achieving the City's seismic and environmental policy goals more difficult and expensive by requiring retention of larger portions of existing buildings that are outdated, inefficient and environmentally unsound. The Full Preservation Alternative also would significantly reduce available parking for City fleet vehicles and visitors to the permit center and eliminate the on-site childcare facility proposed by the Project.

7) The Full Preservation Alternative would create a project with fewer housing units in an area well-served by transit, services and shopping and adjacent to employment opportunities which

would then push demand for residential development to other sites in the City or the Bay Area. This would result in the Full Preservation Alternative not meeting, to the same degree as the Project, the City's *Strategies to Address Greenhouse Gas Emissions* or CEQA and the Bay Area Air Quality Management District's ("BAAQMD") requirements for a GHG reductions, by not maximizing housing development in an area with abundant local and region-serving transit options.

For the foregoing reasons, the Planning Commission rejects the Full Preservation Alternative as infeasible.

4. All Residential Alternative

The All Residential Alternative would provide residential and retail uses in two proposed towers in approximately the same location as the towers in the proposed project. At complete buildout, Tower 1, located along South Van Ness and Mission Street would be 39 stories, consistent with the proposed project tower at this location, and Tower 2, located on 11th Street between Market and Mission Streets would be 30 stories, or 14 stories taller than the proposed project.

Tower 1 would provide 570 residential units in approximately 642,900 square feet, and approximately 38,400 square feet of retail space, as well as 298 below-grade parking spaces. Tower 2 would provide 406 residential units in approximately 395,500 square feet, along with 12,700 square feet of retail space, and 203 below-grade vehicle parking spaces. Under this alternative, Tower 1 would provide 570 units, 10 more than the proposed project, and Tower 2 would be entirely devoted to residential housing, providing 406 units with the additional square footage. In addition, 38,400 square feet of retail and restaurant uses would be provided in Tower 1, with an additional 12,700 square feet of similar uses in Tower 2.

Apart from modified building heights, this alternative would use the same buildout scope and design of the proposed project, and would provide approximately 416 more residential units for a total of 976 units, 20 percent of which would be affordable units. Under the All Residential Alternative, the project would provide no office or permit center. Like the Full Preservation Alternative, this alternative would also not provide a childcare facility. Access to below-grade parking, which would contain 501 parking spaces (19 percent greater parking spaces than the proposed project), would be available from two locations off of 11th Street.

The Planning Commission rejects the All Residential Alternative as infeasible because it would not eliminate any of the significant unavoidable individual impacts of the proposed Project and it would completely fail to meet any of the City's objectives for the construction of a new, one-stop permit center and City office building.

For the foregoing reasons, the Planning Commission rejects the All Residential Alternative as infeasible.

VI. STATEMENT OF OVERRIDING CONSIDERATIONS

The Planning Commission finds that, notwithstanding the imposition of all feasible mitigation measures, impacts related to Cultural and Historic Resources, and Transportation and Circulation, will remain significant and unavoidable. Pursuant to CEQA section 21081 and CEQA Guideline Section 15093, the Planning Commission hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the Project as set forth below independently and collectively outweighs these significant and unavoidable impacts

and is an overriding consideration warranting approval of the Project. Any one of the reasons for approval cited below is sufficient to justify approval of the Project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission will stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this Section, and in the documents found in the record, as defined in Section I.

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

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

The Project will have the following benefits:

1. The Project would add up to 550 dwelling units to the City's housing stock on a currently underutilized site. The City's important policy objective as expressed in Policy 1.1 of the Housing Element of the General Plan is to increase the housing stock whenever possible to address a shortage of housing in the City.

2. The Project would increase the stock of permanently affordable housing by creating approximately 110 units affordable to low-income households on-site.

3. The Project would provide a new City office building able to accommodate several interdependent City departments currently housed in disparate buildings around the Civic Center, as well as common training and conference facilities with the benefit of fostering interagency cooperation. Specifically, these at-grade conference and training facilities will activate the adjacent mid-block alley and facilitate use by occupants of the office building, other nearby City departments and the public, including public access into this area of the building after normal business hours.

4. The Project will provide a one-stop permit center to centralize permitting functions for enhanced customer service and streamlined operations. There are no other sites within the Civic Center area that offer the combination of geographic and functional benefits to the City that this particular site does. In particular, the Project Site is immediately adjacent to One South Van Ness, which houses an existing City office building, and can accommodate a physical connection to that building.

5. The City office building is fiscally prudent and will have a positive net present value over the next thirty years. In addition to lower operating expenses compared to current City office space or other alternatives (including the purchase of existing office space or other

newly constructed office space), the proposed City office building will also be more efficient and environmentally sustainable.

6. The Project promotes a number of General Plan Objectives and Policies, including Housing Element Policy 1.1, which provides that "Future housing policy and planning efforts must take into account the diverse needs for housing;" and Policies 11.1, 11.3 and 11.6, which "Support and respect the diverse and distinct character of San Francisco's Neighborhoods." San Francisco's housing policies and programs should provide strategies that promote housing at each income level, and furthermore identify sub-groups, such as middle income and extremely low income households that require specific housing policy. In addition to planning for affordability, the City should plan for housing that serves a variety of household types and sizes." The Project will provide a mix of housing types at this location, including studios and one-, two-, and three-bedroom units, increasing the diversity of housing types in this area of the City.

7. The Project adds nearly 38,000 gross square feet of neighborhood serving retail and restaurant space in an area with a growing residential and workplace population, consistent with the policies of the Downtown Area Plan and Market & Octavia Area Plan.

8. The Project provides both publicly accessible and/or common open space in excess of the amounts required by the Planning Code.

9. The Project provides an on-site child care facility.

10. The Project includes a massing scheme and wind reduction elements to avoid the creation of any new hazardous wind conditions on any nearby public sidewalks or seating areas.

11. The Project provides a total of 553 Class 1 secure indoor bicycle parking spaces, in excess of the number required by the Planning Code, and 67 Class 2 sidewalk bike rack spaces, encouraging residents and visitors to access the site by bicycle.

12. The Project meets the City's *Strategies to Address Greenhouse Gas Emissions* and the BAAQMD requirements for a GHG reductions by maximizing development on an infill site that is well-served by transit, services and shopping and is suited for dense residential development, where residents can commute and satisfy convenience needs without frequent use of a private automobile and is adjacent to employment opportunities, in an area with abundant local and region-serving transit options. The Project would leverage the site's location and proximity to transit by building a dense mixed-use project that allows people to live and work close to transit sources.

13. The Project promotes a number of Downtown Area Plan Objectives and Policies, including Policies 2.2 and 2.2, which further the Objective of maintaining and improving San Francisco's position as a prime location for financial, administrative, corporate and professional activity; Policy 5.1, which encourages providing space for commercial activities; and Policies 7.1 and 7.2, which further the Objective of expanding the supply of housing in and adjacent to Downtown. The Project also promotes a number of Market and Octavia Area Plan Objectives and Policies, including Objectives 2.3 and 2.4, which encourage increasing the existing housing stock, including for affordable units.

14. The Project promotes a number of City urban design and transportation policies, including: eliminating existing vehicular entrances/curb cuts on South Van Ness Avenue; avoiding all curb loading zones along the entire Mission Street frontage to accommodate SFMTA's transit and bicycle lanes plan for Mission Street; incorporating significant spacing between the building towers and articulating the massing of the Office Building component with a "Collaborative Seam.".

15. The Conditions of Approval for the Project include all the mitigation and improvement measures that would mitigate the Project's potentially significant impact to insignificant levels, except for its impacts on Cultural Resources and Transportation and Circulation. Although the Project demolishes most of the existing 1500 Mission Street building, it retains and rehabilitates some of that building's character defining features, including most of the Mission Street façade and the clock tower.

16. The Project will create temporary construction jobs and permanent jobs in the retail sector. These jobs will provide employment opportunities for San Francisco residents, promote the City's role as a commercial center, and provide additional payroll tax revenue to the City, providing direct and indirect economic benefits to the City.

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

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Planning Commission Resolution No. 19886

HEARING DATE: MARCH 23, 2017

Project Name:	1500 Mission Street (a.k.a Goodwill Site)
Case Number:	2014-000362ENVGPAPCAMAPDNXSHD
Project Sponsor:	Goodwill SF Urban Development, LLC c/o Matt Witte – (415) 677.9000 Related California 44 Montgomery Street, Suite 1050 San Francisco, CA 94104
Staff Contact:	Tina Chang, AICP tina.chang@sfgov.org, 415-575-9197

RESOLUTION RECOMMENDING TO THE BOARD OF SUPERVISORS THE APPROVAL OF AN AMENDMENT TO THE PLANNING CODE IN ORDER TO FACILITATE THE CONSOLIDATION OF CITY OFFICES INTO A SINGLE BUILDING AND ALLOW THE CREATION OF A RESIDENTIAL DEVELOPMENT THAT WOULD PROVIDE AFFORDABLE UNITS IN EXCESS OF THE CITY'S INCLUSIONARY AFFORDABLE HOUSING PROGRAM, INCLUDING 1) AN AMENDMENT OF THE PLANNING CODE TEXT TO ADD SECTION 249.XX TO ESTABLISH THE 1500 STREET SPECIAL USE DISTRICT AND AMEND SECTION 270 TO REGULATE BUILDING BULK WITHIN THE SPECIAL USE DISTRICT; 2) AMENDMENTS TO SPECIAL USE DISTRICT MAP SU07 AND HEIGHT AND BULK MAP HT07 TO REFLECT THE CREATION OF THE SPECIAL USE DISTRICT AND REDESIGNATE THE HEIGHT AND BULK OF ASSESSOR'S BLOCK 3506, LOT 006 AND 007, FROM 85-R-2, 85/250-R-2 AND 120/320-R-2 TO 85-X, 130/240-R-3 AND 130/400-R-3; MAKE AND ADOPT FINDINGS, INCLUDING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 AND FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

WHEREAS, Section 4.105 of the Charter of the City and County of San Francisco authorizes the Planning Commission to propose ordinances regulating or controlling the height, area, bulk, set-back, location, use or related aspects of any building, structure or land for Board of Supervisors' consideration and periodically recommend to the Board of Supervisors for approval or rejection proposed amendments to the General Plan; and

WHEREAS, the Planning Code and associated zoning maps implement goals, policies, and programs of the General Plan for the future physical development of the City and County of San Francisco that take into consideration social, economic and environmental factors; and

WHEREAS, the Planning Code and associated zoning maps shall be periodically amended in response to changing physical, social, economic, environmental or legislative conditions; and

WHEREAS, on April 29, 2015, Steve Vettel of Farella Braun & Martel on behalf of Goodwill SF Urban Development, LLC ("Project Sponsor") filed applications requesting a) approval of a Downtown Project Authorization pursuant to Section 309 of the San Francisco Planning Code; b) a Planning Code Text Amendment; and c) Zoning Map Amendments. On October 19, 2016, Mr. Vettel also submitted an application for a General Plan Amendment to facilitate the construction of a mixed-use project located at 1500 Mission Street ("Project") with 1) an approximately 264-foot tall that would consolidate office space for multiple City departments, including the Department of Building Inspection, SF Public Works, and the Planning Department; and 2) an approximately 400-foot tall building containing approximately 5550 dwelling units providing on-site inclusionary affordable dwellings units amounting to 20 percent of the total constructed units, in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) as described below along with a request to i) change the building height and bulk districts at the project site from 85-X, 85/250-R-2 and 120/320-R-2 to 85-X, 130/240-R-3 and 130/400-R-3; ii) amend Section 270 to add subsection (g) to modify bulk limits owing to the unique needs of the City's one-stop permit center and the locations windy conditions; iii.) allow for parking in excess of that which is currently permitted for the office use owing to the unique needs of the City's vehicular fleet; iv.) allow the City office component and residential component to permit separate parking and loading openings on the 11th street frontage no greater than 24 feet in width each; v.) allow office use above the fourth floor as a contingency should the City not occupy the office building; vi.) permit certain overhead projections intended primarily to reduce ground level wind speeds; and vi.) limit the maximum horizontal area required for Dwelling Unit Exposure requirements to 65 feet.

WHEREAS, on December 15, 2016, this Commission initiated these Planning Code Text and Zoning Map Amendments in its Motion No. 19822.

WHEREAS, on March 23, 2017, the Commission held a public hearing on this application to adopt Planning Code text amendments and Zoning Map amendments. [add standard public hearing language]

WHEREAS, the Project is located on the Mission Street transit corridor, and responds to the transit-rich location by proposing increased housing and employment on the Project site; and

WHEREAS, the project site is located within the Hub Plan Area currently being studied by the Planning Department and is consistent with the proposed heights and bulks associated with the Hub Project; and

WHEREAS, San Francisco faces a continuing shortage of affordable housing low-income residents. The San Francisco Planning Department reported that for the five-year period between 2005 and 2009, 14,397, total new housing units were built in San Francisco. This number includes 3,707 units for low and very low-income households out of a total need of 6,815 low and very low-income housing units for the same period. According to the state Department of Housing and Community Development, there will be a regional need for 214,500 new housing units in the nine Bay Area counties from 2007 to 2014. Of that amount, over 58%, or 125,258 units, are needed for moderate/middle, low and very low-income households. The Association of Bay Area Governments (ABAG) is responsible for allocating the total regional need numbers among its member governments which includes both counties and cities. ABAG estimated that San Francisco's low and very low-income housing production need from 2007 through 2014 is 12,124 units out of a total new housing need of 31,193 units, or 39 percent of all units built. The production of low and moderate/middle income units fell short of the ABAG goals; and

WHEREAS, the 2015 Consolidated Plan for July 1, 2015 to June 30, 2020, issued by the Mayor's Office of Housing, establishes that extreme housing pressures face San Francisco, particularly in regard to low- and moderate/middle-income residents. Many elements constrain housing production in the City. This is especially true of affordable housing. San Francisco is largely built out, with very few large open tracts of land to develop. There is no available adjacent land to be annexed, as the cities located on San Francisco's southern border are also dense urban areas. Thus new construction of housing is limited to areas of the City not previously designated as residential areas, infill sites, or to areas with increased density. New market-rate housing absorbs a significant amount of the remaining supply of land and other resources available for development and thus limits the supply of affordable housing; and

WHEREAS, the findings of former Planning Code Section 313.2 for the Jobs-Housing Linkage Program, now found in Planning Code Sections 413 *et seq.*, relating to the shortage of affordable housing, the low vacancy rate of housing affordable to persons of lower and moderate/middle income, and the decrease in construction of affordable housing in the City are hereby reaffirmed; and

WHEREAS, the Project would address the City's severe need for additional housing for low income households, by providing on-site inclusionary affordable dwellings units in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) through compliance with the terms of section 415 and additional affordable units included as part of a real estate conveyance with the City for the City Office building; and

WHEREAS, the Project provides a unique opportunity to satisfy the City and County of San Francisco's unmet office needs to provide a consolidated one-stop permit center; enhanced pedestrian connectivity via a mid-block public space and alley network extending from Mission Street to South Van Ness Avenue, and ground floor community event spaces; and

WHEREAS, the proposed City office building is fiscally prudent and has a positive net present value over the next thirty years. In addition to lower operating expenses compared to current assets or other alternatives (including the purchase of existing office space or other newly constructed office space), the project will also be more efficient and environmentally sustainable. Additional benefits are anticipated through enhanced inter-agency collaboration through colocation, a one-stop permit center, a connection to existing City offices at 1 South Van Ness, and employee and customer efficiencies given proximity to other government offices in the Civic Center area. The Project would address the City's severe need for additional housing for low income households, by providing on-site inclusionary affordable dwellings units in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415) as described above; and

WHEREAS, the proposed General Plan Amendment and Special Use District would not result in increased development potential from what is permitted under the existing height and bulk districts; and

WHEREAS, the Project proposes neighborhood-serving amenities, such as new ground floor retail; proposes new publicly accessible open space, improved pedestrian connectivity, enhanced public service and incorporation of sustainability features into the Project; and

WHEREAS, the City Attorney's Office drafted a Proposed Ordinance to make the necessary amendments to the Planning Code related to creation of a special use district, modification of bulk controls applicable

to the project site, and revision to the Zoning Map SU07 and H07 to implement the Project. The Office of the City Attorney approved the Proposed Ordinance as to form; and

WHEREAS, on November 9, 2016, the Planning Department published a Draft Environmental Impact Report ("DEIR") for public review (Case No. 2014-000362ENV). The DEIR was available for public comment until January 4, 2017. On December 15, 2016, the Commission conducted a duly noticed public hearing at a 10:00 a.m. meeting to solicit comments regarding the DEIR. On March 9, 2017, the Department published a Comments and Responses document, responding to comments made regarding the DEIR prepared for the Project. Together, the Comments and Responses document and DEIR comprise the Final EIR ("FEIR"). On March 23, 2017, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to certify the FEIR; and

WHEREAS, on March 23, 2017, the Commission adopted the FEIR and the mitigation and improvement measures contained in the Mitigation Monitoring and Reporting Program ("MMRP"), attached as Attachment B of the CEQA Findings Motion No. 19884; and

WHEREAS, on March 23, 2017, the Commission made and adopted findings of fact and decisions regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. ("CEQA"), particularly Section 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Section 15000 et seq. ("CEQA Guidelines"), Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") by its Motion No. 19884. The Commission adopted these findings as required by CEQA, separate and apart from the Commission's certification of the Project's Final EIR, which the Commission certified prior to adopting these CEQA findings.

WHEREAS, 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 Planning Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Planning Department, Jonas Ionin (Commission Secretary) as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

RESOLVED, that pursuant to Planning Code Section 302, the Commission hereby recommends approval of the amendments to the Planning Code Text and Zoning Maps, and adopts this resolution to that effect;

AND BE IT FURTHER RESOLVED, that the findings set forth in the Downtown Project Authorization, Motion No. 19887 adopted by the Commission on this date are hereby incorporated by reference.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments and the record as a whole, including all information pertaining to the Project in the Planning Department's case files, this Commission finds, concludes, and determines as follows:

1. The Commission finds that the 1500 Mission Street Special Use District and the Project at 1500 Mission Street to be a beneficial development to the City that could not be accommodated without the actions requested.

2. The Commission made and adopted environmental findings by its Motion No. [ ], which are incorporated by reference as though fully set forth herein, regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Commission adopted these findings as required by CEQA, separate and apart from the Commission's certification of the Project's Final EIR, which the Commission certified prior to adopting the CEQA findings.

3. The Project would address the City's severe need for additional housing for very low, low and moderate income households, by providing on-site inclusionary affordable dwellings units in excess of the amounts required by the City's Inclusionary Affordable Housing Program (Planning Code section 415).

4. The proposed General Plan Amendment and Special Use District would deliver office space essential for the City's needs, enhance public service by providing a consolidated one-stop permit center, in close proximity to other government offices in the Civic Center Area and providing greater efficiency and convenience to members of the public, and offer a fiscally prudent and has lower operating expenses compared to current assets or other alternatives (including the purchase of existing office space or other newly constructed office space).

5. The Project proposes neighborhood-serving amenities, such as new ground floor retail, and pedestrian safety improvements to surrounding streets; proposes new publicly accessible open space; and would incorporate sustainability features into the Project.

6. The Planning Code and Zoning Map Amendments are necessary in order to approve the Project;

7. **General Plan Compliance.** The Project is, on balance, consistent with the Objectives and Policies of the General Plan, for the reasons set forth in the findings in the Downtown Project Authorization, Motion No. 19887, which are incorporated by reference as though fully set forth herein.

8. **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 complies with said policies, for the reasons set forth in the Downtown Project Authorization, Motion No. 19887 which are incorporated by reference as though fully set forth herein.

9. 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.

10. Based on the foregoing and in accordance with Section 302, the public necessity, convenience and general welfare require the proposed General Plan Amendment.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on March 23, 2017.

Jonas P. Ionin
Commission Secretary

AYES: Richards, Fong, Johnson, Koppel, Moore

NOES: None

ABSENT: Hillis, Melgar

ADOPTED: March 23, 2017

SAN FRANCISCO
PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ☒ Affordable Housing (Sec. 415)
- ☒ Transit Impact Dev't Fee (Sec. 411)
- ☒ Childcare Fee (Sec. 414)
- ☒ First Source Hiring (Admin. Code)
- ☒ Better Streets Plan (Sec. 138.1)
- ☒ Public Art (Sec. 429)

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Planning Commission Motion No. 19887

HEARING DATE: MARCH 23, 2017

Case No.:	2014-000362ENVGPAPCAMAPDNXSHD
Project Address:	1500 Mission Street
Current Zoning:	C-3-G (Downtown General) 120/320-R-2, 85-R-2 Height and Bulk Districts Van Ness & Market Downtown Residential Special Use District
Proposed Zoning	C-3-G (Downtown General) 130/240-R-3, 130/400-R-3, 85-X 1500 Mission Street Special Use District
Block/Lot:	3506/006, 007
Project Sponsor:	Matt Witte – (415) 653.3181 Related California 44 Montgomery Street, Suite 1300 San Francisco, CA 94104 San Francisco, CA 94104
Staff Contact:	Tina Chang – (415) 575-9197 Tina.Chang@sfgov.org

ADOPTING FINDINGS RELATED TO THE APPROVAL OF A SECTION 309 DETERMINATION OF COMPLIANCE AND REQUEST FOR EXCEPTIONS FOR REDUCTION OF GROUND-LEVEL WIND CURRENTS PER PLANNING CODE SECTION 148 AND OFF-STREET FREIGHT LOADING PER SECTION 161 TO DEMOLISH AN EXISTING 30-FOOT TALL 29,000 SQUARE FOOT BUILDING AT 1580 MISSION STREET, RETAIN AND REHABILITATE A PORTION OF AN EXISTING 28-FOOT TALL 57,000 SQUARE FOOT BUILDING AT 1500 MISSION STREET AND DEMOLISH THE REMAINDER OF THE 1500 MISSION STREET BUILDING AND THE NEW CONSTRUCTION OF TWO NEW BUILDINGS, A 464,000 SQUARE FOOT, 16-STORY, 227-FOOT-TALL CITY OFFICE BUILDING AND A 552,290 SQUARE FOOT, 39-STORY, 396-FOOT-TALL RESIDENTIAL TOWER CONTAINING APPROXIMATELY 550 DWELLING UNITS, INCLUDING APPROXIMATELY 110 BELOW MARKET RATE UNITS; UP TO 38,000 SQUARE FEET OF GROUND FLOOR RETAIL, 59,000 SQUARE FEET OF PRIVATE AND COMMON OPEN SPACE; 620 BICYCLE PARKING SPACES (553 CLASS 1, 67 CLASS 2) AND UP TO 409 VEHICULAR PARKING SPACES WITHIN THE VAN NESS AND MARKET DOWNTOWN RESIDENTIAL SPECIAL USE DISTRICT, DOWNTOWN-GENERAL (C-3-G) ZONING DISTRICT AND PROPOSED 1500 MISSION STREET SPECIAL USE DISTRICT, AND PROPOSED 130/400-R-3, 130/240-R-3 AND 85-X HEIGHT AND BULK DISTRICTS AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On October 13, 2014, Steve Vettel of Farella, Braun & Martel on behalf of Goodwill SF Urban Development, LLC ("Project Sponsor") filed an Environmental Evaluation Application for the Project. 2014. On May 13, 2015, the Department published a Notice of Preparation of Environmental Impact Report and Notice of Public Scoping Meeting ("NOP"). Publication of the NOP initiated a 30-day public review and comment period that began on May 13, 2015 and ended on June 15, 2015. On June 2, 2015, the Department held a public scoping meeting regarding the Project. On November 9, 2016, the Department published the Draft Environmental Impact Report (hereinafter "DEIR"), including the Initial Study ("IS"), and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the Project Site by the Project Sponsor on November 9, 2016.

On April 29, 2015, the Project Sponsor filed an application requesting approval of a Downtown Project Authorization pursuant to Section 309 of the San Francisco Planning Code to facilitate the construction of two new buildings approximately 390 and 264-feet tall located at 1500 Mission Street ("Project") containing approximately 550 dwelling units, approximately 462,000 square feet of office space, 51,000 square feet of ground floor retail space, approximately 7,600 square foot publicly accessible open space in the form of a "forum" at the ground floor, up to 423 parking spaces, 6 loading spaces, and 369 bicycle parking spaces. On February 23, 2017 the Project Sponsor submitted an updated application to correct the proposed building heights to 396 and 216 feet for the residential and office buildings respectively, the total number of proposed vehicular parking to 409 spaces, bicycle parking to 620, retail square footage to 38,000 square feet, office square footage to 449,800 square feet. Additionally, the application was updated to reflect the Project's inclusion of 4,400 square feet of on-site child care.

On April 29, 2015, the Project Sponsor also filed an application for a Planning Code Amendment and Zoning Map amendment to supersede the existing Van Ness & Market Downtown Residential Special Use District with a new special use district for the Project and to amend height and bulk districts to permit one approximately 390-foot residential tower with a podium height of 110 feet and one 264-foot tall tower with a podium height of 93 feet.

On October 19, 2016, the Project Sponsor filed amendments to the Planning Code Text and Zoning Map Amendment Applications and a General Plan Amendment Application to add Section 270(g) to amend bulk controls to the proposed special use district and Map 3 (Height Districts) of the Market and Octavia Plan.

On December 15, 2016, the Planning Commission adopted Resolutions 19821 and 19822 to initiate legislation entitled, (1) "Ordinance amending the General Plan by revising the height designation for the 1500 Mission Street project, Assessor's Block 3506 Lots 006 and 007 on Map 3 of the Market and Octavia Area Plan and on Map 5 of the Downtown Area Plan; adopting findings under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1;" and (2) Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street

(Assessor's Block 3506, 006 and 07) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District and Zoning Map HT07 to modify the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 01.; and adopting findings of public necessity, convenience, and welfare under Planning Code Section 302," respectively.

On December 15, 2016, the Commission held a duly advertised public hearing on the DEIR, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for commenting on the EIR ended on January 4, 2017. The Department prepared responses to comments on environmental issues received during the 45 day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected clerical errors in the DEIR.

On March 8, 2017, The Planning Department published a Responses to Comments document. A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Responses to Comments document all as required by law.

On March 23, 2017, the Commission reviewed and considered the FEIR and found that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code. The FEIR was certified by the Commission on March 23, 2017 by adoption of its Motion No. 19883.

At the same Hearing and in conjunction with this motion, the Commission made and adopted findings of fact and decisions regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. ("CEQA"), particularly Section 21081 and 21081.5, the Guidelines for Implementation of CEQA, 14 California Code of Regulations Section 15000 et seq. ("CEQA Guidelines"), Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") by its Motion No. 19884. The Commission adopted these findings as required by CEQA, separate and apart from the Commission's certification of the Project's Final EIR, which the Commission certified prior to adopting these CEQA findings. The Commission hereby incorporates by reference the CEQA findings set forth in Motion No. 19884.

On March 23, 2017 the Commission conducted a duly noticed public hearing at a regularly scheduled meeting regarding (1) the General Plan Amendment amending Maps 3 and 5; and (2) the ordinance amending Planning Code to add the 1500 Mission Street Special Use District, and revise Zoning Map SU07 and HT07. At that meeting the Commission Adopted (1) Resolution No. 19885 recommending that the Board of Supervisors approve the requested General Plan Amendment; and (2) Resolution No. 19886 recommending that the Board of Supervisors approve the requested Planning Code Text and Map Amendments.

On March 23, 2017, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting regarding the Downtown Project Authorization application 2014-

000362ENVGPAPCAMAPDNXSHD. At the same hearing the Commission determined that the shadow cast by the Project would not have any adverse effect on Parks within the jurisdiction of the Recreation and Parks Department. The Commission heard and considered the testimony presented to it at the public hearing and further considered written materials and oral testimony presented on behalf of the applicant, Department staff and other interested parties, and the record as a whole.

The Planning Department, Jonas P. Ionin, is the custodian of records; all pertinent documents are located in the File for Case No. 2014-000362ENVGPAPCAMAPDNXSHD, at 1650 Mission Street, Fourth Floor, San Francisco, California.

MOVED, that the Commission hereby approves the Downtown Project Authorization requested in Application No. 2014-000362ENVGPAPCAMAPDNXSHD, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.

2. **Site Description and Present Use.** The Project site consists of two parcels (Assessor's Block 3506, Lot 007 [1500 Mission Street] and Lot 006 [1580 Mission Street]) (in some documents referred to as Lots 002 and 003), located on the north side of Mission Street between 11th Street to the east and South Van Ness Avenue to the west, within San Francisco's South of Market (SoMa) neighborhood. The Project site is located within the Downtown Area Plan and Market & Octavia Area Plan and is located within the C-3-G (Downtown General Commercial) Use District, the Van Ness & Market Downtown Residential Special Use District, and the 120/320-R-2, 85/250-R-2, and 85-X Height and Bulk Districts.

   The Project site totals 110,772 square feet (2.5 acres), and the lot is generally flat. The site is a trapezoidal shape with approximately 472 feet of frontage along Mission Street, 301 feet of frontage along South Van Ness Avenue, and 275 feet of frontage along 11th Street. The northern boundary of the site stretches for 321 feet abutting an eight-story City office building that fronts onto South Van Ness Avenue, Market Street and 11th Street (One South Van Ness Avenue).

   The Project site is currently occupied by two existing buildings used by Goodwill Industries: a two-story, approximately 30-foot-tall 29,000-square-foot building located at 1580 Mission Street that was constructed in 1997 and contains a Goodwill retail store on the ground level and offices above, and an approximately 57,000-square-foot, approximately 28-foot-tall (including an approximately 97-foot-tall clock tower), largely single-story warehouse and office building located at 1500 Mission Street that was used until June 2016 by Goodwill for processing donated items and administrative functions. The warehouse building at 1500 Mission Street has a basement parking garage with approximately 110 public parking spaces (some of which are valet), and accessed from an approximately 25-foot-wide curb cut on South Van Ness Avenue.

The Project site also contains approximately 25 surface parking spaces and six surface loading spaces, accessed from an approximately 46-foot-wide curb cut on Mission Street. The warehouse building, which features an approximately 97-foot-tall clock tower atop the Mission Street façade, was constructed in 1925 for the White Motor Company and renovated in 1941 for use as a Coca-Cola bottling plant—a use that continued until the 1980s. The building located at 1580 Mission Street is less than 45 years of age and is considered a "Category C" property—Not a Historical Resource. The warehouse building located at 1500 Mission Street has been determined individually eligible for the California Register of Historical Resources and is considered a "Category A" property – Known Historical Resource.

3. **Surrounding Properties and Neighborhood.** Immediately north of the project site at One South Van Ness Avenue is an eight-story City-owned office building with a ground-floor Bank of America branch and parking. Various city departments, including the San Francisco Municipal Transportation Agency (SFMTA), Mayor's Office of Housing and Community Development, and Office of Community Investment and Infrastructure, occupy the upper floors. To the east of the project site, across 11th Street, is a mixed-use office and retail building, which rises from eight stories on Mission Street to 22 stories on Market Street. The SoMa Self-Storage facility (six stories) is located to the southeast at 1475 Mission Street, and a Public Storage facility is located to the southwest (approximately two stories) at 99 South Van Ness Avenue.

   Mixed-use commercial, retail, and residential buildings are located to the south of the project site, including three-story buildings located at between 1517 and 1559 Mission Street, as well as a five-story building located at 1563 Mission Street, which is an outpatient medical facility. All of these buildings are located between 11th Street and South Van Ness Avenue. To the southwest of the project site, across South Van Ness Avenue, there is a parking lot and food truck located at 1600 Mission Street, with a gas station and car wash located further to the south. A mix of commercial buildings ranging from one to three stories in height is located west of the intersection of South Van Ness Avenue and 12th Street. A Honda Dealership and Service Center is located to the northwest of the project site at 10 South Van Ness Avenue.

   The project site is located approximately four blocks south of San Francisco City Hall and Civic Center Plaza, a 4.5-acre open plaza with an underground parking garage and surrounded by many of San Francisco's largest government and cultural organizations. Approximately one-half mile northeast of the project site is United Nations Plaza, which is owned by the City and is generally bounded by Market Street to the south, McAllister Street to the north, Seventh Street to the east, and Hyde Street to the west. The plaza consists of a 2.6-acre pedestrian mall with seating, lawn areas, a fountain, public art installations, trees, and small gardens with a clear view of City Hall. The plaza is used twice a week for the Heart of the City Farmers Market and is near the San Francisco Public Library, Asian Art Museum, various governmental institutions, offices, and numerous public transportation stops and stations.

   The proposed Project is also located within one-half mile of Patricia's Green, which is generally located to the northwest. Patricia's Green includes a playground, walking paths, seating areas, lawn areas, and a rotating art installation. Patricia's Green is generally bounded by Hayes Street to the north, Octavia Street to the east (northbound) and west (southbound), and Fell Street to the south.

4. **Project Description.** The Project proposes to demolish the existing 1580 Mission Street building, to retain and rehabilitate a portion of the existing 1500 Mission Street building, and to demolish the remaining portions on the 1500 Mission building and construct a mixed-use development with two components: an approximately 767,200-square-foot, 396-foot-tall (416 feet to the top of the parapet) residential and retail/restaurant building at the corner of South Van Ness Avenue and Mission Street ("Retail/Residential Building"); and an approximately 567,300-square-foot, 227-foot-tall (257 feet to the top of the parapet) office and permit center building for the City and County of San Francisco ("City") on 11th Street between Market and Mission Streets ("Office Building") with a mid-rise extending west to South Van Ness Avenue. The proposed Project includes a proposed Zoning Map amendment and Planning Code text amendment to create the 1500 Mission Special Use District to supersede the Van Ness & Market Downtown Residential Special Use District designation and a proposed amendment to Planning Code Section 270 associated with bulk limitations, allowing for an exceedance of the current Height and Bulk District limitations, additional off-street parking, and office space above the fourth floor.

   The proposed Residential/Retail Building will consist of a 39-story residential apartment tower containing approximately 550 dwelling units over up to 38,000 gross square feet of ground floor retail/restaurant space, and below grade parking for 300 vehicles and 247 bicycles. The proposed Office Building will consist of a 16-story tower consisting of 567,300 square feet of office space (of which 464,000 count towards Gross Floor Area) containing various City departments, a permit center and a childcare facility and below grade vehicle parking for 120 vehicles and 306 bicycles.

5. **Community Outreach and Public Comment.** To date, the Department has not received any formal public comment associated with the proposed Planning Code Text, Zoning Map and General Plan Amendments – or other entitlements associated with the project. Comments received as part of the environmental review process will be incorporated into the Environmental Impact Report. In addition to a community outreach meeting held on October 18, 2016, members of the public have also had opportunity to provide public comment on the project at an informational hearing at the Planning Commission held on October 27, 2016.

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. **Floor Area Ratio.** Pursuant to Section 123 and 424 of the Planning Code, Projects in the C-3-G Zoning District and the proposed 1500 Mission Special Use District have a base floor area ratio (FAR) of 6.0:1 and may reach an FAR of 9.0:1 with payment into the Van Ness and Market Residential Special Use District Affordable Housing Fund. To exceed a floor area ratio of 9.0:1, all projects must contribute to the Van Ness and Market Neighborhood Infrastructure and Citywide Affordable Housing Fund.

      The residential/retail component Project site has a lot area of approximately 57,617 square feet. As shown in the conceptual plans for the Project, the residential/retail building would include 766,925 square feet, of which 552,290 square feet would count towards FAR. Accordingly, the Project would make a payment to the Van Ness and Market Residential Special Use District Affordable Housing Fund for the Floor Area exceeding the base FAR ratio of 6.0:1 up to a ratio of 9.0:1 and to the Van

Ness and Market Neighborhood Infrastructure and Citywide Affordable Housing Fund for any Floor Area exceeding an FAR of 9.0:1. Since the Project exceeds an FAR of 9.0:1, contribution to the City's. The City office component is exempt from these City fees.

B. **Rear Yard Requirement.** Within the Van Ness and Market Downtown Residential Special Use District and the proposed 1500 Mission Street Special Use District, Rear Yard requirements pursuant to Planning Code Section 249.33 do not apply. Rather, lot coverage is limited to 80 percent at all residential levels.

The Project complies with this provision. Lot coverage for both parcels amount to 70%. The Project Sponsor has submitted a Subdivision Map application, which includes lot line adjustments for the two existing parcels to better align with the proposed uses and ownership structures. The proposed lot containing the residential tower measures approximately 53,004 square feet and will have approximately 58% lot coverage at the lowest residential level (Floor 2). Lot coverage controls do not apply to the office building since the 80 percent limitation is restricted to residential levels; however lot coverage of the parcel containing the City office building amounts to 82%.

C. **Residential Open Space.** Planning Code Section 135 requires that private usable open space be provided at a ratio of 36 square feet per dwelling unit or that 48 square feet of common usable open space be provided per dwelling unit. However, common usable open space for mixed-use, residential and non-residential projects may be used to count against requirements contained in both Section 135 and 138.

The Project includes 550 dwelling units and provides private open space for 15 units. Therefore approximately 25,680 square feet of common open space is required. In all, the Project provides approximately 30,100 square feet open space of which 3,100 square feet is private and 27,000 square feet is common. Common open space can be found on floors 2, 5, 11 and 39 where terraces amounting to 27,000 square feet can be found. Publicly accessible open space can be found along the South Van Ness Avenue sidewalk, where a 15-foot setback has been provided, widening the sidewalk from 22 feet to 37 feet. The Project exceeds Planning Code requirements, and is therefore compliant with Section 135.

D. **Public Open Space.** New buildings in the C-3-G Zoning District must provide public open space at a ratio of one square feet per 50 gross square feet of all uses, except residential uses, institutional uses, and uses in a predominantly retail/personal services building pursuant to Planning Code Section 138. This public open space must be located on the same site as the building or within 900 feet of it within a C-3 district.

Since the project proposes approximately 464,000 square feet of office use, approximately 9,280 square feet of public open space is required. Approximately 9,400 square feet of publicly accessible open space in the form of the landscaped and improved mid-block alley providing enhanced pedestrian connectivity to the proposed City office building from South Van Ness Avenue and approximately 3,300 square feet of or publicly accessible open space associated with the proposed residential and retail uses can be found. Therefore, the Project exceeds Code requirements and therefore complies with Section 138 of the Planning Code.

Although the Project proposes up to 38,000 square feet of retail space, each space amounts to less than 5,000 square feet, and is exempt from Gross Floor Area as well as the requirement to provide Public Open Space per Section 138.

E. **Streetscape Improvements.** Planning Code Section 138.1 requires that when a new building is constructed in the C-3 District and is on a lot that is greater than half an acre in area and contains 250 feet of total lot frontage pedestrian elements in conformance with the Better Streets Plan shall be required.

The Project is located on a lot that measures 110,772 square feet, approximately 2.5 acres and contains approximately 1,040 linear feet of frontage. Due to restrictions within the Mission Street and South Van Ness Avenue right-of-ways, physical widenings along these two frontages are not possible. However, the Project includes a building setback of approximately 15 feet for approximately 285 linear feet along the South Van Ness Avenue frontage, effectively widening the sidewalk from 22 feet to over 37 feet wide. Additional streetscape improvements on South Van Ness Avenue include perforated wind screens, street and Class 2 bicycle parking (subject to approval by the San Francisco Municipal Transportation Authority (MTA)). Further, the 11th Street sidewalk will be widened from approximately 10.5 feet to 15 feet along the Project's frontage. Therefore, the Project complies with Planning Code Section 138.1.

F. **Exposure.** Planning Code Section 140 requires all dwelling units in all use districts to face onto a public street at least 20 feet in width, side yard at least 25 feet in width or open area which is unobstructed and is no less than 25 feet in every horizontal dimension for the floor at which the dwelling unit is located and the floor immediately above it, with an increase of five feet in every horizontal dimension at each subsequent floor. The proposed Special Use District caps the horizontal dimension to which the open space must expand at each subsequent floor to 65 feet.

All 550 dwelling units expose onto a public right-of-way or an open space amounting to at least 67 feet. Therefore, the Project complies with exposure requirements pursuant to the proposed 1500 Mission Street Special Use District.

G. **Active Frontages – Loading and Driveway Width.** Sections 145.1(c)(2) and 155(s)(5) do not apply in the proposed Special Use District. Rather, the residential and office components of the proposed Project shall be permitted to each provide separate parking and loading ingress and egress openings on the 11th Street frontage of no greater than 24 feet each, subject to conditions.

Vehicular access is not provided along the Project's South Van Ness Avenue frontage and provided in a managed, limited manner at the mid-block alley along Mission Street, as both rights-of-way are Transit Preferential Streets. The Project shall comply with improvement / mitigation measures outlined for loading on Mission Street (M-TR-3) contained in Attachment B which will be included as a part of the Conditions of Approval associated with the Project.

In consideration of City policy to restrict curb cuts and off-street parking and loading access on South Van Ness Avenue and Mission Street, the residential component and the City office component shall each be permitted to provide separate parking and loading ingress and egress openings on the 11th

Street frontage of no greater than 24 feet in width each, in lieu of the limitations set forth in Sections 145.1(c)(2) and 155(s)(5). To the extent feasible as determined by the Planning Director, in consultation with the Director or Real Property, in order to facilitate the preservation of a portion of the 11th Street façade of the existing 1500 Mission Street building, enhance pedestrian conditions, and further activate 11th Street, a shared ingress (but not egress) to both the residential component and the City office component shall be provided to reduce the residential component opening to no greater than 12 feet in width.

H. **Street Frontage in Commercial Districts: Active Uses.** Planning Code Section 145.1(c)(3) requires that within Downtown Commercial Districts, space for "active uses" shall be provided within the first 25 feet of building depth on the ground floor.

The ground floor space along the South Van Ness Avenue, Mission Street, and 11th Street have active uses with direct access to the sidewalk within the first 25 feet of building depth, with the exception of space allowed for parking and loading access, building egress, and access to mechanical systems. Public Uses are considered Active Uses. Accordingly, the Project complies with Section 145.1(c)(3).

I. **Street Frontage in Commercial Districts: Ground Floor Transparency.** Planning Code Section 145.1(c)(6) requires that within Downtown Commercial Districts, frontages with active uses that are not residential or PDR must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building.

The Project complies with the Ground Floor Transparency requirements of the Planning Code. Approximately 83 percent of the Project's new construction frontage on 11th Street, 60 percent of the Project's South Van Ness Avenue frontage, and 61 percent of the Project's new construction frontage along Mission Street are fenestrated with transparent windows and doorways. Only the retained portions of the Project's historic resource are fenestrated with transparent windows and doorways for less than 60 percent. Pursuant to Planning Code Section 145.1(c)(6), the Planning Commission may waive or modify specific street frontage requirements for buildings considered historic resources.

J. **Shadows on Public Open Spaces.** Planning Code Section 147 seeks to reduce substantial shadow impacts on public plazas and other publicly accessible open spaces other than those protected under Section 295. Consistent with the dictates of good design and without unduly restricting development potential, buildings taller than 50 feet should be shaped to reduce substantial shadow impacts on open spaces subject to Section 147. In determining whether a shadow is substantial, the following factors shall be taken into account: the area shaded, the shadow's duration, and the importance of sunlight to the area in question.

A shadow analysis determined that the Project would cast shadow one proposed publicly accessible private open space (POPOS) – Brady Park.

The proposed Brady Park POPOS would receive new shading from 1500 Mission Street, with peak new shading likely occurring on or around the Summer Solstice (June 21). With morning shadows cast from the east to the west, a portion of the park space not shaded by 1629 Market Street would receive new shadows from the proposed Project. New shadow from 1500 Mission Street would occur during early mornings and be gone prior to 9am. No shading from the Project would be present on the equinoxes (September 20/March 21) nor the winter solstice (December 21). Quantitative calculations

were not performed to confirm the precise range of dates new shading would be present, however it would likely be in the range of 1-2 months on either side of the Summer Solstice, or approximately 2-4 months annually.[1]

K. **Ground Level Wind.** Planning Code Section 148 requires that new construction in Downtown Commercial Districts will not cause ground-level wind currents to exceed pedestrian comfort levels. This standard requires that wind speeds not exceed 11 miles per hour in areas of substantial pedestrian use for more than 10 percent of the time year round, between 7:00 AM and 6:00 PM. The requirements of this Section apply either when preexisting ambient wind speeds at a site exceed the comfort level and are not being eliminated as a result of the project, or when the project may result in wind conditions exceeding the comfort criterion.

The existing conditions at the Project Site indicate that 33 of the 50 test points exceed the Planning Code's comfort criterion at grade level with average wind speeds at approximately 11.8 miles per hour (mph). The 11 mph comfort criterion is currently exceeded more than 10 percent of the time. With the Project, 2 new test points were studied since the Project introduces enhanced pedestrian connectively. The comfort criterion is exceeded at 35 of 52 points with the project exceeded more than 10 percent of the time with average wind speeds increasing slightly to 12.1 mph from 11.8 mph. Generally, the wind conditions remain the same with the Project compared to existing conditions.

Under existing conditions, hazard criterion is exceeded at one point for 2 hours per year. With the Project, hazard criterion is exceeded at one point for 1 hour per year. Accordingly, hazardous conditions are improved with the Project.

A Section 309 exception is being sought because the Project would not eliminate the existing locations meeting or exceeding the Planning Code's comfort criterion. Exceptions from the comfort criterion may be granted pursuant to Section 309. There are no net new hazardous wind speeds caused by the Project. See Section 7, below, for 309 findings.

L. **Parking.** Planning Section 151.1 allows up to one car for each two dwelling units as-of-right in the C-3-G Zoning District. Parking for the proposed retail use shall not exceed 7% of gross floor area for that use. For the proposed public agency office building, the maximum amount of off-street parking that may be provided off-street parking shall be one space for each 3,000 gross square feet of floor area as permitted by the proposed 1500 Mission Street Special Use District.

The Project contains 550 dwelling units, 38,000 square feet of retail and approximately 464,000 square feet of office uses. Thus, a total of 275 spaces for the residential use, up to 2,660 square feet devoted to parking for the retail use and 155 parking spaces for the City office building may be permitted. The Project proposes 275 parking spaces for the residential use, 2,660 square feet (14 spaces) devoted to parking for the retail use, and 120 parking spaces for the City office building. Therefore, the Project complies with Section 151.1 of the Planning Code and the 1500 Mission Street Special Use District.

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[1] 1500 Mission Street Shadow Analysis Report, February 17, 2017, Prevision Design.

M. **Off-Street Freight Loading.** Planning Code Section 152.1 requires that projects in the C-3 District that include the over 500,000 square feet of residential space must provide three off-street freight loading spaces within the project and 0.1 space per 10,000 square feet of gross floor area is required for office uses.

The Project includes 767,200 square feet of Residential development (552,290 square feet that counts towards Floor Area Ratio), requiring three off-street loading spaces, 38,000 square feet of Retail Use requiring 2 off-street loading spaces, and approximately 567,300 square feet of Office development (464,000 gross square feet that counts towards Floor Area Ratio), requiring 5 off-street loading spaces for a total of 10 spaces that meet dimensional requirements pursuant to Section 154. Three off-street loading spaces are provided for the Residential use and an equivalent of five spaces are provided for the Office use. Two spaces that can accommodate service vehicles meeting the dimensional requirements specified in Planning Code Section 154(b)(3) substitute one of the full-size loading spaces required for the proposed Office building. A total of four service vehicles are provided for the Office use, equivalent to two off-street loading spaces. Therefore a total of five full-size off-street loading are provided for the Office use. The Project is seeking an exception as permitted by Sections 161 and 309 for the two off-street loading spaces required for the proposed Residential / Retail component. See Section 7, below, for 309 findings.

N. **Bicycle Parking.** For buildings with more than 100 dwelling units, Planning Code Section 155.2 requires 100 Class 1 spaces plus one Class 1 space for every four dwelling units over 100, and one Class 2 space per 20 units. For Retail uses 1 Class 1 space is required for every 7,500 square feet of Occupied Floor Area and one Class 2 space is required for every 2,500 square feet of Occupied Floor Area. A minimum of one Class 1 space for every 5,000 square feet of Occupied Floor Area of Office Use and a minimum of two Class 2 spaces plus and additional space for every 50,000 square feet of Occupied Floor Area.

The Project complies with Section 155.2 because it provides 553 Class 1 and 67 Class 2 bicycle parking spaces, exceeding the Planning Code requirement to provide 311 Class 1 spaces (100 units x 1 stall = 100 + 450 X 1 stall / 4 units= 213 stalls for Residential Uses, 464,000 SF X 1 stall / 5,000 SF of Occupied Floor Area = 93 stalls for Office Uses and 38,000 SF X 1 stall / 7,500 SF of Occupied Floor Area = 5 for Retail Uses) and 54 Class 2 spaces (550 units x 1 stall/20 units = 28 stalls for Residential Uses, 464,000 SF x 1 stall / 50,000 SF of Occupied Floor Area + 2 = 11 stalls for Office Uses, and 38,000 square feet x 1 stall / 2,500 square feet = 15 stalls for Retail Uses). All Class 1 spaces are located at the first basement level, accessible from the 11th Street ramps, and Class 2 spaces are located on the Project's sidewalks.

O. **Shower Facilities and Lockers).** Section 155.4 requires shower facilities and lockers for new developments, depending on use. For non-retail sales and service uses (i.e. Office), four showers and 24 lockers are required where occupied floor area exceeds 50,000 square feet, and one shower and six lockers where the Occupied Floor Area exceeds 10,000 square feet but is no greater than 50,000 square feet.

The Project provides 15 showers and 76 lockers for the Office Use and 8 showers and 48 lockers for the retail use, exceeding Planning Code requirements. Therefore, the Project complies with Section 155.4.

P. **Car Share.** Planning Code Section 166 requires two car share parking spaces for residential projects with 201 dwelling units plus an additional parking space for every 200 dwelling units over 200 and 1 space plus 1 for every 50 parking spaces over 50 for non-residential uses.

The Project requires a total of 6 car share spaces - 4 parking stalls for the building's Residential Uses (2 spaces + 1 space X (350 dwelling units / 200 dwelling units)) and 2 car share spaces for the office use since 120 accessory parking spaces are provided for said use. The retail use does not generate a requirement for car share spaces. The Project provides 6 car share spaces, and therefore complies with Planning Code Section 166.

Q. **Transportation Demand Management (TDM) Plan.** Pursuant to Planning Code Section 169 and the TDM Program Standards, the Project shall finalize a TDM Plan prior Planning Department approval of the first Building Permit or Site Permit. As currently proposed, the Project must achieve a target of 37 (9 points for the Retail Use, 12 points for the Office Use and 16 points for the Residential Use).

The Project submitted a completed Environmental Evaluation Application prior to September 4, 2016. Therefore, the Project must only achieve 50% of the point target established in the TDM Program Standards, resulting in a required target of 37 points. As currently proposed, the Project will achieve its required 37 points through the following TDM measures:

Retail Use:

- *Unbundled Parking*
- *Bicycle Parking (Option A)*
- *Improved Walking Conditions*
- *Showers and Lockers*
- *Multimodal Wayfinding Signage*

Office Use:

- *Unbundled Parking*
- *Short Term Daily Parking Provision*
- *Improved Walking Conditions*
- *Bicycle Parking (Option B)*
- *Showers and Lockers*
- *Car-Share Parking*
- *Family TDM – On-site Childcare*
- *Multimodal Wayfinding Signage*
- *Real Time Transportation Displays*

Residential Use:

- *Unbundled Parking*
- *Parking Supply*

- *Improved Walking Conditions*
- *Bicycle Parking (Option A)*
- *Bicycle Repair Station*
- *Showers and Lockers*
- *Car-Share Parking*
- *Delivery Support Amenities*
- *Multimodal Wayfinding Signage*
- *Real Time Transportation Displays*

R. **Height.** The proposed Height and Bulks within the 1500 Mission Street Special Use District is 120/240-R-3, 85-X and 130/400-R-3.

The Project complies with the proposed heights within the 1500 Mission Street Special Use District

S. **Bulk.** The 1500 Mission Street Special Use District establishes the R-3 Bulk District which limits the maximum plan length of 170 feet and diagonal dimension of 225 feet for buildings between the podium height and 240 feet. For buildings between 241 and 400 feet tall, the plan length is limited to 156 feet and diagonal dimension of 165 feet with a maximum average floor area of 13,100 gross square feet. The gross floor area of the top one-third of the tower shall be reduced by 7 percent from the maximum floor plate of the tower above the podium height limit.

The Project complies with the bulk requirements pursuant to the proposed R-3 Bulk District.

T. **Shadows on Parks (Section 295).** Section 295 requires any project proposing a structure exceeding a height of 40 feet to undergo a shadow analysis in order to determine if the project would result in the net addition of shadow to properties under the jurisdiction of the Recreation and Park Department or designated for acquisition by the Recreation and Park Commission.

A shadow analysis was conducted and determined that the Project would cast an additional 0.03% of shadow on Patricia's Green per year. On days of maximum shading, new shadows would be present for approximately 23 minutes between 7:36 am and be gone prior to 8 am. The shadow analysis found that new shading from the project would predominantly occur in the northern half of Patricia's Green. To eliminate all new shading on Patricia's Green, the proposed residential tower would need to be reduced in height by approximately 51 feet, resulting in the elimination of 50 residential units. The Project was not found to adversely impact the use of the Park by the Recreation and Parks Department at a duly noticed, regularly scheduled meeting on March 16, 2017.

The new shadow on the proposed park at 11th and Natoma Street that is designated for acquisition by the Recreation and Park Commission generated by the Project would be present only in the late afternoon and evening between March 3 and October 11. Project-generated new shadows would fall primarily on the southern ¾ of the park site (the portions of the site with frontage on 11th and Natoma Streets) with maximum new shadow coverage typically occurring between 5:30-6:00 p.m. Since the park at 11th and Natoma Streets has not yet been developed and no future programming information has been developed or approved, the possible features affected and qualitative impacts of project-

generated shadow on such features are undetermined. To eliminate all shading on the proposed park at 11th and Natoma, 16 stories of the residential tower would need to be removed, eliminating approximately 160 dwelling units.

U. **Anti-Discriminatory Housing Policy (Administrative Code Section 1.61).** Projects with proposing ten dwelling units or more must complete an Anti-Discriminatory Housing Affidavit indicating that the Project Sponsor will adhere to anti-discriminatory practices.

The Project Sponsor has completed and submitted an Anti-Discriminatory Housing Policy affidavit confirming compliance with anti-discriminatory practices.

V. **Inclusionary Affordable Housing Program (Section 415 and Section 249.28). 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 October 13, 2014; therefore, pursuant to Planning Code Section 415.3 and 249.28 the Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 13.5% 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, concessions provided by the City and approved herein and the Project' use of tax exempt bond financing. The Project Sponsor submitted such Affidavit on March 3, 2017. 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 October 13, 2014; therefore, pursuant to Planning Code Section 415.3 the Inclusionary Affordable Housing Program requirement for the On-site Affordable

Housing Alternative is to provide 13.5% of the total proposed dwelling units as affordable. 110 units (40 (36%) studios, 29 (26%) one bedroom, 39 (35%) two bedroom and 2 (2%) three bedroom units) of the total 550 units provided will be affordable units amounting to 20% of the total constructed units, exceeding Planning Code requirements. The Project received priority processing status for exceeding inclusionary housing requirements. Additionally, the Conditional Purchase and Sale Agreement between the City and County of San Francisco and the Project Sponsor includes a commitment to the provision of affordable units at a rate of 20 percent of total constructed units. The Conditional Purchase and Sale Agreement was fully executed and unanimously supported by the Board of Supervisors in December of 2014. 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.

W. **Public Art (Section 429).** In the case of construction of a new building or addition of floor area in excess of 25,000 sf to an existing building in a C-3 District, Section 429 requires a project to include works of art costing an amount equal to one percent of the construction cost of the building.

The Project would comply with this Section by dedicating one percent of the Project's construction cost to works of art. The public art concept and location will be subsequently presented to the Planning Commission at an informational presentation.

X. **Signage (Section 607).** Currently, there is not a proposed sign program on file with the Planning Department. Any proposed signage will be subject to the review and approval of the Planning Department pursuant to the provisions of Article 6 of the Planning Code.

7. **Exceptions Request Pursuant to Planning Code Section 309.** The Planning Commission has considered the following exceptions to the Planning Code, makes the following findings and grants each exception to the entire Project as further described below:

a. **Section 148: Ground-Level Wind Currents.** In C-3 Districts, buildings and additions to existing buildings shall be shaped, or other wind-baffling measures shall be adopted, so that the developments will not cause ground-level wind currents to exceed more than 10 percent of the time year round, between 7:00 a.m. and 6:00 p.m., the comfort level of 11 miles per hour equivalent wind speed in areas of substantial pedestrian use and seven miles per hour equivalent wind speed in public seating areas.

When preexisting ambient wind speeds exceed the comfort level, or when a proposed building or addition may cause ambient wind speeds to exceed the comfort level, the building shall be designed to reduce the ambient wind speeds to meet the requirements. An exception may be granted, in accordance with the provisions of Section 309, allowing the building or addition to add to the amount of time that the comfort level is exceeded by the least practical amount if (1) it can be shown that a building or addition cannot be shaped and other wind-baffling measures cannot be adopted to meet the foregoing requirements without creating an unattractive and ungainly building form and without unduly restricting the development potential of the building site in question, and (2) it is concluded that, because of the limited amount by which the comfort level is exceeded,

the limited location in which the comfort level is exceeded, or the limited time during which the comfort level is exceeded, the addition is insubstantial.

Section 309(a)(2) permits exceptions from the Section 148 ground-level wind current requirements. No exception shall be granted and no building or addition shall be permitted that causes equivalent wind speeds to reach or exceed the hazard level of 26 miles per hour (mph) for a single hour of the year.

Independent consultants analyzed ground-level wind currents in the vicinity of the Project Site. A wind tunnel analysis, the results of which are included in a technical memorandum prepared by BMT Fluid Mechanics, was conducted using a scale model of the Project Site and its immediate vicinity. The study concluded that the Project would not result in any substantial change to the wind conditions of the area.

Comfort Criterion

Based on existing conditions, 38 of the 50 (approximately 66%) locations tested currently exceed the pedestrian comfort level of 11 mph at grade level more than 10% of the time. Average wind speeds measured close to 11.8 mph.

Under the Project scenario, an additional 2 points were tested to capture the two mid-block alleys accessed from South Van Ness Avenue and Mission Street. There is no information for these points under the existing scenario because the existing buildings are constructed to the property line where the additional test points are located. With the Project, 35 of 52 locations (67%) tested exceeded the pedestrian comfort level of 11 mph more than 10% of the time. Average wind speeds, increased slightly to approximately 12.1 mph. Under the Cumulative scenario, which takes into account other planned projects in the vicinity, average wind speeds decrease to 11.3 mph, with 25 of 52 (48%) points that exceed comfort criterion.

In conclusion, the Project does not result in substantial change to the wind conditions. However, since comfort exceedances are not entirely eliminated by the Project, an exception is required under Planning Code Section 309.

Hazard Criterion

The Wind Study indicated that the project does not cause any net new hazardous conditions. Therefore, the Project would comply with the hazard criterion of Section 148.

b. **Loading.** Planning Code Section 152.1 requires that projects in the C-3 District that include the over 500,000 square feet of residential space must provide three off-street freight loading spaces within the project and 0.1 space per 10,000 square feet of gross floor area is required for office uses. Pursuant to Section 161, exceptions to loading requirements are permitted in recognition of the fact that site constraints may make the provision of required freight loading and service vehicle spaces impractical or undesirable.

The Project includes 767,200 gross square feet of Residential development (552,290 square feet that counts towards Floor Area Ratio), requiring three off-street loading spaces, 38,000 square feet

of retail requiring 2 loading spaces and approximately 464,000 gross square feet of Office development requiring 5 off-street loading spaces for a total of 10 spaces that meet dimensional requirements pursuant to Section 154. Three off-street loading spaces are provided for the Residential and Retail use and an equivalent of five spaces are provided for the Office use. Two spaces that can accommodate service vehicles meeting the dimensional requirements specified in Planning Code Section 154(b)(3) substitute one of the full-size loading spaces required for the proposed Office building.

The EIR determined that the average demand for residential and retail loading spaces is three spaces and the average demand for the office component is five spaces (see page IV.B-52 to -53). In addition, SFMTA has approved yellow loading zones at the curb on both South Van Ness Avenue and 11th Street to accommodate additional peak loading demand.

The Project is seeking an exception as permitted by Sections 161 and 309 for the two of the required off-street loading spaces. The Retail and Residential uses require a total of 5 off-street loading spaces. A total of 3 spaces are provided for both uses.

(1) Provision of freight loading and service vehicle spaces cannot be accomplished underground due to the frequency of move-ins/move-outs typical of a rental apartment building and also because site constraints will not permit ramps, elevators, turntables and maneuvering areas with reasonable safety.

The three residential and retail loading spaces are on the ground level, rather than underground, because of the constraints on ceiling height and maneuvering areas in the basement.

(2) Provision of the required number of freight loading and service vehicles on-site would result in the use of an unreasonable percentage of ground-floor area, precluding more desirable uses of the ground floor for retail, pedestrian circulation or open spaces uses.

Adding the two additional loading spaces on-site would use an unreasonable percentage of the ground floor for loading, precluding more desirable ground floor retail, pedestrian circulation and open space uses.

(3) A jointly used underground facility with access to a number of separate buildings and meeting the collective needs for freight loading and service vehicles for all uses in the building involved, cannot be provided.

The freight loading area for the City office building is not adjacent to the residential project's vertical circulation, making joint use of underground loading facilities infeasible.

(4) Spaces for delivery functions can be provided at the adjacent curb without adverse effect on pedestrian circulation, transit operations or general traffic circulation, and off-street space permanently reserved for service vehicles is provided either on-site or in the immediate vicinity of the building.

As confirmed by the Transportation Impact Study conducted as part of the EIR, adjacent curb space is available in the immediate vicinity of the building to accommodate any peak loading demand that cannot be accommodated on-site.

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 1.8

Promote mixed use development, and include housing, particularly permanently affordable housing, in new commercial, institutional or other single use development projects.

The Project supports this Policy. The proposed Project would construct two new buildings, one of which is a residential building that would contain approximately 550 dwelling units. Approximately 110 of the 550 dwelling units would be permanently affordable.

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 supports this Policy. It is anticipated that because of the central location of the Project, most residents would either walk, bike, or use public transportation for daily travel. The Project is less than one block from Market Street, with convenient access from the property to the Van Ness MUNI metro station and about 15 MUNI lines, and less than half a mile from the Civic Center BART Station, allowing connections to neighborhoods throughout the City, the East Bay, and the Peninsula. Additionally, the Project provides 520 bicycle parking spaces (553 Class 1, 67 Class 2) with a convenient, safe storage in the basement and street level, encouraging bicycles as a mode of transportation.

OBJECTIVE 5:

ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Policy 5.4

Provide a range of unit types for all segments of need, and work to move residents between unit types as their needs change.

The Project supports this Policy. The Project would create 550 dwelling units, of which 197 (36%) are studios, 146 (27%) are one bedrooms, 198 (36%) are two bedrooms and 12 (2%) are three- bedroom units. The 110 Below Market Rate units would be comprised of a similar dwelling unit mix: 40 (36%) studios, 29 (26%) one bedroom, 39 (35%) two bedroom and 2 (2%) three bedroom units.

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.

The Project supports these policies. The Project would create 550 dwelling units in the immediate vicinity of existing residential and office buildings. The Project's design upholds the Planning Department's storefront transparency guidelines by ensuring that at least 60 percent of the non-residential, non-historic active frontages are transparent (meeting Planning Code requirements), better activating South Van Ness Avenue, Mission Street and 11th Street. Additionally, the Project provides publically accessible open space in the form of a mid-block alley, which will be activated with the City's office building and ground-floor retail space. The building's architectural design promotes community interaction by inviting members of the public to interact with the core of the project, literally walking through the center of the Project site.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.3

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

OBJECTIVE 3:

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

Policy 3.1

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

Policy 3.6

Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

The Project meets the aforementioned objectives and policies by employing design that both relates to existing development in the neighborhood while also emphasizing a pattern that gives its neighborhoods an image and means of orientation. The Project Site is located in a neighborhood of mid- to high-rise, mixed-use buildings both residential and commercial in nature. A cohesive design or pattern does not exist; however, the Project is located at the heart of the Hub, which harkens back to a well-known neighborhood near the intersections of Market Street with Valencia, Haight and Gough Streets. This Project is consistent with the design and land use goals of those proposed in the Hub Area Plan as well as those articulated in the Market and Octavia Area Plan.

The building's design, with a transparent three-story volume adjacent to the South Van Ness mid-block alley entrance is intended to serve as the main entrance to the new City office building that will house a number of public agencies, including the Department of Public Works, Department of Building Inspections, Department of Recreation and Parks, and the Planning Department. The nine-story podium is set back from the shorter three story volume, with the 16-story tower portion fronting the 11th Street frontage, helping to moderate between the adjacent 120-foot structure at One South Van Ness Avenue and the proposed project. Similarly, the residential podium along South Van Ness rises to four stories, for approximately 80 feet before rising to its full 39-story height. At the corner of Mission and South Van Ness, the tower portion of the residential building helps create a gateway to the Hub.

Further, the Project includes the retention of the historic clock tower portion of the building most recently serving as Goodwill Industries' sorting facility, but historically as a Coca-Cola bottling plant. The Project would restore the old pedestrian-level windows along Mission and 11th Street, improving transparency and street-level activation. Retention of the clock tower serves as a visible transition between older and newer buildings in the neighborhood.

COMMERCE AND INDUSTRY ELEMENT

Objectives and Policies

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development that has substantial undesirable consequences that cannot be mitigated.

Policy 1.2

Assure that all commercial and industrial uses meet minimum, reasonable performance standards.

Policy 1.3

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The Project Supports these Objectives and Policies. The Project would add up to 38,000 square feet of new commercial space intended to serve residents in the building and surrounding neighborhood. Retail is encouraged and principally permitted on the ground floor of buildings in the Downtown –General District, and is thus consistent with activities in the commercial land use plan.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 1:

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT, AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

Policy 1.2:

Ensure the safety and comfort of pedestrians throughout the city.

A primary objective of the proposed Project is to create a pedestrian-oriented environment at the Project Site that encourages walking as a principal means of transportation. The Project is set back 15-feet from the South Van Ness property, providing a generous 37-foot, 1-inch wide sidewalk. Wind screens will be placed along the curb edge of the sidewalk while a canopy attached to the proposed residential tower would extend approximately 20-feet over the sidewalk, providing protection to pedestrians against the neighborhood's windy conditions. A wind canopy is also planned along the Project's Mission Street frontage. To improve pedestrian connectivity, the proposed mid-block alley along South Van Ness Avenue would connect to a mid-block alley proposed along the Mission Street frontage. Finally, the Project would widen the sidewalk along the 11th Street frontage to 15-feet, further improving pedestrian conditions around the Project site.

OBJECTIVE 2:

USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

Policy 2.1:

Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development, and coordinate new facilities with public and private development.

The Project would promote Objective 2 and its associated policies by constructing a residential building with ground floor retail in the Downtown Core, which is the most transit rich area of the City. The Project would also feature multimodal wayfinding signage directing residents and visitors to transit, as well as provide transportation information displays that would provide transit information.

OBJECTIVE 11:

ESTABLISH PUBLIC TRANSIT AS THE PRIMARY MODE OF TRANSPORTATION IN SAN FRANCISCO AND AS A MEANS THROUGH WHICH TO GUIDE FUTURE DEVELOPMENT AND IMPROVE REGIONAL MOBILITY AND AIR QUALITY.

Policy 11.3:

Encourage development that efficiently coordinates land use with transit service, requiring that developers address transit concerns as well as mitigate traffic problems.

The Project is located within a neighborhood rich with public transportation; those who occupy the two proposed buildings are expected to rely heavily on public transit, bicycling, or walking for the majority of their daily trips. The project includes bicycle parking for 620 bicycles (553 Class 1, 67 Class 2). Within a few blocks of the Project Site, there is an abundance of local and regional transit lines, including MUNI bus lines, MUNI Metro rail lines and BART. Additionally such transit lines also provide access to AC Transit (Transbay Terminal) and CalTrain.

DOWNTOWN AREA PLAN

Objectives and Policies

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which produces substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences which cannot be mitigated.

The Project would bring additional housing into a neighborhood that is well served by public transit on the edge of Downtown. The Project would not displace any housing because the existing structures at 1500 Mission Street contain a retail building and warehouse occupied by Goodwill Industries. The Project would improve the existing character of the neighborhood by activating the site's 11th Street frontage with retail and office uses, providing more "eyes-on" a currently an underutilized street, primarily serving as vehicular ingress/ egress. Additionally, the Project would provide retail space along the South Van Ness, Mission Street and mid-block alley frontages that would contribute to the existing retail uses in the vicinity, while creating a more pedestrian-friendly environment in the immediate neighborhood. The Project therefore creates substantial net benefits for the City with minimal undesirable consequences.

OBJECTIVE 7:

EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

Policy 7.1.1

Promote the inclusion of housing in downtown commercial developments.

Policy 7.2

Facilitate conversion of underused industrial and commercial areas to residential use.

The project site currently contains two buildings – 1.) a 29,000 square foot, 30-foot-tall building at 1580 Mission Street containing a Goodwill retail store and offices at the second story, and 2.) a 57,000 square-foot, 28-foot tall building at 1500 Mission Street containing a largely single-story warehouse building used for processing donated items. The Project would retain a 43-foot deep portion of the warehouse building determined to be a historic resource of the Streamline Moderne style, while demolishing the rest of the

warehouse and the retail/ office building at 1580 Mission Street to construct two new buildings containing approximately 550 dwelling units and approximately 464,000 square feet of office space - maximizing the currently underutilized parcels.

The Project also includes approximately 38,000 square feet of ground floor commercial space; with tenant spaces on along Mission Street, 11th Street, South Van Ness Avenue, and mid-block alleys; these spaces would provide services to the immediate neighborhood, and create pedestrian-oriented, active uses on each of the frontages.

OBJECTIVE 16:

CREATE AND MAINTAIN ATTRACTIVE, INTERESTING URBAN STREETSCAPES.

Policy 16.4

Use designs and materials and include amenities at the ground floor to create pedestrian interest.

The Project would promote Objective 16 by including a ground floor retail use and mid-block alleys which would promote pedestrian traffic in the vicinity. The Project would provide floor-to-ceiling, transparent windows in retail spaces, inviting pedestrian. The sidewalk area surrounding the Project Site would be landscaped with street trees and bike racks. In general, the Project would increase the usefulness of the area surrounding the Project Site to pedestrians and bicyclists, improving connective between Mission Street and South Van Ness Avenue while also creating visual interest along the Project's street frontages.

MARKET AND OCTAVIA PLAN

Objectives and Policies

Policy 1.1.2:
Concentrate more intense uses and activities in those areas best served by transit and most accessible on foot.

Policy 1.2.2:
Maximize housing opportunities and encourage high-quality commercial spaces on the ground floor.

The Project is located within an existing high-density urban context and would transform an underutilized warehouse and retail/ office building into high-density housing and civic permit center in an area that has a multitude of transportation options. The Project includes a mix of studio, one-, two- and three- bedroom units, and approximately 38,000 square feet of ground floor retail that would be devised into a 6 to 7 smaller spaces.

OBJECTIVE 2.2

ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA.

Policy 2.2.2:

Ensure a mix of unit sizes is built in new development and is maintained in existing housing stock.

Policy 2.2.4:
Encourage new housing above ground-floor commercial uses in new development and in expansion of existing commercial buildings.

The proposed Project includes 550 dwelling units and approximately 38,000 square feet of ground floor retail on the first floor along Mission Street, South Van Ness Avenue, 11th Street and the proposed mid-block alley. The Project includes a mix of studio, one-, two- and three-bedroom units, which helps maintain the diversity of the City's housing stock.

OBJECTIVE 5.1:

IMPROVE PUBLIC TRANSIT TO MAKE IT MORE RELIABLE, ATTRACTIVE, CONVENIENT, AND RESPONSIVE TO INCREASING DEMAND.

Policy 5.1.2:
Restrict curb cuts on transit-preferential streets.

OBJECTIVE 5.2:

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

Policy 5.2.3:
Minimize the negative impacts of parking on neighborhood quality.

OBJECTIVE 5.3:

ELIMINATE OR REDUCE THE NEGATIVE IMPACT OF PARKING ON THE PHYSICAL CHARACTER AND QUALITY OF THE NEIGHBORHOOD.

Policy 5.3.1:
Encourage the fronts of buildings to be lined with active uses and, where parking is provided, require that it be setback and screened from the street.

South Van Ness Avenue and Mission Street are considered transit-preferential streets. Accordingly all off-street parking access is along 11th Street. Off-street loading access would be permitted along Mission Street during off-peak traffic times to minimize impacts to pedestrians, transit service, bicycle movement and the overall traffic movement on Mission Street. All parking will be located below grade, improving the Project's urban design by minimizing street frontages devoted to vehicular uses. The street-level design of the Project provides mostly active uses including 38,000 square feet of retail along Mission Street, South Van Ness Avenue, 11th Street and the mid-block alley.

8. **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 complies 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 supports this policy by providing up to 38,000 square feet of ground floor retail of varying sizes to accommodate a mix of tenants, providing future opportunities of resident employment in and ownership of business.

   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 would improve the existing character of the neighborhood by providing more pedestrian-friendly uses. No housing would be displaced because the existing structures contain offices, retail and warehousing uses occupied by Goodwill Industries. The proposed retail spaces vary in size and present opportunities to small and larger business owners, helping to preserve the cultural and economic diversity of our neighborhoods.

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

   The Project enhances the City's supply of affordable housing by providing Below Market Rate units on-site at a rate of 20 percent of the total constructed units. There is currently no housing on the site; therefore, no affordable housing would be lost as part of this Project.

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

   The Project would not impede MUNI transit service or overburden local streets or parking. The Project is located along a major transit corridor that would promote rather than impede the use of MUNI transit service. Future residents and employees of the Project could access both the existing MUNI rail and bus services as well as the BART system. The Project also provides a sufficient off-street parking for future residents, employees, and frequenters of the proposed permit center so that neighborhood parking will not be overburdened by the addition of new residents, employees and building users.

   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 site includes warehouse space which is used to sort donated items. Accordingly, the Project would not displace industrial or service sectors.

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

   The Project will be consistent with the City's goal to achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake. The building will be constructed in compliance with all current building codes to ensure a high level of seismic safety.

   G. That landmarks and historic buildings be preserved.

   The Project supports this policy by retaining a 43-foot deep portion of the warehouse, formerly a Coca-Cola bottling plant of the Streamline-Moderne style.

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

The Project would cast approximately 23 minutes of shadow onto Patricia's Green during the dates of maximum shading, particularly during morning hours. It was observed that the park is most intensely used during lunch hours. Accordingly, the additional shading on Patricia's Green was determined not to create a significant and unavoidable impact, nor adversely impact the use of the park.

9. The Commission made and adopted environmental findings by its Motion No. 19884, which are incorporated by reference as though fully set forth herein, regarding the Project description and objectives, significant impacts, significant and unavoidable impacts, mitigation measures and alternatives, and a statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and pursuant to the California Environmental Quality Act, Section 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Commission adopted these findings as required by CEQA, separate and apart from the Commission's certification of the Project's Final EIR, which the Commission certified prior to adopting the CEQA findings.

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 Downtown Project Authorization and Request for Exceptions 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 Downtown Project Authorization Application No. 2014-000362ENVGPAPCAMAPDNXSHD** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated October 6, 2016 and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission has reviewed and considered the FEIR and the record as a whole and incorporates by reference herein the CEQA Findings contained in Motion No. 19884 and MMRP, included as Attachment B. All required mitigation and improvement measures identified in Attachment B of Motion No. 19884 are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 309 Determination of Compliance and Request for Exceptions 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 this Motion if not appealed 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 in person at 1650 Mission Street, Room 304, San Francisco, CA 94103, or call (415) 575-6880.

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 constitutes 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 March 23, 2017.

Jonas P. Ionin
Commission Secretary

AYES:	Richards, Fong, Johnson, Koppel, Moore
NAYS:	None
ABSENT:	Hillis, Melgar
ADOPTED:	March 23, 2017

EXHIBIT A

AUTHORIZATION

This authorization is for a Downtown Project Authorization and Request for Exceptions relating to a Project that would demolish the existing 1580 Mission Street building, retain and rehabilitate a portion of the existing 1500 Mission Street building, and demolish the remaining portions on the 1500 Mission building to construct a mixed-use development with two components: an approximately 767,200-square-foot, 396-foot-tall (416 feet to the top of the parapet) residential and retail/restaurant building at the corner of South Van Ness Avenue and Mission Street ("Retail/Residential Building"); and an approximately 567,300-square-foot, 227-foot-tall (257 feet to the top of the parapet) office and permit center building for the City and County of San Francisco ("City") on 11th Street between Market and Mission Streets ("Office Building") with a mid-rise extending west to South Van Ness Avenue pursuant to Planning Code Sections 309, 148, and 161 on Assessor's Block 3506, Lots 006 and 007 within the C-3-G, Downtown-General Zoning District and the proposed 1500 Mission Street Special Use District and the proposed 130/400-R-3 and 85-X Height and Bulk Districts; in general conformance with plans dated March 9, 2017, and stamped "EXHIBIT B" included in the docket for Case no. 2014-000362ENVGPAPCAMAPDNXSHD and subject to conditions of approval reviewed and approved by the Commission on March 23, 2017 under Motion No. 19887. The proposed Project includes a proposed Zoning Map amendment and Planning Code text amendment to create the 1500 Mission Special Use District to supersede the Van Ness & Market Downtown Residential Special Use District designation to reclassify height and bulk on the Project site to 85-X, 130/240-R-3 and 130/400-R-3, and a proposed amendment to Planning Code Section 270 associated with bulk limitations, allowing for an exceedance of the current Height and Bulk District limitations, additional off-street parking, and office space above the fourth floor. The proposed Residential/Retail Building will consist of a 39-story residential apartment tower containing approximately 550 dwelling units over up to 38,000 gross square feet of ground floor retail/restaurant space, and below grade parking for 300 vehicles and 247 bicycles. The proposed Office Building will consist of a 16-story tower consisting of 567,300 square feet of office space, of which 464,000 count towards Gross Floor Area, containing various City departments, a permit center and a childcare facility and below grade vehicle parking for 120 vehicles and 306 bicycles. 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 March 23, 2017 under Motion No. 19887.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19887 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 Downtown Project 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 Downtown Project 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 date that the Planning Code text amendment(s) and/or Zoning Map amendment(s) become effective. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.
   For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

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 the date that the Planning Code text amendment(s) and/or Zoning Map amendment(s) became effective.
   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, www.sf-planning.org

5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.
   For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

6. **Priority Processing.** This Project was enrolled into the Priority Processing Program, as a Type 2 Project, pursuant to Director's Bulletin No. 2.

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

7. **Floor Area Ratio.** Pursuant to the Floor Area Ratio limits (FAR) per Sections 123 and 249.33(b)(6)(B), which apply to projects within the 1500 Mission Street Special Use District, the Project is required to make a payment in to the Van Ness and Market Residential Special Use District Affordable Housing Fund for floor area that exceeds the base FAR of 6.0:1 and up to a maximum FAR of 9.0:1. For portions of the Project that exceed an FAR of 9.0:1, payment into the Van Ness and Market Neighborhood Infrastructure Fee.
   For information about compliance, contact the Planning Department at 415-558-6378, www.sf-planning.org

8. **Market Octavia Community Improvements Fund.** The Project is subject to the Market and Octavia Community Improvements Fee, as applicable, pursuant to Planning Code Section 421.
   For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

9. **Market Octavia Affordable Housing Fee.** The Project is subject to the Market and Octavia Affordable Housing Fee, as applicable, pursuant to Planning Code Section 416.
   For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

10. **Market and Octavia – Van Ness & Market Street Affordable Housing Fee.** The Project is subject to the Market and Octavia – Van Ness & Market Affordable Housing Fee, as applicable, pursuant to Planning Code Section 424.3.
    For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

11. **Improvement and Mitigation Measures.** Improvement and Mitigation measures described in the MMRP attached as **Attachment B** of the CEQA Findings contained in Motion No. [ ] associated with the Subject Project are necessary to avoid potential significant impacts and further reduce less-than-significant impacts of the Project and have been agreed to by the Project Sponsor. Implementation of the Improvement and Mitigation measures is a condition of Project approval.
    For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org.

ENTERTAINMENT COMMISSION – NOISE ATTENUATION CONDITIONS

Chapter 116 Residential Projects. The Project Sponsor shall comply with the "Recommended Noise Attenuation Conditions for Chapter 116 Residential Projects," which were recommended by the Entertainment Commission on August 25, 2015. These conditions state:

12. **Community Outreach.** Project Sponsor shall include in its community outreach process any businesses located within 300 feet of the proposed project that operate between the hours of 9PM and 5AM. Notice shall be made in person, written or electronic form.

13. **Sound Study.** Project sponsor shall conduct an acoustical sound study, which shall include sound readings taken when performances are taking place at the proximate Places of Entertainment, as well as when patrons arrive and leave these locations at closing time. Readings should be taken at locations that most accurately capture sound from the Place of Entertainment to best of their ability. Any recommendation(s) in the sound study regarding window glaze ratings and soundproofing materials including but not limited to walls, doors, roofing, etc. shall be given highest consideration by the project sponsor when designing and building the project.

14. **Design Considerations.**
    a. During design phase, project sponsor shall consider the entrance and egress location and paths of travel at the Place(s) of Entertainment in designing the location of (a) any entrance/egress for the residential building and (b) any parking garage in the building.
    b. In designing doors, windows, and other openings for the residential building, project sponsor should consider the POE's operations and noise during all hours of the day and night.

15. **Construction Impacts.** Project sponsor shall communicate with adjacent or nearby Place(s) of Entertainment as to the construction schedule, daytime and nighttime, and consider how this schedule and any storage of construction materials may impact the POE operations.

16. **Communication.** Project Sponsor shall make a cell phone number available to Place(s) of Entertainment management during all phases of development through construction. In addition, a line of communication should be created to ongoing building management throughout the occupation phase and beyond.

DESIGN – COMPLIANCE AT PLAN STAGE

17. **Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping (including roof deck 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,

18. **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 Site Permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.
    For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

19. **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 architectural

addendum to the Site Permit application. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

20. **Lighting Plan.** The Project Sponsor shall submit an exterior lighting plan to the Planning Department prior to Planning Department approval of the architectural addendum to the site permit application.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

21. **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

22. **Open Space Provision - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall continue to work with Planning Department staff to refine the design and programming of the public open space so that the open space generally meets the standards of the Downtown Open Space Guidelines in the Downtown Plan of the General Plan.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

23. **Open Space Plaques - C-3 Districts.** Pursuant to Planning Code Section 138, the Project Sponsor shall install the required public open space plaques at each office building entrance including the standard City logo identifying it; the hours open to the public and contact information for building management. The plaques shall be plainly visible from the public sidewalks on Mission, South Van Ness and 11th Streets and shall indicate that the open space is accessible to the public. Design of the plaques shall utilize the standard templates provided by the Planning Department, as available, and shall be approved by the Department staff prior to installation.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

24. **Signage.** The Project Sponsor shall develop a signage program for the Project which shall be subject to review and approval by Planning Department staff before submitting any building permits for construction of the Project. All subsequent sign permits shall conform to the approved signage program. Once approved by the Department, the signage program/plan information shall be submitted and approved as part of the site permit for the Project. All exterior signage shall be designed to compliment, not compete with, the existing architectural character and architectural features of the building.

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

25. 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:
    a. 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;
    b. On-site, in a driveway, underground;
    c. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
    d. 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;
    e. Public right-of-way, underground; and based on Better Streets Plan guidelines;
    f. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
    g. On-site, in a ground floor façade (the least desirable location).
    h. 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

26. Overhead Wiring. The Property owner will allow MUNI to install eyebolts in the building adjacent to its electric streetcar line to support its overhead wire system if requested by MUNI or MTA.

    For information about compliance, contact San Francisco Municipal Railway (Muni), San Francisco Municipal Transit Agency (SFMTA), at 415-701-4500, www.sfmta.org

27. Noise, Ambient. Interior occupiable spaces shall be insulated from ambient noise levels. Specifically, in areas identified by the Environmental Protection Element, Map1, "Background Noise Levels," of the General Plan that exceed the thresholds of Article 29 in the Police Code, new developments shall install and maintain glazing rated to a level that insulate interior occupiable areas from Background Noise and comply with Title 24.

    For information about compliance, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org

28. Noise. Plans submitted with the building permit application for the approved project shall incorporate acoustical insulation and other sound proofing measures to control noise.

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

29. **Odor Control Unit.** In order to ensure any significant noxious or offensive odors are prevented from escaping the premises once the project is operational, the building permit application to implement the project shall include air cleaning or odor control equipment details and manufacturer specifications on the plans. Odor control ducting shall not be applied to the primary façade of the building.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

PARKING AND TRAFFIC

30. **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, www.sf-planning.org

31. **Parking Maximum.** Pursuant to Planning Code Section 151.1, the Project shall provide no more than one parking space per two dwelling units as of right. With 550 dwelling units, 38,000 square feet of retail and approximately 464,000 square feet of office uses, a maximum of 430 spaces and 2,660 square feet devoted to off-street parking spaces (approximately 14 stalls) is principally permitted per Planning Code Section 151 and the proposed 1500 Mission Street Special Use District. The Project Sponsor will provide 409 off-street parking spaces plus 6 car-share spaces. The Project must also comply with Building Code requirements with respect to parking spaces for persons with disabilities.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

32. **Off-street Loading.** Pursuant to Planning Code Section 152.1, the Project shall provide 8 off-street loading space, three (of the 5 required spaces) of which will be provided at grade accessible from the mid-block alley along Mission Street for the Residential and Retail Uses and an equivalent of five below grade spaces for the Office Use. An exception pursuant to Planning Code Section 309 was attained for two required off-street loading space that are not provided on-site.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org.

33. **Car Share.** Pursuant to Planning Code Section 166, no less than six car share spaces shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.

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

34. **Bicycle Parking (Mixed-Use: New Commercial/Major Renovation and Residential).** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 310 Class 1 spaces (213 stalls for Residential Use, 92 stalls for Office Use and 5 stalls for Retail Use) and 54 Class 2 spaces (28 stalls for Residential Use, 11 stalls for Office Use, and 15 stalls for Retail Uses).
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

35. **Showers and Clothes Lockers.** Pursuant to Planning Code Section 155.3, the Project shall provide no fewer than four showers and 24 lockers for the Office Use and one shower and six lockers for the Retail Use.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org.

36. **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

37. **Transportation Demand Management (TDM).** Pursuant to Planning Code Section 169, the Project shall finalize a TDM Plan prior to the issuance of the first Building Permit or Site Permit to construct the project and/or commence the approved uses. The Property Owner, and all successors, shall ensure ongoing compliance with the TDM Program for the life of the Project, which may include providing a TDM Coordinator, providing access to City staff for site inspections, submitting appropriate documentation, paying application fees associated with required monitoring and reporting, and other actions.

Prior to the issuance of the first Building Permit or Site Permit, 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 to document compliance with the TDM Program. This Notice shall provide the finalized TDM Plan for the Project, including the relevant details associated with each TDM measure included in the Plan, as well as associated monitoring, reporting, and compliance requirements.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

PROVISIONS

38. **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

39. **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

40. **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

41. **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

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.

42. **Number of Required Units.** Pursuant to Planning Code Section 415.3, the Project is required to provide 13.5% of the proposed dwelling units as affordable to qualifying households. The Project contains 550 units; therefore, 74 affordable units are currently required. The Project Sponsor will fulfill this requirement by providing the 110 affordable units on-site, exceeding Planning Code requirements. 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.

43. **Unit Mix.** The Project contains 197 studios, 146 one-bedroom, 195 two-bedroom, and 12 three-bedroom units; therefore, the required affordable unit mix is 40 studios, 29 one-bedroom, 39 two-bedroom, and 1 three-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, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

44. **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.

45. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than 13.5 percent (13.5%), 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.

46. **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.

47. **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 lower 2/3 of the building, as measured by the number of floors per Planning Code Section 415.6(c); 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.

OPERATION

48. **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

49. **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

50. **Noise Control.** The premises shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of the building and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance.
For information about compliance with the fixed mechanical objects such as rooftop air conditioning, restaurant ventilation systems, and motors and compressors with acceptable noise levels, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org
For information about compliance with the construction noise, contact the Department of Building Inspection, 415-558-6570, www.sfdbi.org
For information about compliance with the amplified sound including music and television contact the Police Department at 415-553-0123, www.sf-police.org

51. **Odor Control.** While it is inevitable that some low level of odor may be detectable to nearby residents and passersby, appropriate odor control equipment shall be installed in conformance with the approved plans and maintained to prevent any significant noxious or offensive odors from escaping the premises.
For information about compliance with odor or other chemical air pollutants standards, contact the Bay Area Air Quality Management District, (BAAQMD), 1-800-334-ODOR (6367), www.baaqmd.gov and Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

52. **Notices Posted at Bars and Entertainment Venues.** Notices urging patrons to leave the establishment and neighborhood in a quiet, peaceful, and orderly fashion and to not litter or block driveways in the neighborhood, shall be well-lit and prominently displayed at all entrances to and exits from the establishment.
For information about compliance, contact the Entertainment Commission, at 415 554-6678, www.sfgov.org/entertainment

53. **Lighting.** All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

54. **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 to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

55. **Streetscape Maintenance.** The Project Sponsor shall maintain the main entrance to the building all sidewalks abutting the subject property and shared street that will be provided as part of the project 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, www.sf-planning.org

MONITORING - AFTER ENTITLEMENT

56. **Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

57. **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

58. **Monitoring.** The Project requires monitoring of the conditions of approval in this Motion. The Project Sponsor or the subsequent responsible parties for the Project shall pay fees as established under Planning Code Section 351(e) (1) and work with the Planning Department for information about compliance.

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

BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

NOTICE OF PUBLIC HEARING

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

LAND USE AND TRANSPORTATION COMMITTEE

NOTICE IS HEREBY GIVEN THAT the Land Use and Transportation Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: **Monday, May 8, 2017**

Time: **1:30 p.m.**

Location: **Legislative Chamber, Room 250, located at City Hall**
1 Dr. Carlton B. Goodlett Place, San Francisco, CA

Subject: **1500 Mission Street Project and Special Use District**

File No. 170348. Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District, and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

File No. 170408. Ordinance amending the General Plan by revising the height and bulk designations for the 1500 Mission Street project, Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007, on Map 3 of the Market and Octavia Area Plan and on Map 5 of the Downtown Area Plan; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan as proposed for amendment, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 340.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments to the City prior to the time the hearing begins. These comments will be made part of the official public record in this matter, and shall be brought to the attention of the members of the Committee. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton

B. Goodlett Place, Room 244, San Francisco, CA 94102. Information relating to this matter is available in the Office of the Clerk of the Board. Agenda information relating to this matter will be available for public review on Friday, May 5, 2017.

Angela Calvillo
Clerk of the Board

DATED: April 26, 2017
PUBLISHED/MAILED/POSTED: April 28, 2017

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EXM# 3004850

COPY OF NOTICE

Notice Type: GPN GOVT PUBLIC NOTICE

Ad Description AS - 05.08.17 Land Use - 1500 Mission (170348 & 170408)

To the right is a copy of the notice you sent to us for publication in the SAN FRANCISCO EXAMINER. Thank you for using our newspaper. Please read this notice carefully and call us with ny corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

04/28/2017

The charge(s) for this order is as follows. An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an

NOTICE OF PUBLIC HEARING
BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO
LAND USE AND TRANSPORTATION COMMITTEE
MONDAY, MAY 8, 2017 - 1:30 PM
CITY HALL, LEGISLATIVE CHAMBER, ROOM 250
1 DR. CARLTON B. GOODLETT PLACE, SAN FRANCISCO, CA

NOTICE IS HEREBY GIVEN THAT the Land Use and Transportation Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard: **(1500 Mission Street Project and Special Use District) File No. 170348.** Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District, and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302. **File No. 170408.** Ordinance amending the General Plan by revising the height and bulk designations for the 1500 Mission Street project, Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007, on Map 3 of the Market and Octavia Area Plan and on Map 5 of the Downtown Area Plan; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan as proposed for amendment, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 340. In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments to the City prior to the time the hearing begins. These comments will be made part of the official public record in this matter, and shall be brought to the attention of the members of the Committee. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Information relating to this matter is available in the Office of the Clerk of the Board. Agenda information relating to this matter will be available for public review on Friday, May 5, 2017. - Angela Calvillo, Clerk of the Board

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PROOF OF MAILING

Legislative File Nos. 170348 & 170408 (1500 Mission Street Project & SUD)

Description of Item(s):

File No. 170348. Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District, and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

File No. 170408. Ordinance amending the General Plan by revising the height and bulk designations for the 1500 Mission Street project, Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007, on Map 3 of the Market and Octavia Area Plan and on Map 5 of the Downtown Area Plan; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan as proposed for amendment, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 340.

I, Alisa Somera, an employee of the City and County of San Francisco, mailed the above described document(s) by depositing the sealed items with the United States Postal Service (USPS) with the postage fully prepaid as follows:

Date: April 28, 2017

Time: 9:35 a.m.

USPS Location: Repro Pick-up Box in the Clerk of the Board's Office (Rm 244)

Mailbox/Mailslot Pick-Up Times (if applicable): N/A

Signature: Alisa Somera

(Instructions: Upon completion, original must be filed in the above referenced file.)

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MEMORANDUM

TO: John Rahaim, Director, Planning Department
Olson Lee, Director, Mayor's Office of Housing and Community Development
Ed Reiskin, Executive Director, Municipal Transportation Agency

FROM: Alisa Somera, Legislative Deputy Director
Land Use and Transportation Committee

DATE: April 11, 2017

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Mayor Lee on April 4, 2017:

File No. 170348

Ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Parcel Block No. 3506, Lot Nos. 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District, and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: alisa.somera@sfgov.org.

c: Scott Sanchez, Planning Department
Lisa Gibson, Planning Department
AnMarie Rodgers, Planning Department
Aaron Starr, Planning Department

Joy Navarrete, Planning Department
Jeanie Poling, Planning Department
Eugene Flannery, Mayor's Office of Housing and Community Development
Kate Hartley, Mayor's Office of Housing and Community Development
Amy Chan, Mayor's Office of Housing and Community Development
Janet Martinsen, Municipal Transportation Agency
Kate Breen, Municipal Transportation Agency
Dillon Auyoung, Municipal Transportation Agency
Viktoriya Wise, Municipal Transportation Agency

OFFICE OF THE MAYOR
SAN FRANCISCO

EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: for Mayor Edwin M. Lee
RE: Planning Code, Zoning Map – 1500 Mission Street Special Use District
DATE: April 4, 2017

Attached for introduction to the Board of Supervisors is an ordinance amending the Planning Code to create the 1500 Mission Street Special Use District to facilitate development of the 1500 Mission Street (Assessor's Block 3506, Lots 006 and 007) project, to regulate bulk controls in the Special Use District, to modify Zoning Map SU07 to place the project site into this Special Use District and Zoning Map HT07 to establish the height and bulk district designations for the project site; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1; and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

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