

File No. 180997

Committee Item No. _____

Board Item No. 65

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____

Date: _____

Board of Supervisors Meeting

Date: November 13, 2018

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form |
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| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
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| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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OTHER

(Click on the text of checked items to view documents)

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| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Appeal Letter - San Francisco Heritage - October 13, 2018 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Planning Commission Motion No. 20281 - September 13, 2018 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Planning Department Letter - November 5, 2018 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Project Sponsor Letter - November 5, 2018 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Project Sponsor Letter - November 2, 2018 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Public Hearing Notice - October 30, 2018 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Clerical Documents |
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Prepared by: Jocelyn Wong

Date: November 9, 2018

Prepared by: _____

Date: _____

**NOTICE TO BOARD OF SUPERVISORS OF APPEAL
FROM ACTION OF THE CITY PLANNING COMMISSION**

Notice is hereby given of an appeal to the Board of Supervisors from the following action of the City Planning Commission.

The property is located at 450-474 O'Farrell Street / 532 Jones

September 13, 2018

Date of City Planning Commission Action
(Attach a Copy of Planning Commission's Decision)

October 15, 2018

Appeal Filing Date

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BY BJ

_____ The Planning Commission disapproved in whole or in part an application for reclassification of property, Case No. _____.

_____ The Planning Commission disapproved in whole or in part an application for establishment, abolition or modification of a set-back line, Case No. _____.

The Planning Commission approved in whole or in part an application for conditional use authorization, Case No. 2013.1535 ENV/CUA

_____ The Planning Commission disapproved in whole or in part an application for conditional use authorization, Case No. _____.

Statement of Appeal:

a) Set forth the part(s) of the decision the appeal is taken from:

Certification of Final EIR +
Conditional Use Authorization

b) Set forth the reasons in support of your appeal:

Proposed project incompatible with
Uptown Tenderloin Historic District and
adversely affects General Plan. Project is
not necessary or desirable, and mitigation
measures are inadequate.

Person to Whom
Notices Shall Be Mailed

Name and Address of Person Filing Appeal:

Mike Buhler

Name

Mike Buhler

Name

San Francisco Heritage
2007 Franklin St.

Address

SF, CA 94109

San Francisco Heritage
2007 Franklin St.

Address

SF, CA 94109

415-441-3000 x15

Telephone Number

415-441-3000 x15

Telephone Number

mbuhler@sfteritage.org

Mike Buhler

Signature of Appellant or
Authorized Agent

City Planning Commission
Case No. _____

The undersigned declare that they are hereby subscribers to this Notice of Appeal and are owners of property affected by the proposed amendment or conditional use (that is, owners of property within the area that is the subject of the application for amendment or conditional use, or within a radius of 300 feet of the exterior boundaries of the property.

If ownership has changed and assessment roll has not been amended, we attach proof of ownership change. If signing for a firm or corporation, proof of authorization to sign on behalf of the organization is attached.

Street Address, property owned	Assessor's Block & Lot	Printed Name of Owner(s)	Original Signature of Owner(s)
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
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22. _____	_____	_____	_____

Pursuant to Planning Code Section 308.1(b), the undersigned members of the Board of Supervisors believe that there is sufficient public interest and concern to warrant an appeal of the Planning Commission on Case No. 2013 1535 ENV/CUA, a conditional use authorization regarding (address) 450 - 474 O'Farrell / 532 Jones, District 6. The undersigned members respectfully request the Clerk of the Board to calendar this item at the soonest possible date.

SIGNATURE

DATE

[Signature]
[Signature]
[Signature]
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 BY [Signature]

(Attach copy of Planning Commission's Decision)

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2018 OCT 15 PM 4:41

BY BA

October 15, 2018

Clerk of the Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94103

Re: Letter of Appeal - Conditional Use Authorization for 450-474 O'Farrell Street/532 Jones Street Project

Dear Clerk of the Board and President Cohen:

Pursuant to Planning Code Section 308.1, San Francisco Heritage (Heritage) is appealing the Planning Commission's September 13 Approval of Conditional Use Authorization for the 450-474 O'Farrell Street/532 Jones Street project. The proposed project is not "necessary or desirable" for the Tenderloin community, contravenes General Plan policies promoting preservation of historic buildings, and requires a raft of conditional uses. It proposes to demolish three historic resources within the Uptown Tenderloin National Register Historic District, most notably Fifth Church of Christ, Scientist (1923), while providing nominal mitigation to help compensate for their destruction. The corresponding benefits to the immediate Tenderloin community are illusory: of the 176 apartments to be built, only 23 (or 13.5%) will be new below-market-rate units.

Section 303 of the Planning Code states that "the Planning Commission shall...authorize a Conditional Use if...[t]he proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is *necessary or desirable for, and compatible with, the neighborhood or the community*. Such use or feature as proposed will comply with the applicable provisions of this Code and will *not adversely affect the General Plan*." (Italics added.) The proposed project fails to meet this threshold test in several key respects:

- **The proposed demolition of three historic resources is inherently incompatible with the goals and character of the Uptown Tenderloin Historic District.** The project would be the first to demolish an individually-significant historic building — Fifth Church of Christ, Scientist — within the historic district for *market-rate housing*. Its approval will likely spur future proposals to demolish other historic buildings in the Tenderloin, regardless of their significance, for market-rate housing.

- **Demolition of three historic resources violates the General Plan.** A major objective of the General Plan is to conserve resources that provide “continuity with the past.” To this end, the Urban Design Element includes “fundamental principles for conservation” and specific policies that highlight and reinforce the importance of preserving historic buildings.¹ Policy 2.4 is to “Preserve notable landmarks and areas of historic, architectural, or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.” The project sponsors forged ahead with demolition plans in contravention of these core principles in the General Plan.
- **The project’s market-rate units will not be accessible to most Tenderloin residents.** A key project objective listed in the EIR is to construct “*financially feasible* mixed-use residential housing units that *contribute to the well-being of the community.*” (Italics added.) The proposed project will build 176 apartments, including 23 new below-market-rate units, with an average monthly rent of \$4,400 – significantly more expensive than the neighborhood median. The overwhelming majority of the proposed residential units will not benefit the immediate Tenderloin community.

The city has failed to impose conditions of approval and feasible mitigation measures to avoid or reduce the project’s significant adverse impacts on the Uptown Tenderloin Historic District. Planning Code Section 303(d) authorizes the Board of Supervisors to “prescribe such additional conditions...as are in its opinion necessary to secure the objectives of the Code.” Two economic studies included in the EIR find that the preferred project’s anticipated rate of return is “below the typical feasibility range” to secure necessary financing. Given the project’s questionable financial feasibility, Heritage asks the Board to impose an additional condition to safeguard against speculative demolition of the three historic resources on the project site. Specifically, no demolition permits should be issued until the project sponsors (or their successor) have demonstrated that (1) commercially reasonable financial resources are available to complete the new construction project, and (2) commencement of new construction will take place within six months of receipt of all necessary city approvals.

Likewise, the mitigation measures prescribed by the Planning Commission to address impacts on historic resources are patently inadequate, comprising documentation, an interpretive display, and limited salvage. Heritage recommends an additional exaction of at least \$1.5 million for off-site mitigation, including city-administered programs to fund

¹ Policies in the Urban Design Element that promote historic preservation and sensitivity to historic resources include Policy 2.4 (Preserve notable landmarks and areas of historic, architectural or aesthetic value), Policy 2.5 (Use care in remodeling of older buildings), and Policy 2.6 (Respect the character of older development nearby in the design of new buildings).

historic preservation, façade improvement, and affordable housing projects within the Uptown Tenderloin Historic District.²

Thank you for your consideration of this appeal. Should you have questions, please do not hesitate to contact me directly at mbuhler@sfheritage.org or 415/441-3000 x15.

Sincerely,



Mike Buhler
President & CEO

² The project sponsors have stated that they had budgeted \$5 million to prop up, shore, retrofit, and restore the historic façade during excavation and construction. The Planning Commission removed the historic façade from the design when it approved the project on September 13. As a result, Heritage estimates that the sponsors will realize a net savings of over \$3.5 million, taking into account new hard and soft costs associated with redesigning that portion of the building and assuming roughly the same volume.



SAN FRANCISCO PLANNING DEPARTMENT

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BY BA

Planning Commission Draft Motion

HEARING DATE: JUNE 28, 2018

CONTINUED TO: SEPTEMBER 13, 2018

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Case No.: 2013.1535ENV/CUA
 Project Address: 450-474 O'FARRELL STREET/ 532 JONES STREET
 Zoning: RC-4 (Residential-Commercial, High Density) District
 80-T-130-T Height and Bulk District
 North of Market Special Use District No. 1
 Block/Lot: 0317/007, 009, 011
 Project Sponsor: Fifth Church of Christ, Scientist
 450 O'Farrell Partners, LLC
 39 Forrest Street, Suite 201
 Mill Valley, CA 94941
 Attn: Tyler Evje
 te@thompsondorfman.com
 Staff Contact: Marcelle Boudreaux - (415) 575-9140
Marcelle.boudreaux@sfgov.org

ADOPTING FINDINGS RELATING TO A CONDITIONAL USE AUTHORIZATION PURSUANT PURSUANT TO PLANNING CODE SECTION 303 FOR: I) PLANNED UNIT DEVELOPMENT PURSUANT TO SECTION 304, WITH MODIFICATIONS FOR REAR YARD (SECTION 134(G)), DWELLING UNIT EXPOSURE (SECTION 140); OFF-STREET LOADING (SECTION 152) AND PERMITTED OBSTRUCTIONS (SECTION 136(C)); II) FOR DEMOLITION OF FIVE EXISTING DWELLING UNITS (SECTION 317); III) EXCEEDING HEIGHT OF 50 FEET WITH STREET FRONTAGE GREATER THAN 50 FEET (SECTION 253); IV) HEIGHT GREATER THAN 80 FEET IN NORTH OF MARKET RESIDENTIAL SPECIAL USE DISTRICT NO. 1 (SECTION 249.5/263.7); V) BULK EXCEEDANCE (SECTION 270); VI) ESTABLISHMENT OF NEW RELIGIOUS INSTITUTION USE (SECTION 303). THE PROJECT, LOCATED AT 450-474 O'FARRELL STREET AND 532 JONES STREET, TO DEMOLISH THE EXISTING COMMERCIAL BUILDING (474 O'FARRELL STREET), EXISTING COMMERCIAL AND RESIDENTIAL BUILDING (532 JONES STREET), AND EXISTING RELIGIOUS BUILDING (450 O'FARRELL STREET), AND CONSTRUCT A 13-STORY MIXED USE BUILDING CONTAINING UP TO 176 RESIDENTIAL UNITS, AND APPROXIMATELY 3,827 SQUARE FEET GROUND FLOOR RETAIL, 9,555 SQUARE FEET NEW RELIGIOUS (CHURCH) USE, AND BELOW-GRADE PARKING FOR UP TO 46 VEHICLES, LOCATED AT LOTS 007, 009 AND 011 IN ASSESSOR'S BLOCK 0317, WITHIN THE RC-4 (RESIDENTIAL-COMMERCIAL, HIGH DENSITY), NORTH OF MARKET RESIDENTIAL SPECIAL USE DISTRICT NO. 1, AND 80-T-130-T HEIGHT AND BULK DISTRICT.

PREAMBLE

On September 8, 2015, Bruce Fairty of 450 O'Farrell Partners, LLC (hereinafter "Project Sponsor") filed a complete application with the Department for the project, as modified by subsequent submittals, with the San Francisco Planning Department (hereinafter "Department") for a Conditional Use Authorization request pursuant to Section 303 for Planned Unit Development under Section 304, with modifications to Section 132(c) (permitted obstructions), Section 134 (rear yard modification), Section 140 (dwelling unit exposure), and Section 152 (residential off-street loading), and additional Conditional Use Authorization to the Planning Code under Section 317(g)(5) for demolition of existing residential units; Section 253(b) for new construction over 40 feet in height and a street frontage greater than 50 feet; Section 263.7 for an exception to the 80-foot base height limit in North of Market Residential Special Use District No. 1; Section 271 for exceptions to Section 270, governing the bulk of the building; and Section 303 for the new religious institution (church) use. The project proposes demolition of three buildings: 450 O'Farrell Street (currently occupied by the Fifth Church of Christ, Scientist); 474 O'Farrell Street (one-story, vacant retail building); and 532 Jones Street (one-story restaurant use, with five existing residential units). The proposal is to merge these three lots, and construct a new mixed-use building rising up to 130-foot-tall (13-story), with up to 176 dwelling units, restaurant and/or retail space on the ground floors, and a replacement church (proposed religious institution) incorporated into the ground and two upper levels, with up to 46 below grade parking spaces, private and common open space and Class 1 and 2 bicycle parking spaces, (the "Project") on the subject property located on Lots 007, 009, 011 in Assessor's Block 0317.

On November 21, 2014, Project Sponsor had on file a complete environmental evaluation application with the Department for environmental review for the Project.

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 February 22, 2017.

On October 25, 2017, the Department published a Draft EIR ("DEIR") for public review (Case No. 2013.1535ENV). The DEIR was available for public comment until December 11, 2017. On November 30, 2017, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On June 13, 2018, the Department published a Comments and Responses document, responding to comments made regarding the DEIR prepared for the Project.

On September 13, 2018, the Commission reviewed and considered the Final EIR ("FEIR") and found that the contents of said report and the procedures through which the FEIR was prepared and publicized in compliance with the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) ("CEQA"), 14 California Code of Regulations Sections 15000 et seq ("the CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31").

The Commission found that the FEIR was adequate, accurate, and objective, reflected the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the DEIR, and certified the FEIR by Motion No. ##### for the Project in compliance with CEQA, the CEQA Guidelines, and Chapter 31.

Department staff prepared a Mitigation Monitoring and Reporting program ("MMRP"), which material was made available to the public and this Commission for this Commission's review, consideration and action. These improvement and mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

On September 13, 2018, the Commission adopted Motion No. #####, adopting CEQA findings, including a Statement of Overriding Considerations, and adopting the MMRP, which findings and adoption of the MMRP are hereby incorporated by reference as though fully set forth herein.

On March 2, 2016, the Project Sponsor submitted a request for review of development exceeding 40 feet (Case No. 2013.1535SHD), pursuant to Section 295, analyzing the potential shadow impacts of the Project to properties under the jurisdiction of the Recreation and Parks Department (RPD). Department staff prepared a preliminary shadow fan analysis depicting the potential shadow cast by the development which indicated that the project could potentially cast shadow on Boedekker Park and Tenderloin Recreation Center, parks under the jurisdiction of RPD. A shadow study was prepared by CADP (dated January 21, 2016) that included more precise articulation of the envelope and accounted for shadows from existing buildings. Staff analyzed this study and concluded that the Project could not potentially cast shadow on properties under the jurisdiction. Therefore, the Project would have no impact to properties subject to Section 295.

The Planning Department, Office of the Commission Secretary, is the custodian of records for these actions, and such records are located at 1650 Mission Street, Fourth Floor, San Francisco, California.

On September 13, 2018, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No. 2013.1535ENVCUA. The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, the Planning Department staff, and other interested parties.

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

MOVED, that the Commission hereby authorizes the Conditional Use Authorization as requested in Application No. 2013.1535ENVCUA, 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:

- A. The above recitals are accurate and constitute findings of this Commission.
- B. **Project Description.** The project proposes demolition of three buildings: 450 O'Farrell Street (currently occupied by the Fifth Church of Christ, Scientist); 474 O'Farrell Street (one-story, vacant retail building); and 532 Jones Street (one-story restaurant use, with five existing residential units). The proposal is to merge these three lots, and construct a new mixed-use building rising up to 130-foot-tall (13-story), with up to 176 dwelling units, restaurant and/or retail space on the ground floors, and a replacement church (proposed religious institution) incorporated into the ground and two upper levels, below grade parking and mechanical spaces, private and common open space and 116 Class 1 and 9 Class 2 bicycle parking spaces. The project

would construct a total of approximately 218,155 square feet ("sf") of development, including 182,668 sf of residential space, 3,827 sf of restaurant/retail space, 9,555 sf for religious institution use, 8,398 sf of residential open space (288 sf of private open space and 8,110 sf of common open space), and 21,105 sf of below-grade parking (up to 46 spaces). The project also proposes merger of three Lots 007, 009, and 011 in Assessor's Block 0317.

- C. **Site Description and Present Use.** The project site is currently occupied by the three-story, 26,904-square-foot Fifth Church of Christ, Scientist, including a 1,400-square-foot parking lot with four parking spaces at 450 O'Farrell Street; a one-story, 4,415-square-foot vacant retail building at 474 O'Farrell Street; and a one-story, 1,012-square-foot restaurant and residential building with five units at 532 Jones Street.
- D. **Surrounding Properties and Neighborhood.** The Project Site is located within the RC-4 zoning district, a District defined by its compact, walkable, transit-oriented and mixed-use nature, within the Downtown/ Civic Center neighborhood. The immediate context is primarily residential with neighborhood-serving commercial uses. The immediate vicinity includes buildings ranging from five to 12 stories, and within a two-block radius up to 16-stories (including at the end of the subject site block). Within ¼-mile radius east of the site is the dense commercial retail area surrounding Union Square and the western boundary of the Financial District, and within ¼-mile south of the site is the City's major ceremonial and transit corridor Market Street. The project site is located within the boundaries of the Uptown Tenderloin Historic District which is listed in the National Register. Other zoning districts in the vicinity of the project site include: C-3-G (Downtown General), C-3-R (Downtown Retail), and P (Public), which exhibit a range of height and bulk districts: 80-T, 80-A, 80-130-F, and 225-S.
- E. **Public Outreach and Comments.** The Department received public comment during the environmental review process, some focused outside of the scope of EIR and included concerns about increased traffic, excess noise, and gentrification. Since the notice period for this hearing, the Department has received one letter directly in support of the project's additional rental housing and the church project (attached). A letter of objection to the surrounding safety due to the project was received (attached). The sponsor team has submitted a detailed outreach report (attached), outlining the numbers and details of outreach conducted with local nonprofits, businesses and residents, over approximately two years. In addition, the sponsor has submitted over 60 letters of support (attached) from neighborhood businesses, residents and members of area churches in support of a project that provides an adequate size church, provides rental housing and retail space on this site.
- F. **Planning Code Compliance.** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
1. **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 15 points.

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 15 points (residential). As currently proposed, the Project will achieve its required 15 points through the following TDM measures:

- *Unbundled Parking*
- *Parking Supply*
- *On-Site Affordable Housing*

2. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.6, 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 November 21, 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 proposed dwelling units as affordable. In addition, pursuant to Section 415.6(a)(9), the Commission shall require that the project sponsor replace the number of existing affordable units removed with units of a comparable number of bedrooms and sales prices or rents on the site, in addition to compliance with the requirements set forth in this Section.

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 rental units and will remain as rental units for the life of the project. The Project Sponsor submitted such Affidavit on June 4, 2018. 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 November 21, 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. Twenty-three (23) units (5 studios, 9 one-bedrooms, 9 two-bedrooms) of the total 171 net new units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable. In addition, the Project proposes demolition of five studio units currently existing at the site presumed to be subject to the Rent Stabilization and Arbitration Ordinance and these five will be replaced as on-site affordable units. Total number of on-site affordable units for the Project will be 28 of the 176 total dwelling units, or 16%.

G. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in Section 303(c) in that:

1. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The Downtown/ Civic Center neighborhood contains a mix of residential, commercial and institutional uses, including religious facilities. This mixed-use building will be compatible with that neighborhood mix of uses. The project will provide rental housing, ground floor retail space, and a new Christian Science church and Reading Room (institutional use) to replace the existing church site (deemed obsolete and oversized), a vacant commercial building adjacent to the church, and a one-story restaurant building containing five existing residential units that will be replaced on-site. Specifically, this mixed-use project includes 176 newly constructed dwelling units (with 28 on-site affordable units including the five replacement units), supporting a need in the City, a new church facility, retail space, and below grade parking.

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

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

The project's proposed building massing is consistent with the character and design of the neighborhood, and will not impede any development of surrounding properties. The project would be a contemporary, but compatible, design that references the character-defining features of the surrounding district and is compatible with size and scale, composition, materials and architectural details. The massing is compatible in terms of lot occupancy, solid-to-void ratio, and vertical articulation. The elements include the retained church façade and colonnade, the new church structure, and two different architectural styles for floors seven and above. The façade of the main building is set back from the street, beyond the existing 450 O'Farrell building façade and the new church building. The expression of the upper levels is compatible with the overall design and district, but read as secondary elevations. Finally, a vertical notch is proposed at the corner of O'Farrell Street and Shannon Alley, further reducing the building's massing impact. The building's design is well-articulated horizontally and vertically in order to reduce the apparent massing and includes retention of a unique urban design feature as a device to orient the community.

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

The Project site is located accessible by public transit, with multiple public transit alternatives (MUNI Bus lines 2-Clement, 3-Jackson, 27-Bryant, 31-Balboa, 38-Geary, 38R-Geary Rapid, and 45-Union/Stockton; Powell Street and Civic Center BART/MUNI) within close walking distance. Additionally, the Project site is directly adjacent to O'Farrell and Jones Streets, both major thoroughfares which provide ready access to those driving.

Parking is available either along surrounding neighborhood streets or within the proposed underground parking garage. The proposed below-grade garage proposes up to 46 parking spaces, of which 10 are to be dedicated to the church and one car share space. The vehicular entrance is located on Shannon Street, which will be less detrimental to the existing traffic pattern than would be a garage entrance on O'Farrell Street, which has a dedicated transit lane and one vehicular travel lane. The residential entrance, including entrance to the on-site bicycle parking, is located along Shannon Street, a feature designed to activate this elevation of the project site. Pedestrian entrances to the retail and church uses are on O'Farrell and additional retail use from Jones Streets, further activating those major streets. Given the small amount of retail space (less than 4,000 square feet) and limited loading needs as discussed in the project EIR, the project will seek an exception to off-street loading requirements by providing an on-street solution. The development will not be detrimental to the convenience of persons residing or working in the vicinity.

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

The Project will not emit any noxious odors or emissions. As a primarily residential and religious building, there will be limited generation of dusts or odors, and all activities are contained inside the building, which prevents noise pollution from emanating. The location of exhaust fans and louvers will comply with applicable regulations to prevent emissions from directly affecting surrounding residents and the public. The design does not contain large expanses of glazing or highly reflective glass that would create unwanted glare. During construction, appropriate measures will be taken to minimize the generation of and impacts from noise, dust and odor as required by the Building Code and any other applicable limitations.

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

Street trees are proposed along O'Farrell and Jones Streets as appropriate to meet Better Streets requirements and introduce a greening element downtown. The project proposes common and private open space in the form of private decks, setbacks, and portions of the property at the upper levels behind the retained colonnade; and common open space through a lower level courtyard, and a roof deck. The common open space areas will include landscaping and screening. The project will be properly and minimally lit, with signage to in conformance with Code requirements to promote easy access to, from, and within the building. Parking is all located below grade, with the parking garage entrance screened per Code.

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

The Project generally complies with the applicable sections of the Code, with certain exceptions. The residential uses contemplated for the Project within the RC-4 are generally permitted, and the proposed commercial uses are permitted within the RC-4 zoning district. Some of the project massing, including the contemplated maximum height and bulk exceedance, require additional Conditional Use authorization. The Project seeks several modifications to the requirements of the Planning Code through the PUD process. The purpose of the PUD process is to allow a well-designed development on larger sites to request modifications from the strict requirements of the Planning Code, provided that the Project generally meets the intent of these Planning Code requirements and will not adversely affect the General Plan.

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

The project site is located within the RC-4 zoning district and subarea No. 1 of the North of Market Residential Special Use District. This SUD has a stated purpose which includes protect and enhance important housing resources in an area near downtown, conserve and upgrade existing low and moderate income housing stock, preserve buildings of architectural and historic importance and preserve the existing scale of development, maintain sunlight in public spaces, encourage new infill housing at a compatible density, limit the development of tourist hotels and other commercial uses that could adversely impact the residential nature of the area, and limit the number of commercial establishments which are not intended primarily for customers who are residents of the area. Considered as a whole, although the project demolishes historic resources, the Project would add housing and commercial goods and services to add to and to support the residential-commercial District, in addition to a new church facility, into one mixed-use building. The Project site is well-served by transit and existing commercial services, with amenities accessible by foot, bike or transit. The Project includes a mix of unit types, including 45 studios, 69 one-bedroom units, 62 two-bedroom units, and provision of on-site affordable units. This mix of units can serve diverse housing sizes. On balance, the Project conforms with multiple goals and policies of the General Plan.

H. **Planned Unit Development.** Section 304 establishes criteria and limitations for the authorization of Planned Unit Development (PUD)'s over and above those applicable to Conditional Uses in general and contained in Section 303 and elsewhere in the Code. In cases of projects on sites ½-acre or greater that exhibit outstanding overall design and are complementary to the design and values of the surrounding area, such projects may merit modification of certain Code requirements.

1. Specifically the project seeks these modifications:
 - a) *A modification of the rear yard requirements per Section 134(g) of the Planning Code, as a modification through the PUD process, to allow for open space in a configuration other than a rear yard. Although the building does propose full lot coverage, the L-shaped design combined with sculpting of the mass produce a configuration of lower floors adjacent to the northern neighbor's*

lightwell. The project proposes a compliant amount of residential open space, as follows: private open space in the form of private decks, setbacks; and common open space through a lower level courtyard, and a roof deck.

- b) *An exception to dwelling unit exposure requirements per Section 140 of the Planning Code for 21 of the 176 units. Although these units do not look onto an area that meets the exact dimensional requirements for an inner court that expands five feet at each upper level the, buildings L-shape creates an open area that allows these units to face onto an area with access to light and air.*
- c) *An exception to the off-street loading requirements per Section 152 of the Planning Code, which requires one residential loading space for the project. Instead, the project proposes to convert one of the three existing general on-street metered parking spaces on O'Farrell Street adjacent to the project site to a metered commercial loading space, and would request from the San Francisco Municipal Transportation Agency (SFMTA) that the hours of operation of the existing two vehicle passenger loading/unloading zone adjacent to the project site be revised from only during church service to all day passenger loading/unloading, with an exception during the tow away peak periods.*
- d) *An exception to permitted obstructions. The balconies at upper residential levels project over Shannon Street 4 inches beyond what is permitted per technical dimensions at public rights of way when sidewalk is less than 9 feet, as outlined in Section 136(c) of the Planning Code. This exceedance will be minimally perceptible but allow additional habitable space at these balconies.*

2. On balance, the Project complies with said criteria of Section 304(d) in that it:

- a) Affirmatively promotes applicable objectives and policies of the General Plan;

See General Plan Compliance discussion under Item #J.

- b) Provides off-street parking adequate for the occupancy proposed;

Off-street parking is not required in the RC-4 zoning district. The project provides off-street parking for residential use at a ratio less than .25 in a below grade garage. Up to 46 spaces are proposed, with 10 dedicated to visitors to the religious institution and one car share space. Balanced with multiple transit lines within ¼-mile, options for walking, and over 125 bicycle parking spaces, both on-site and on the sidewalks, this off-street parking is adequate for the proposed uses, for this downtown location.

- c) Provide open space usable by the occupants and, where appropriate, by the general public, at least equal to the open spaces required by this Code;

The open space provided by the project complies with the residential open space requirements under the Code. Private open space is provided in the form of decks and balconies to eight residential units; and common open space is provided for the balance of residential units through a lower level roof deck courtyard and at the roof deck.

- d) Be limited in dwelling unit density to less than the density that would be allowed by Article 2 of this Code for a district permitting a greater density, so that the Planned Unit Development will not be substantially equivalent to a reclassification of property;

Pursuant to Section 249.5, in the North of Market Residential Special Use District No. 1 the density ratio for the site is one dwelling unit for each 125 square feet of lot area, allowing up to 176 units on this 22,106 square foot site. Accordingly, no increase in density is being sought.

- e) In R Districts, include Commercial Uses only to the extent that such uses are necessary to serve residents of the immediate vicinity, subject to the limitations for NC-1 Districts under this Code, and in RTO Districts include Commercial Uses only according to the provisions of Section 231 of this Code;

The proposed retail use is properly scaled for the neighborhood and the project as a whole. The project proposes two retail spaces, totaling less than 4,000 square feet. This is in accord with other small, ground floor retail uses on the surrounding blocks, and appropriate for the overall size of the project.

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

No exception to the 130-foot height limit is being sought. Please review discussion of Conditional Use Authorization in Items #(I)(2) and #(I)(3).

- g) In NC Districts, be limited in gross floor area to that allowed under the floor area ratio limit permitted for the district in Section 124 and Article 7 of this Code;

The site is located within the RC-4 zoning district, therefore, this is not applicable.

- h) In NC Districts, not violate the use limitations by story set forth in Article 7 of this Code;

The site is located within the RC-4 zoning district, therefore, this is not applicable.

- i) In RTO and NCT Districts, include the extension of adjacent alleys or streets onto or through the site, and/or the creation of new publicly-accessible streets or alleys through the site as appropriate, in order to break down the scale of the site, continue the surrounding existing pattern of block size, streets and alleys, and foster beneficial pedestrian and vehicular circulation.

The site is located within the RC-4 zoning district, therefore, this is not applicable.

- j) Provide street trees as per the requirements of Section 138.1 of the Code.

The project will comply with all street tree requirements per requirements pursuant to the Public Works Code.

- k) Provide landscaping and permeable surfaces in any required setbacks in accordance with Section 132 (g) and (h).

The site is located within the RC-4 zoning district, therefore, this Code Section is not applicable to the Project.

I. Additional Findings to Section 303(c) for Conditional Use Authorization request. Each Planning Code Section may establish criteria for the Planning Commission to consider when reviewing applications for Conditional Use Authorization.

1. **Additional Findings pursuant to Section 317** establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications to demolish or convert Residential Buildings. On balance, the Project does comply with said criteria in that:

- a. whether the property is free of a history of serious, continuing Code violations;

The mixed use property has housed a restaurant and residential uses. Although some violations are on file for the property for both uses, these have been abated through the Department of Building Inspection (DBI) process. There are no pending Building Code complaints associated with the 532 Jones Street property.

- b. whether the housing has been maintained in a decent, safe, and sanitary condition;

Currently, per information provided by the Sponsor, two of the residential units are used as storage for non-residential uses, and one residential unit is vacant. The remaining two residential units are occupied by employees of the ground floor restaurant in the building (d.b.a. Shalimar). There are no open complaints for the residential use.

- c. whether the property is an "historical resource" under CEQA;

The building is considered a contributor to the Uptown Tenderloin National Register Historic District, therefore is an historical resource under CEQA, however

is not listed as individually significant in either the National Register or California Register.

- d. whether the removal of the resource will have a substantial adverse impact under CEQA;

The EIR for the project determined that demolition of the 532 Jones building would not have a significant adverse impact to historical resources (Uptown Tenderloin National Register Historic District) under CEQA. The replacement project will be compatible with the scale of the surrounding neighborhood.

- e. whether the project converts rental housing to other forms of tenure or occupancy;

The existing units are rental housing, and the project proposes to initially offer all dwelling units as rental units. Therefore, as proposed the project sponsor indicates that there is no conversion to other forms of tenure or occupancy.

- f. whether the project removes rental units subject to the Residential Rent Stabilization and Arbitration Ordinance or affordable housing;

The existing five units are not deed-restricted, tax-credit funded affordable housing. Although Planning Staff does not have the authority to make a determination on the rent control status of a property, it is to be assumed that the units to be demolished are subject to the Residential Rent Stabilization and Arbitration Ordinance due to building construction date circa 1950. Only two of the five units are occupied, and the project sponsor will be working with MOH and other parties to ensure a relocation plan. The project includes five additional on-site affordable units in excess of its inclusionary housing requirement (13.5%, or 23 units) as new, on-site replacement units. The project proposes a total of 28 on-site affordable units pursuant to Section 415 of the Planning Code.

- g. whether the project conserves existing housing to preserve cultural and economic neighborhood diversity;

Although the existing housing will not be conserved, the mixed-use project, which merges three lots, will replace the five existing units – only two of which are currently occupied – with 176 newly constructed units. The five replacement residential units and 171 new residential units in the project meet the stated purpose of the North of Market Residential Special Use District and the City's priority policies to encouraging dense infill housing in close proximity to transit. By providing a varied unit mix and on-site affordable units (23 inclusionary units and 5 replacement inclusionary units), the surrounding neighborhood's cultural and economic diversity will be enhanced.

- h. whether the project conserves neighborhood character to preserve neighborhood cultural and economic diversity;

The project conserves neighborhood character with a mixed-use project including 176 newly constructed dwelling units, including 16%, or 28 units, as on-site affordable, a church, retail space, and below grade parking, all while including features that are consistent with the character defining features of the Uptown Tenderloin National Register Historic District. Architectural elements from existing structures will be incorporated into the new building design to maintain its connection to the neighborhood's history. Additionally, retention of the existing 450 O'Farrell building facade and colonnade along O'Farrell Street will preserve a unique urban design feature of this building, as a key orientation element for the block and neighborhood. The new building design is compatible with the prevailing development pattern and neighborhood character on the project and surrounding blocks. The unit mix – studios, junior one bedrooms, one bedrooms, and two bedrooms – is balanced with compliant residential open space at various levels, and enables individuals and families to live in a building together. The minimal amount of ground floor retail supports the new and existing residential uses, and, overall, the project seeks to enhance the neighborhood's economic and cultural diversity.

- i. whether the project protects the relative affordability of existing housing;

None of the five units in the existing building are deed-restricted affordable housing, however, are presumed to be subject to the Rent Stabilization and Arbitration Ordinance. The project as a whole is required to comply with San Francisco's inclusionary housing program under Section 415 of the Planning Code. In addition, the five units to be demolished will be replaced as on-site inclusionary. As a result, 16% of the dwelling units provided on-site will be affordable (23 required inclusionary units and 5 replacement inclusionary units).

- j. whether the project increases the number of permanently affordable units as governed by Section 415;

By demolishing the five existing units, and replacing them with a project that will comply with Section 415 of the Planning Code, the number of affordable units will increase. The Project's required inclusionary is 13.5% or 23 affordable units and the replacement five affordable units, will produce a project with 28 on-site affordable units, thereby increasing the supply of newly constructed affordable units within a market-rate project.

- k. whether the project locates in-fill housing on appropriate sites in established neighborhoods;

The project locates in-fill housing in close proximity to transit, in the Downtown/ Civic Center neighborhood within the dense residential-commercial Uptown Tenderloin Historic District.

- l. whether the project increases the number of family-sized units on-site;

The five existing units are all studios, and therefore are not family-sized. The project currently proposes a diverse unit mix, with 45 studio units, 69 one-bedroom units, and 62 two-bedroom units proposed. Thus, the number of family-size units will increase as a result of the project.

- m. whether the project creates new supportive housing;

The project does not provide supportive housing.

- n. whether the project is of superb architectural and urban design, meeting all relevant design guidelines, to enhance existing neighborhood character;

The project is of superb architectural and urban design quality and enhances existing neighborhood character. The EIR for the project, the new building has been determined compatible with the Uptown Tenderloin National Register Historic District. The project will be a contemporary, but compatible, design that references the character-defining features of the surrounding district, in terms of size and scale, composition, and materials. The massing is compatible in terms of lot occupancy, solid-to-void ratio, and vertical articulation. Materials selection includes pre-cast concrete, with varying finishes, with deep recesses for glazing at the primary elevations fronting the street, and non-reflective metal panel systems with vertical oriented glazing and spandrel panel at the elevations setback from the street and secondary elevations.

The project retains the 450 O'Farrell building facade and colonnade along O'Farrell Street in order to preserve a unique urban design feature of this building, as a key orientation element for the block and neighborhood. Further, the design minimizes the building's mass with alternating setbacks, which seeks to minimize the appearance of bulk and minimize impacts to adjacent neighbors light and air, consistently applied design guidelines.

- o. whether the project increases the number of on-site Dwelling Units;

The existing 532 Jones Street building contains five dwelling units, while the project proposes 176 dwelling units – an increase of 171 total dwelling units.

- p. whether the project increases the number of on-site bedrooms;

The existing 532 Jones Street building contains five studio units, i.e. no bedrooms. The project currently proposes a total of 193 bedrooms, in addition to 45 studios, which includes the junior one-bedrooms.

- q. whether or not the replacement project would maximize density on the subject lot;

The project maximizes density by proposing to merge three lots - the 532 Jones Street, 474 O'Farrell Street and 450 O'Farrell Street lots - and developing one building to maximize the permitted density in the North of Market Residential Special Use District, subarea No. 1. The project will increase the dwelling units from 5 units by adding 171 units, for a total of 176 units. By merging three lots and building vertically to the permitted height limit for the site, the project is able to provide full use of the density available on the subject lot, as well as the adjacent two lots. Notably, the project sculpts the massing adjacent to the existing neighbors to preserve light and air. The maximum units in this project given the density allowed in this special use district is 176 units.

- r. if replacing a building not subject to the Residential Rent Stabilization and Arbitration Ordinance, whether the new project replaces all of the existing units with new Dwelling Units of a similar size and with the same number of bedrooms.

Not applicable. The building to be replaced is assumed to be subject to the Residential Rent Stabilization and Arbitration Ordinance.

2. **Additional Findings pursuant to Section 253(b)(1)** establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications for a building exceeding a height of 40 feet in a RM or RC District where the street frontage is more than 50 feet. In reviewing any such proposal for a building or structure exceeding 40 feet in height in a RH District, 50 feet in height in a RM or RC District, or 40 feet in a RM or RC District where the street frontage of the building is more than 50 feet the Planning Commission shall consider the expressed purposes of this Code, of the RH, RM, or RC Districts, and of the height and bulk districts, set forth in Sections 101, 209.1, 209.2, 209.3, and 251 hereof, as well as the criteria stated in Section 303(c) of this Code and the objectives, policies and principles of the General Plan, and may permit a height of such building or structure up to but not exceeding the height limit prescribed by the height and bulk district in which the property is located. On balance, the Project does comply with said criteria in that:

The height of the building varies from 55 feet to 130 feet, exceeding the 40 feet in height on a site with more than 50 feet of street frontage in an RC district, but in compliance with the 80-T-130-T height and bulk district applicable to this project site. As discussed at length in the Section 303(c) findings and further in the General Plan Compliance section, the project is on balance compatible with the criteria, objectives, and policies and principles of the RC-4

district, North of Market Residential Special Use District subarea No. 1, and the General Plan. Specifically, RC-4 districts call for a mixture of high-density dwellings with supporting commercial uses and open space. The project provides that 176 dwelling units in a diverse mix, with retail and religious institution uses on the lower levels.

3. **Additional Findings pursuant to Section 249.5(c)(1) for Section 263.7** establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications for a building exceeding a height of 80 feet in the North of Market Residential Special Use District. In the 80-120-T and 80-130-T Height and Bulk Districts located within the North of Market Residential Special Use District (NOMRSUD), heights higher than 80 feet would be appropriate in order to effect a transition from the higher downtown heights to the generally lower heights of the existing buildings in the NOMRSUD core area and the Civic Center area and to make more feasible the construction of new housing, provided that development of the site is also consistent with the general purposes of the NOMRSUD as set forth in Section 249.5(b). In making determinations on applications for Conditional Use authorizations required for uses located within the North of Market Residential Special Use District, the Planning Commission shall consider the purposes as set forth in Subsection 249.5(b) as delineated below. On balance, the Project does comply with said criteria in that:

- a) protect and enhance important housing resources in an area near downtown;

The project increases housing resources, with a varied unit mix, in the downtown area by a total of 171 units.

- b) conserve and upgrade existing low and moderate income housing stock;

The project replaces the existing five residential units with newly constructed replacement units. As such, the project provides a total of 28 on-site inclusionary affordable units.

- c) preserve buildings of architectural and historic importance and preserve the existing scale of development:

Although the project demolishes buildings of architectural and historic importance, the replacement project is compatible with the scale of development in the neighborhood.

- d) maintain sunlight in public spaces;

The project EIR determined that the project would not cause any shadow impacts on area parks and open spaces or any other significant shadow impacts. Further,

analysis conducted pursuant to Section 295 of the Planning Code determined that no parks under the jurisdiction of Recreation and Parks Department would be impacted by the project.

- e) encourage new infill housing at a compatible density;

The project is an infill housing development in close proximity to various modes of transit, with additional options for walking and biking, at a density consistent with the special use district and compatible with the dense urban neighborhood

- f) limit the development of tourist hotels and other commercial uses that could adversely impact the residential nature of the area;

No tourist hotel is contemplated by the project.

- g) limit the number of commercial establishments which are not intended primarily for customers who are residents of the area.

The limited retail space proposed is compatible with other mixed-use projects in the area and of a scale that would be primarily intended to serve residents of the area.

Additional Findings pursuant to Section 271(c) establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications for a building's bulk limits to be exceeded. Section 270 of the Planning Code establishes the bulk districts and the maximum dimensions within each bulk district. Within the "T" bulk district, at a setback height established pursuant to Section 132.2, but no higher than 80 feet, the maximum plan dimension is established at 110 feet (plan length) and 125 feet (diagonal). The project exceeds these dimensions with a proposed diagonal of approximately 165 feet 6 inches and plan dimension of approximately 115 feet. Exceptions to the Section 270 bulk limits are permitted through Section 271. On balance, the Project does comply with said criteria in that:

- a. The appearance of bulk in the building, structure or development shall be reduced by means of at least one and preferably a combination of the following factors, so as to produce the impression of an aggregate of parts rather than a single building mass:
- i. Major variations in the planes of wall surfaces, in either depth or direction, that significantly alter the mass;
 - ii. Significant differences in the heights of various portions of the building, structure or development that divide the mass into distinct elements;
 - iii. Differences in materials, colors or scales of the facades that produce separate major elements;

- iv. Compensation for those portions of the building, structure or development that may exceed the bulk limits by corresponding reduction of other portions below the maximum bulk permitted; and
 - v. In cases where two or more buildings, structures or towers are contained within a single development, a wide separation between such buildings, structures or towers.
- b. In every case the building, structure or development shall be made compatible with the character and development of the surrounding area by means of all of the following factors:
- i. A silhouette harmonious with natural land-forms and building patterns, including the patterns produced by height limits;
 - ii. Either maintenance of an overall height similar to that of surrounding development or a sensitive transition, where appropriate, to development of a dissimilar character;
 - iii. Use of materials, colors and scales either similar to or harmonizing with those of nearby development; and
 - iv. Preservation or enhancement of the pedestrian environment by maintenance of pleasant scale and visual interest.

The project's O'Farrell Street elevation is articulated to break the massing down into several distinct sections. The front façade of the 450 O'Farrell building would be retained and incorporated into the proposed project as a unique urban design feature and create a distinct entry to the O'Farrell Street retail use. The 13-story massing would be setback from the street/retained façade. The building component to the west will rise to eight stories and will house the church on the street level and residences above. The rest of the structure will be set back from O'Farrell Street, helping to reduce the building's massing at the street.

The proposed O'Farrell Street elevation references the tripartite composition characteristic of the district. Specifically, the existing 450 O'Farrell Street façade and the proposed church façade will be the base, the apartments will be the middle, and the parapet will define the top. The proposed base at the new church and at the Jones Street elevation will be further articulated as a two-part vertical composition with a high ground floor, similar to the bases of the adjacent and surrounding district contributors.

The articulation of the proposed façade along on O'Farrell Street will divide the façade in vertical subzones and will reflect the verticality of the nearby buildings by breaking up the horizontal form. The projecting precast concrete sections (rendered in white) with punched rectangular windows accentuate the elongated form of the building. On the western half of the elevation, the orientation of the rectangular windows strengthens verticality while adding rhythm to the façade, through application of an alternate materials palette: non-reflective metal, spandrel panel and glazing system. The secondary façades, including the western setback and the Shannon Street elevation, will be relatively flat, broken by lines and projecting balconies on Shannon Street.

Continuous street walls are typical of the district. Along O'Farrell Street, the existing 450 O'Farrell Street façade will be retained. The 8-story building component to the west, which will be clad in a textured pre-clad concrete and will house the new church, will extend to the property line. In addition, the Jones Street elevation will also extend to the property line, creating a continuous street wall. This urban design move preserves and enhances the pedestrian environment since the required use of transparency at these elevations provides an openness for pedestrians and users.

The building's design is well-articulated in order to reduce the apparent massing and includes retention of a unique urban design feature as a device to orient the community. The site is within the Uptown Tenderloin National Register Historic District, and the new building has been determined compatible with the District and the character of the surrounding neighborhood, specifically the scale and size, composition, materials, and architectural details.

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

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.1

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

Policy 1.10

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

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

OBJECTIVE 4:

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

Policy 4.1

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

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.

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 2:

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.6

Respect the character of older development nearby in the design of new buildings.

OBJECTIVE 3:

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

Policy 3.1

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

Policy 3.5

Relate the height of buildings to important attributes of the city pattern and to the height and character of existing development.

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 which has substantial undesirable consequences that cannot be mitigated.

OBJECTIVE 2:

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

OBJECTIVE 6:

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

Policy 6.4

Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and personal services are accessible to all residents.

The Project is a high-density residential development at an infill site, providing 176 new dwelling units in a mixed-use area. The Project includes 28 on-site affordable housing units for rent, which assist in meeting the City's affordable housing goals. The Project is also in close proximity to ample public transportation.

The Project generally promotes the purpose of the North of Market Residential Special Use District through infill housing at compatible density. The project introduces 171 new residential units with on-site affordable units near downtown, provides five new replacement residential units on-site, proposes less than 4,000 square feet of ground floor commercial which can support existing and new residents, and does not shade public open spaces. Although the proposal does not preserve historic architectural resources, the new building scale, materials and architectural features are compatible with the surrounding neighborhood character and buildings. The Project will activate O'Farrell Street with the re-located church site and retail use, Shannon Street with the residential lobby, and Jones Street with additional retail use. Further, street improvements such as street trees and bicycle parking will further enhance the public realm, consistent with the better street plan policies in the General Plan.

The proposed new construction would produce high-quality architectural design that is compatible with the surrounding neighborhood and with the Uptown Tenderloin National Register Historic District, in which the site is located. The new building will reflect the characteristic pattern which gives to the City and its neighborhood an image, sense of purpose, and a means of orientation; and, moderating major new development to complement the City pattern, by providing a new, mixed-use development consistent with neighboring 6- to 19-story development in close proximity to the site. In addition, the project maintains a sense of scale on the block through retaining a portion of the façade of the 450 O'Farrell building, which is to be incorporated into the new building. The Project would provide a new religious facility that will enable an existing church, which in its current location has been located at this site for more than 90 years, to continue to be located within the community and provide updated, code compliant, and expanded religious instructional and outreach facilities, while salvaging and reusing certain features of the building's interior elements.

The project, on balance, promotes the policies and objectives of the General Plan by locating housing for all at a mixed-use infill development site, with neighborhood-serving commercial, and at a density to support it, where households can easily rely on public transportation, walking and bicycling for a majority of daily trips.

3. **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 proposes demolishing the existing restaurant and retail spaces, and replacing those with new retail spaces that are consistent in size and intensity with the rest of the block. The overall retail space proposed is less than 4,000 square feet, thereby creating opportunities for residents while not diminishing the residential nature of the mixed-use block.

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 introduces 171 new residential units with on-site affordable units near downtown, provides five new replacement residential units as on-site affordable units, proposes less than 4,000 square feet of ground floor commercial which can support existing and new residents, and does not shade public open spaces. Although the proposal does not preserve historic architectural resources, the new building scale, materials and architectural features are compatible with the surrounding neighborhood character and buildings. The Project will activate O'Farrell Street with the re-located church site and retail use, Shannon Street with the residential lobby, and Jones Street with additional retail use. The new building will reflect the characteristic pattern which gives to the City and its neighborhood an image, sense of purpose, and a means of orientation; and, moderating major new development to complement the City pattern, by providing a new, mixed-use development consistent with neighboring 6- to 19-story development in close proximity to the site.

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

The project proposes to replace the five existing residential units, none of which are deed-restricted affordable units but are presumed to be subject to the Rent Stabilization and Arbitration Ordinance, with 176 total residential units, 28 of which are designated on-site affordable housing. As a result, the project creates an increase in the City's supply of affordable housing.

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

The Project Site is served by nearby public transportation options. The Project site is very accessible by public transit, with multiple public transit alternatives (MUNI Bus lines 2-Clement, 3-Jackson, 27-Bryant, 31-Balboa, 38-Geary, 38R-Geary Rapid, and 45-Union/Stockton; Powell Street and Civic Center BART/MUNI) within close walking distance. Additionally, the Project site is directly adjacent to O'Farrell and Jones Streets, both major thoroughfares which provide ready access to those driving. Parking is available either along surrounding neighborhood streets or within the proposed below grade parking garage. This garage has up to 46 parking spaces, of which 10 parking spaces will be dedicated to churchgoers, and one car share space, in addition to 125 Class 1 and Class 2 bicycle spaces. Given the accessibility of the project site, and the limited retail uses proposed, the project will not create community traffic that impedes MUNI service or overburdens the streets.

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

The Project does not include commercial office development. Although the Project would remove a small existing service sector use, the Project does provide new housing, which is a top priority for the City and proposes replacement of ground floor commercial retail space.

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

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

- G. That landmarks and historic buildings be preserved.

Part of the project includes demolition of a building (450 O'Farrell Street) determined individually eligible for the California Register of Historic Resources. In certifying the Project's Environmental Impact Report (EIR), the Planning Commission adopted a Statement of Overriding Considerations, Motion No. #####, finding that the impacts of demolition of the individual historic architectural resource are outweighed by the benefits of the Project. The proposed new construction would produce high-quality architectural design that is compatible with the Uptown Tenderloin National Register Historic District, in which the site is located.

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

A shadow analysis prepared by CADP (dated January 21, 2016) determined that the Project would not cast any net new shadow on nearby open spaces or spaces under the jurisdiction of the Recreation and Parks Department (Boeddeker Park and Tenderloin Recreation Center).

4. 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.
5. The Commission hereby finds that approval of the Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Authorization Application No. 2013.1535ENVCUA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated June 28, 2018, 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 hereby adopts the CEQA findings contained in Planning Commission Motion No. XXXXX, incorporated herein as part of this motion, by this reference thereto, and the MMRP attached to Motion No. XXXXX as Exhibit B and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the FEIR and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed (after the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

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

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on September 13, 2018.

Jonas P. Ionin
Commission Secretary

AYES:

Draft Motion
September 13, 2018

CASE NO. 2013.1535ENVCUA
450-474 O'Farrell/ 532 Jones Streets

NAYS:

ABSENT:

ADOPTED: September 13, 2018

San Francisco Architectural Heritage
2007 Franklin St
San Francisco, CA 94109
415 441 3000

First Republic Bank
2001 Van Ness Ave
San Francisco, CA 94109
11-8166/3210

9494

10/15/18

PAY TO THE
ORDER OF

San Francisco Planning Department \$ 617⁰⁰

Six hundred and seventeen dollars $\frac{00}{100}$ DOLLARS

Two Signatures req over \$5000

MEMO 450 O'Farrell Cond. Use Appeal

[Signature]
AUTHORIZED SIGNATURE

Recycled paper utilizes 30% post-consumer content

San Francisco Architectural Heritage

9494

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2018 OCT 15 PM 4:41
BY *[Signature]*

San Francisco Architectural Heritage

9494



Details on Back
Security Features Included



BOARD OF SUPERVISORS APPEAL FEE WAIVER FOR NEIGHBORHOOD ORGANIZATIONS

BQ

APPLICATION

Appellant's Information

Name: Mike Buhler, President + CEO, SF Heritage
Address: 2007 Franklin St. San Francisco, CA 94109
Email Address: mbuhler@sfheritage.org
Telephone: 415/441-3000 x15

Neighborhood Group Organization Information

Name of Organization: San Francisco Architectural Heritage
Address: 2007 Franklin St. San Francisco, CA 94109
Email Address: mbuhler@sfheritage.org
Telephone: 415/441-3000 x15

Property Information

Project Address: 450-474 O'Farrell St. / 532 Jones St.
Project Application (PRJ) Record No:
Building Permit No:
Date of Decision (if any): September 13, 2018

Required Criteria for Granting Waiver

All must be satisfied; please attach supporting materials.

Table with 3 columns: REQUIRED CRITERIA, YES, NO. Contains 4 rows of criteria with checkmarks in the YES column.

For Department Use Only

Application received by Planning Department:

By: Date:

Submission Checklist:

- APPELLANT AUTHORIZATION, CURRENT ORGANIZATION REGISTRATION, MINIMUM ORGANIZATION AGE, PROJECT IMPACT ON ORGANIZATION, WAIVER APPROVED, WAIVER DENIED



BOARD OF SUPERVISORS APPEAL FEE WAIVER FOR NEIGHBORHOOD ORGANIZATIONS INFORMATIONAL AND APPLICATION PACKET

Pursuant to Planning Code Section 350(j)(3) and Ordinance No. 149-16, Section 4, the Planning Director shall consider and make determinations regarding applications for the authorization of a Board of Supervisors Appeal Fee Waiver.

For questions, call 415.558.6377, email pic@sfgov.org, or visit the Planning Information Center (PIC) at 1660 Mission Street, First Floor, San Francisco, where planners are available to assist you.

Español: Si desea ayuda sobre cómo llenar esta solicitud en español, por favor llame al 415.575.9010. Tenga en cuenta que el Departamento de Planificación requerirá al menos un día hábil para responder

中文: 如果您希望獲得使用中文填寫這份申請表的幫助, 請致電415.575.9010。請注意, 規劃部門需要至少一個工作日來回應。

Tagalog: Kung gusto mo ng tulong sa pagkumpleto ng application na ito sa Filipino, paki tawagan ang 415.575.9120. Paki tandaan na mangangailangan ang Planning Department ng hindi kukulangin sa isang araw na pantrabaho para makasagot.

WHAT IS AN APPLICATION FOR A BOARD OF SUPERVISORS APPEAL FEE WAIVER?

Planning Code Section 350(j)(3) and Ordinance No. 149-16, Section 4, establishes a waiver from the Board of Supervisor Appeal fees if the appeal is filed by a neighborhood organization that has been in existence for 24 months prior to the filing date of the request, is on the Planning Department's neighborhood organization notification list and can demonstrate to the Planning Director or his/her designee that the organization is substantially affected by the proposed project.

WHO MAY APPLY FOR A DISCRETIONARY REVIEW FEE WAIVER?

Any individual or neighborhood group can file for a Board of Supervisors Appeal. Exact criteria for neighborhood group organizations in order to qualify for a fee waiver are specified below:

- the appellant is a member of the stated neighborhood organization and is authorized to file the appeal on behalf of the organization. Authorization may take the form of a letter signed by the President or other officer of the organization;
- the appellant is appealing on behalf of the organization that is registered with the Planning Department and that appears on the Planning Department's current list of neighborhood organization. To determine if the neighborhood group organization is registered with the Planning Department, visit <http://sf-planning.org/neighborhood-groups-map>;
- the appellant is appealing on behalf of an organization that has been in existence at least 24 months prior to the submittal of the fee waiver request. Existence may be established by evidence including that relating to the organization's activities at that time such as meeting minutes, resolutions, publications, website or roster; and
- the appellant is appealing on behalf of a neighborhood organization that is affected by the project and that is the subject of the appeal.

HOW DO I SUBMIT THE APPLICATION?

If the requirements above are met, complete the following application, along with any necessary supporting materials, and submit it to the Planning Information Center (PIC) at 1660 Mission Street, First Floor, San Francisco, CA 94013.

A check must be made for the correct amount per the [Planning Department Fee Schedule](#), payable to San Francisco Planning Department. Once the Department determines that the requestor is eligible for the fee waiver, the Department will mail the check back to the entity.



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Motion No. 20281

HEARING DATE: SEPTEMBER 13, 2018

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Case No.: **2013.1535ENV/CUA**
Project Address: **450-474 O'FARRELL STREET/ 532 JONES STREET**
Zoning: **RC-4 (Residential-Commercial, High Density) District**
80-T-130-T Height and Bulk District
North of Market Special Use District No. 1
Block/Lot: **0317/007, 009, 011**
Project Sponsor: **Fifth Church of Christ, Scientist**
450 O'Farrell Partners, LLC
39 Forrest Street, Suite 201
Mill Valley, CA 94941
Attn: Tyler Evje
te@thompsondorfman.com
Staff Contact: **Marcelle Boudreaux - (415) 575-9140**
Marcelle.boudreaux@sfgov.org

ADOPTING FINDINGS RELATING TO A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 303 FOR: I) PLANNED UNIT DEVELOPMENT PURSUANT TO SECTION 304, WITH MODIFICATIONS FOR REAR YARD (SECTION 134(G)), DWELLING UNIT EXPOSURE (SECTION 140); OFF-STREET LOADING (SECTION 152) AND PERMITTED OBSTRUCTIONS (SECTION 136(C)); II) FOR DEMOLITION OF FIVE EXISTING DWELLING UNITS (SECTION 317); III) EXCEEDING HEIGHT OF 50 FEET WITH STREET FRONTAGE GREATER THAN 50 FEET (SECTION 253); IV) HEIGHT GREATER THAN 80 FEET IN NORTH OF MARKET RESIDENTIAL SPECIAL USE DISTRICT NO. 1 (SECTION 249.5/263.7); V) BULK EXCEEDANCE (SECTION 270); VI) ESTABLISHMENT OF NEW RELIGIOUS INSTITUTION USE (SECTION 303). THE PROJECT, LOCATED AT 450-474 O'FARRELL STREET AND 532 JONES STREET, TO DEMOLISH THE EXISTING COMMERCIAL BUILDING (474 O'FARRELL STREET), EXISTING COMMERCIAL AND RESIDENTIAL BUILDING (532 JONES STREET), AND EXISTING RELIGIOUS BUILDING (450 O'FARRELL STREET), AND CONSTRUCT A 13-STORY MIXED USE BUILDING CONTAINING UP TO 176 RESIDENTIAL UNITS, AND APPROXIMATELY 3,827 SQUARE FEET GROUND FLOOR RETAIL, 9,555 SQUARE FEET NEW RELIGIOUS (CHURCH) USE, AND BELOW-GRADE PARKING FOR UP TO 46 VEHICLES, LOCATED AT LOTS 007, 009 AND 011 IN ASSESSOR'S BLOCK 0317, WITHIN THE RC-4 (RESIDENTIAL-COMMERCIAL, HIGH DENSITY), NORTH OF MARKET RESIDENTIAL SPECIAL USE DISTRICT NO. 1, AND 80-T-130-T HEIGHT AND BULK DISTRICT.

PREAMBLE

On September 8, 2015, Bruce Fairty of 450 O'Farrell Partners, LLC (hereinafter "Project Sponsor") filed a complete application with the Department for the project, as modified by subsequent submittals, with the San Francisco Planning Department (hereinafter "Department") for a Conditional Use Authorization request pursuant to Section 303 for Planned Unit Development under Section 304, with modifications to Section 132(c) (permitted obstructions), Section 134 (rear yard modification), Section 140 (dwelling unit exposure), and Section 152 (residential off-street loading), and additional Conditional Use Authorization to the Planning Code under Section 317(g)(5) for demolition of existing residential units; Section 253(b) for new construction over 40 feet in height and a street frontage greater than 50 feet; Section 263.7 for an exception to the 80-foot base height limit in North of Market Residential Special Use District No. 1; Section 271 for exceptions to Section 270, governing the bulk of the building; and Section 303 for the new religious institution (church) use. The project proposes demolition of three buildings: 450 O'Farrell Street (currently occupied by the Fifth Church of Christ, Scientist); 474 O'Farrell Street (one-story, vacant retail building); and 532 Jones Street (one-story restaurant use, with five existing residential units). The proposal is to merge these three lots, and construct a new mixed-use building rising up to 130-foot-tall (13-story), with up to 176 dwelling units, restaurant and/or retail space on the ground floors, and a replacement church (proposed religious institution) incorporated into the ground and two upper levels, with up to 46 below grade parking spaces, private and common open space and Class 1 and 2 bicycle parking spaces, (the "Project") on the subject property located on Lots 007, 009, 011 in Assessor's Block 0317.

On November 21, 2014, Project Sponsor had on file a complete environmental evaluation application with the Department for environmental review for the Project.

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 February 22, 2017.

On October 25, 2017, the Department published a Draft EIR ("DEIR") for public review (Case No. 2013.1535ENV). The DEIR was available for public comment until December 11, 2017. On November 30, 2017, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR. On June 13, 2018, the Department published a Comments and Responses document, responding to comments made regarding the DEIR prepared for the Project.

On September 13, 2018, the Commission reviewed and considered the Final EIR ("FEIR") and found that the contents of said report and the procedures through which the FEIR was prepared and publicized in compliance with the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) ("CEQA"), 14 California Code of Regulations Sections 15000 et seq. ("the CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31").

The Commission found that the FEIR was adequate, accurate, and objective, reflected the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the DEIR, and certified the FEIR by Motion No. 20279 for the Project in compliance with CEQA, the CEQA Guidelines, and Chapter 31.

Department staff prepared a Mitigation Monitoring and Reporting program ("MMRP"), which material was made available to the public and this Commission for this Commission's review, consideration and action. These improvement and mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

On September 13, 2018, the Commission adopted Motion No. 20280 adopting CEQA findings, including a Statement of Overriding Considerations, and adopting the MMRP, which findings and adoption of the MMRP are hereby incorporated by reference as though fully set forth herein.

On March 2, 2016, the Project Sponsor submitted a request for review of development exceeding 40 feet (Case No. 2013.1535SHD), pursuant to Section 295, analyzing the potential shadow impacts of the Project to properties under the jurisdiction of the Recreation and Parks Department (RPD). Department staff prepared a preliminary shadow fan analysis depicting the potential shadow cast by the development which indicated that the project could potentially cast shadow on Boedekker Park and Tenderloin Recreation Center, parks under the jurisdiction of RPD. A shadow study was prepared by CADP (dated January 21, 2016) that included more precise articulation of the envelope and accounted for shadows from existing buildings. Staff analyzed this study and concluded that the Project could not potentially cast shadow on properties under the jurisdiction. Therefore, the Project would have no impact to properties subject to Section 295.

The Planning Department, Office of the Commission Secretary, is the custodian of records for these actions, and such records are located at 1650 Mission Street, Fourth Floor, San Francisco, California.

On September 13, 2018, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No. 2013.1535ENVCUA. The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, the Planning Department staff, and other interested parties.

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

MOVED, that the Commission hereby authorizes the Conditional Use Authorization as requested in Application No. 2013.1535ENVCUA, 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:

- A. The above recitals are accurate and constitute findings of this Commission.
- B. **Project Description.** The project proposes demolition of three buildings: 450 O'Farrell Street (currently occupied by the Fifth Church of Christ, Scientist); 474 O'Farrell Street (one-story, vacant retail building); and 532 Jones Street (one-story restaurant use, with five existing

residential units). The proposal is to merge these three lots, and construct a new mixed-use building rising up to 130-foot-tall (13-story), with up to 176 dwelling units, restaurant and/or retail space on the ground floors, and a replacement church (proposed religious institution) incorporated into the ground and two upper levels, below grade parking and mechanical spaces, private and common open space and 116 Class 1 and 9 Class 2 bicycle parking spaces. The project would construct a total of approximately 218,155 square feet ("sf") of development, including 182,668 sf of residential space, 3,827 sf of restaurant/retail space, 9,555 sf for religious institution use, 8,398 sf of residential open space (288 sf of private open space and 8,110 sf of common open space), and 21,105 sf of below-grade parking (up to 46 spaces). The project also proposes merger of three Lots 007, 009, and 011 in Assessor's Block 0317.

- C. **Site Description and Present Use.** The project site is currently occupied by the three-story, 26,904-square-foot Fifth Church of Christ, Scientist, including a 1,400-square-foot parking lot with four parking spaces at 450 O'Farrell Street; a one-story, 4,415-square-foot vacant retail building at 474 O'Farrell Street; and a one-story, 1,012-square-foot restaurant and residential building with five units at 532 Jones Street.
- D. **Surrounding Properties and Neighborhood.** The Project Site is located within the RC-4 zoning district, a District defined by its compact, walkable, transit-oriented and mixed-use nature, within the Downtown/ Civic Center neighborhood. The immediate context is primarily residential with neighborhood-serving commercial uses. The immediate vicinity includes buildings ranging from five to 12 stories, and within a two-block radius up to 16-stories (including at the end of the subject site block). Within ¼-mile radius east of the site is the dense commercial retail area surrounding Union Square and the western boundary of the Financial District, and within ¼-mile south of the site is the City's major ceremonial and transit corridor Market Street. The project site is located within the boundaries of the Uptown Tenderloin Historic District which is listed in the National Register. Other zoning districts in the vicinity of the project site include: C-3-G (Downtown General), C-3-R (Downtown Retail), and P (Public), which exhibit a range of height and bulk districts: 80-T, 80-A, 80-130-F, and 225-S.
- E. **Public Outreach and Comments.** The Department received public comment during the environmental review process, some focused outside of the scope of EIR and included concerns about increased traffic, excess noise, and gentrification. Since the notice period for this hearing, the Department has received one letter directly in support of the project's additional rental housing and the church project (attached). A letter of objection to the surrounding safety due to the project was received (attached). The sponsor team has submitted a detailed outreach report (attached), outlining the numbers and details of outreach conducted with local nonprofits, businesses and residents, over approximately two years. In addition, the sponsor has submitted over 60 letters of support (attached) from neighborhood businesses, residents and members of area churches in support of a project that provides an adequate size church, provides rental housing and retail space on this site.
- F. **Community Organization Outreach.** At the instruction of the Planning Commission, the Project Sponsor and San Francisco Heritage will continue working together towards a mutually agreeable solution.

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

1. **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 15 points.

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 15 points (residential). As currently proposed, the Project will achieve its required 15 points through the following TDM measures:

- *Unbundled Parking*
- *Parking Supply*
- *On-Site Affordable Housing*

2. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.6, 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 November 21, 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 proposed dwelling units as affordable. In addition, pursuant to Section 415.6(a)(9), the Commission shall require that the project sponsor replace the number of existing affordable units removed with units of a comparable number of bedrooms and sales prices or rents on the site, in addition to compliance with the requirements set forth in this Section.

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 rental units and will remain as rental units for the life of the project. The Project Sponsor submitted such Affidavit on June 4, 2018. 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 November 21, 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. Twenty-three (23) units (5 studios, 9 one-bedrooms, 9 two-bedrooms) of the total 171 net new units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable. In addition, the Project proposes demolition of five studio units currently existing at the site presumed to be subject to the Rent Stabilization and Arbitration Ordinance and these five will be replaced as on-site affordable units. Total number of on-site affordable units for the Project will be 28 of the 176 total dwelling units, or 16%.

H. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in Section 303(c) in that:

1. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The Downtown/ Civic Center neighborhood contains a mix of residential, commercial and institutional uses, including religious facilities. This mixed-use building will be compatible with that neighborhood mix of uses. The project will provide rental housing, ground floor retail space, and a new Christian Science church and Reading Room (institutional use) to replace the existing church site (deemed obsolete and oversized), a vacant commercial building adjacent to the church, and a one-story restaurant building containing five existing residential units that will be replaced on-site. Specifically, this mixed-use project includes 176 newly constructed dwelling units (with 28 on-site affordable units including the five replacement units), supporting a need in the City, a new church facility, retail space, and below grade parking.

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

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

The project's proposed building massing is consistent with the character and design of the neighborhood, and will not impede any development of surrounding properties. The project would be a contemporary, but compatible, design that references the character-defining features of the surrounding district and is compatible with size and scale, composition, materials and architectural details. The massing is compatible in terms of lot occupancy, solid-to-void ratio, and vertical articulation. The elements include the retained church façade and colonnade, the new church structure, and two different architectural styles for floors seven and above. The façade of the main building is set back from the street, beyond the existing 450 O'Farrell building façade

and the new church building. The expression of the upper levels is compatible with the overall design and district, but read as secondary elevations. Finally, a vertical notch is proposed at the corner of O'Farrell Street and Shannon Alley, further reducing the building's massing impact. The building's design is well-articulated horizontally and vertically in order to reduce the apparent massing and includes retention of a unique urban design feature as a device to orient the community.

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

The Project site is located accessible by public transit, with multiple public transit alternatives (MUNI Bus lines 2-Clement, 3-Jackson, 27-Bryant, 31-Balboa, 38-Geary, 38R-Geary Rapid, and 45-Union/Stockton; Powell Street and Civic Center BART/MUNI) within close walking distance. Additionally, the Project site is directly adjacent to O'Farrell and Jones Streets, both major thoroughfares which provide ready access to those driving.

Parking is available either along surrounding neighborhood streets or within the proposed underground parking garage. The proposed below-grade garage proposes up to 46 parking spaces, of which 10 are to be dedicated to the church and one car share space. The vehicular entrance is located on Shannon Street, which will be less detrimental to the existing traffic pattern than would be a garage entrance on O'Farrell Street, which has a dedicated transit lane and one vehicular travel lane. The residential entrance, including entrance to the on-site bicycle parking, is located along Shannon Street, a feature designed to activate this elevation of the project site. Pedestrian entrances to the retail and church uses are on O'Farrell and additional retail use from Jones Streets, further activating those major streets. Given the small amount of retail space (less than 4,000 square feet) and limited loading needs as discussed in the project EIR, the project will seek an exception to off-street loading requirements by providing an on-street solution. The development will not be detrimental to the convenience of persons residing or working in the vicinity.

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

The Project will not emit any noxious odors or emissions. As a primarily residential and religious building, there will be limited generation of dusts or odors, and all activities are contained inside the building, which prevents noise pollution from emanating. The location of exhaust fans and louvers will comply with applicable regulations to prevent emissions from directly affecting surrounding residents and the public. The design does not contain large expanses of glazing or highly reflective glass that would create unwanted glare. During construction, appropriate measures will be taken to minimize the generation of and impacts from noise, dust and odor as required by the Building Code and any other applicable limitations.

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

Street trees are proposed along O'Farrell and Jones Streets as appropriate to meet Better Streets requirements and introduce a greening element downtown. The project proposes common and private open space in the form of private decks, setbacks, and portions of the property at the upper levels behind the retained colonnade; and common open space through a lower level courtyard, and a roof deck. The common open space areas will include landscaping and screening. The project will be properly and minimally lit, with signage to in conformance with Code requirements to promote easy access to, from, and within the building. Parking is all located below grade, with the parking garage entrance screened per Code.

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

The Project generally complies with the applicable sections of the Code, with certain exceptions. The residential uses contemplated for the Project within the RC-4 are generally permitted, and the proposed commercial uses are permitted within the RC-4 zoning district. Some of the project massing, including the contemplated maximum height and bulk exceedance, require additional Conditional Use authorization. The Project seeks several modifications to the requirements of the Planning Code through the PUD process. The purpose of the PUD process is to allow a well-designed development on larger sites to request modifications from the strict requirements of the Planning Code, provided that the Project generally meets the intent of these Planning Code requirements and will not adversely affect the General Plan.

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

The project site is located within the RC-4 zoning district and subarea No. 1 of the North of Market Residential Special Use District. This SUD has a stated purpose which includes protect and enhance important housing resources in an area near downtown, conserve and upgrade existing low and moderate income housing stock, preserve buildings of architectural and historic importance and preserve the existing scale of development, maintain sunlight in public spaces, encourage new infill housing at a compatible density, limit the development of tourist hotels and other commercial uses that could adversely impact the residential nature of the area, and limit the number of commercial establishments which are not intended primarily for customers who are residents of the area. Considered as a whole, although the project demolishes historic resources, the Project would add housing and commercial goods and services to add to and to support the residential-commercial District, in addition to a new church facility, into one mixed-use building. The Project site is well-served by transit and existing commercial services, with amenities accessible by foot, bike or transit. The Project includes a mix of unit types, including 45 studios, 69 one-bedroom units, 62 two-bedroom units, and provision of on-site affordable units. This mix of units can serve diverse housing sizes. On balance, the Project conforms with multiple goals and policies of the General Plan.

- I. **Planned Unit Development.** Section 304 establishes criteria and limitations for the authorization of Planned Unit Development (PUD)'s over and above those applicable to Conditional Uses in general and contained in Section 303 and elsewhere in the Code. In cases of projects on sites ½-acre or greater that exhibit outstanding overall design and are complementary to the design and

values of the surrounding area, such projects may merit modification of certain Code requirements.

1. Specifically the project seeks these modifications:

- a) *A modification of the rear yard requirements per Section 134(g) of the Planning Code, as a modification through the PUD process, to allow for open space in a configuration other than a rear yard. Although the building does propose full lot coverage, the L-shaped design combined with sculpting of the mass produce a configuration of lower floors adjacent to the northern neighbor's lightwell. The project proposes a compliant amount of residential open space, as follows: private open space in the form of private decks, setbacks; and common open space through a lower level courtyard, and a roof deck.*
- b) *An exception to dwelling unit exposure requirements per Section 140 of the Planning Code for 21 of the 176 units. Although these units do not look onto an area that meets the exact dimensional requirements for an inner court that expands five feet at each upper level the, buildings L-shape creates an open area that allows these units to face onto an area with access to light and air.*
- c) *An exception to the off-street loading requirements per Section 152 of the Planning Code, which requires one residential loading space for the project. Instead, the project proposes to convert one of the three existing general on-street metered parking spaces on O'Farrell Street adjacent to the project site to a metered commercial loading space, and would request from the San Francisco Municipal Transportation Agency (SFMTA) that the hours of operation of the existing two vehicle passenger loading/unloading zone adjacent to the project site be revised from only during church service to all day passenger loading/unloading, with an exception during the tow away peak periods.*
- d) *An exception to permitted obstructions. The balconies at upper residential levels project over Shannon Street 4 inches beyond what is permitted per technical dimensions at public rights of way when sidewalk is less than 9 feet, as outlined in Section 136(c) of the Planning Code. This exceedance will be minimally perceptible but allow additional habitable space at these balconies.*

2. On balance, the Project complies with said criteria of Section 304(d) in that it:

- a) Affirmatively promotes applicable objectives and policies of the General Plan;

See General Plan Compliance discussion under Item #J.

- b) Provides off-street parking adequate for the occupancy proposed;

Off-street parking is not required in the RC-4 zoning district. The project provides off-street parking for residential use at a ratio less than .25 in a below grade garage. Up to 46 spaces are proposed, with 10 dedicated to visitors to the religious institution and one car share space. Balanced with multiple transit lines within ¼-mile, options for walking, and over 125 bicycle parking spaces, both on-site and on the sidewalks, this off-street parking is adequate for the proposed uses, for this downtown location.

- c) Provide open space usable by the occupants and, where appropriate, by the general public, at least equal to the open spaces required by this Code;

The open space provided by the project complies with the residential open space requirements under the Code. Private open space is provided in the form of decks and balconies to eight residential units; and common open space is provided for the balance of residential units through a lower level roof deck courtyard and at the roof deck.

- d) Be limited in dwelling unit density to less than the density that would be allowed by Article 2 of this Code for a district permitting a greater density, so that the Planned Unit Development will not be substantially equivalent to a reclassification of property;

Pursuant to Section 249.5, in the North of Market Residential Special Use District No. 1 the density ratio for the site is one dwelling unit for each 125 square feet of lot area, allowing up to 176 units on this 22,106 square foot site. Accordingly, no increase in density is being sought.

- e) In R Districts, include Commercial Uses only to the extent that such uses are necessary to serve residents of the immediate vicinity, subject to the limitations for NC-1 Districts under this Code, and in RTO Districts include Commercial Uses only according to the provisions of Section 231 of this Code;

The proposed retail use is properly scaled for the neighborhood and the project as a whole. The project proposes two retail spaces, totaling less than 4,000 square feet. This is in accord with other small, ground floor retail uses on the surrounding blocks, and appropriate for the overall size of the project.

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

No exception to the 130-foot height limit is being sought. Please review discussion of Conditional Use Authorization in Items #(I)(2) and #(I)(3).

- g) In NC Districts, be limited in gross floor area to that allowed under the floor area ratio limit permitted for the district in Section 124 and Article 7 of this Code;

The site is located within the RC-4 zoning district, therefore, this is not applicable.

- h) In NC Districts, not violate the use limitations by story set forth in Article 7 of this Code;

The site is located within the RC-4 zoning district, therefore, this is not applicable.

- i) In RTO and NCT Districts, include the extension of adjacent alleys or streets onto or through the site, and/or the creation of new publicly-accessible streets or alleys through the site as appropriate, in order to break down the scale of the site, continue the surrounding existing pattern of block size, streets and alleys, and foster beneficial pedestrian and vehicular circulation.

The site is located within the RC-4 zoning district, therefore, this is not applicable.

- j) Provide street trees as per the requirements of Section 138.1 of the Code.

The project will comply with all street tree requirements per requirements pursuant to the Public Works Code.

- k) Provide landscaping and permeable surfaces in any required setbacks in accordance with Section 132 (g) and (h).

The site is located within the RC-4 zoning district, therefore, this Code Section is not applicable to the Project.

J. Additional Findings to Section 303(c) for Conditional Use Authorization request. Each Planning Code Section may establish criteria for the Planning Commission to consider when reviewing applications for Conditional Use Authorization.

- 1. **Additional Findings pursuant to Section 317** establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications to demolish or convert Residential Buildings. On balance, the Project does comply with said criteria in that:

- a. whether the property is free of a history of serious, continuing Code violations;

The mixed use property has housed a restaurant and residential uses. Although some violations are on file for the property for both uses, these have been abated through the Department of Building Inspection (DBI) process. There are no pending Building Code complaints associated with the 532 Jones Street property.

- b. whether the housing has been maintained in a decent, safe, and sanitary condition;

Currently, per information provided by the Sponsor, two of the residential units are used as storage for non-residential uses, and one residential unit is vacant. The remaining two residential units are occupied by employees of the ground floor

restaurant in the building (d.b.a. Shalimar). There are no open complaints for the residential use.

- c. whether the property is an "historical resource" under CEQA;

The building is considered a contributor to the Uptown Tenderloin National Register Historic District, therefore is an historical resource under CEQA, however is not listed as individually significant in either the National Register or California Register.

- d. whether the removal of the resource will have a substantial adverse impact under CEQA;

The EIR for the project determined that demolition of the 532 Jones building would not have a significant adverse impact to historical resources (Uptown Tenderloin National Register Historic District) under CEQA. The replacement project will be compatible with the scale of the surrounding neighborhood.

- e. whether the project converts rental housing to other forms of tenure or occupancy;

The existing units are rental housing, and the project proposes to initially offer all dwelling units as rental units. Therefore, as proposed the project sponsor indicates that there is no conversion to other forms of tenure or occupancy.

- f. whether the project removes rental units subject to the Residential Rent Stabilization and Arbitration Ordinance or affordable housing;

The existing five units are not deed-restricted, tax-credit funded affordable housing. Although Planning Staff does not have the authority to make a determination on the rent control status of a property, it is to be assumed that the units to be demolished are subject to the Residential Rent Stabilization and Arbitration Ordinance due to building construction date circa 1950. Only two of the five units are occupied, and the project sponsor will be working with MOH and other parties to ensure a relocation plan. The project includes five additional on-site affordable units in excess of its inclusionary housing requirement (13.5%, or 23 units) as new, on-site replacement units. The project proposes a total of 28 on-site affordable units pursuant to Section 415 of the Planning Code.

- g. whether the project conserves existing housing to preserve cultural and economic neighborhood diversity;

Although the existing housing will not be conserved, the mixed-use project, which merges three lots, will replace the five existing units – only two of which are currently occupied – with 176 newly constructed units. The five replacement

residential units and 171 new residential units in the project meet the stated purpose of the North of Market Residential Special Use District and the City's priority policies to encouraging dense infill housing in close proximity to transit. By providing a varied unit mix and on-site affordable units (23 inclusionary units and 5 replacement inclusionary units), the surrounding neighborhood's cultural and economic diversity will be enhanced.

- h. whether the project conserves neighborhood character to preserve neighborhood cultural and economic diversity;

The project conserves neighborhood character with a mixed-use project including 176 newly constructed dwelling units, including 16%, or 28 units, as on-site affordable, a church, retail space, and below grade parking, all while including features that are consistent with the character defining features of the Uptown Tenderloin National Register Historic District. Architectural elements from existing structures will be incorporated into the new building design to maintain its connection to the neighborhood's history. Additionally, retention of the existing 450 O'Farrell building facade and colonnade along O'Farrell Street will preserve a unique urban design feature of this building, as a key orientation element for the block and neighborhood. The new building design is compatible with the prevailing development pattern and neighborhood character on the project and surrounding blocks. The unit mix – studios, junior one bedrooms, one bedrooms, and two bedrooms – is balanced with compliant residential open space at various levels, and enables individuals and families to live in a building together. The minimal amount of ground floor retail supports the new and existing residential uses, and, overall, the project seeks to enhance the neighborhood's economic and cultural diversity.

- i. whether the project protects the relative affordability of existing housing;

None of the five units in the existing building are deed-restricted affordable housing, however, are presumed to be subject to the Rent Stabilization and Arbitration Ordinance. The project as a whole is required to comply with San Francisco's inclusionary housing program under Section 415 of the Planning Code. In addition, the five units to be demolished will be replaced as on-site inclusionary. As a result, 16% of the dwelling units provided on-site will be affordable (23 required inclusionary units and 5 replacement inclusionary units).

- j. whether the project increases the number of permanently affordable units as governed by Section 415;

By demolishing the five existing units, and replacing them with a project that will comply with Section 415 of the Planning Code, the number of affordable units will increase. The Project's required inclusionary is 13.5% or 23 affordable units and the replacement five affordable units, will produce a project with 28 on-site affordable

units, thereby increasing the supply of newly constructed affordable units within a market-rate project.

- k. whether the project locates in-fill housing on appropriate sites in established neighborhoods;

The project locates in-fill housing in close proximity to transit, in the Downtown/ Civic Center neighborhood within the dense residential-commercial Uptown Tenderloin Historic District.

- l. whether the project increases the number of family-sized units on-site;

The five existing units are all studios, and therefore are not family-sized. The project currently proposes a diverse unit mix, with 45 studio units, 69 one-bedroom units, and 62 two-bedroom units proposed. Thus, the number of family-size units will increase as a result of the project.

- m. whether the project creates new supportive housing;

The project does not provide supportive housing.

- n. whether the project is of superb architectural and urban design, meeting all relevant design guidelines, to enhance existing neighborhood character;

The project is of superb architectural and urban design quality and enhances existing neighborhood character. The EIR for the project, the new building has been determined compatible with the Uptown Tenderloin National Register Historic District. The project will be a contemporary, but compatible, design that references the character-defining features of the surrounding district, in terms of size and scale, composition, and materials. The massing is compatible in terms of lot occupancy, solid-to-void ratio, and vertical articulation. Materials selection includes pre-cast concrete, with varying finishes, with deep recesses for glazing at the primary elevations fronting the street, and non-reflective metal panel systems with vertical oriented glazing and spandrel panel at the elevations setback from the street and secondary elevations.

The project retains the 450 O'Farrell building facade and colonnade along O'Farrell Street in order to preserve a unique urban design feature of this building, as a key orientation element for the block and neighborhood. Further, the design minimizes the building's mass with alternating setbacks, which seeks to minimize the appearance of bulk and minimize impacts to adjacent neighbors light and air, consistently applied design guidelines.

- o. whether the project increases the number of on-site Dwelling Units;

The existing 532 Jones Street building contains five dwelling units, while the project proposes 176 dwelling units – an increase of 171 total dwelling units.

- p. whether the project increases the number of on-site bedrooms;

The existing 532 Jones Street building contains five studio units, i.e. no bedrooms. The project currently proposes a total of 193 bedrooms, in addition to 45 studios, which includes the junior one-bedrooms.

- q. whether or not the replacement project would maximize density on the subject lot;

The project maximizes density by proposing to merge three lots - the 532 Jones Street, 474 O'Farrell Street and 450 O'Farrell Street lots - and developing one building to maximize the permitted density in the North of Market Residential Special Use District, subarea No. 1. The project will increase the dwelling units from 5 units by adding 171 units, for a total of 176 units. By merging three lots and building vertically to the permitted height limit for the site, the project is able to provide full use of the density available on the subject lot, as well as the adjacent two lots. Notably, the project sculpts the massing adjacent to the existing neighbors to preserve light and air. The maximum units in this project given the density allowed in this special use district is 176 units.

- r. if replacing a building not subject to the Residential Rent Stabilization and Arbitration Ordinance, whether the new project replaces all of the existing units with new Dwelling Units of a similar size and with the same number of bedrooms.

Not applicable. The building to be replaced is assumed to be subject to the Residential Rent Stabilization and Arbitration Ordinance.

2. **Additional Findings pursuant to Section 253(b)(1)** establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications for a building exceeding a height of 40 feet in a RM or RC District where the street frontage is more than 50 feet. In reviewing any such proposal for a building or structure exceeding 40 feet in height in a RH District, 50 feet in height in a RM or RC District, or 40 feet in a RM or RC District where the street frontage of the building is more than 50 feet the Planning Commission shall consider the expressed purposes of this Code, of the RH, RM, or RC Districts, and of the height and bulk districts, set forth in Sections 101, 209.1, 209.2, 209.3, and 251 hereof, as well as the criteria stated in Section 303(c) of this Code and the objectives, policies and principles of the General Plan, and may permit a height of such building or structure up to but not exceeding the height limit prescribed by the height and bulk district in which the property is located. On balance, the Project does comply with said criteria in that:

The height of the building varies from 55 feet to 130 feet, exceeding the 40 feet in height on a site with more than 50 feet of street frontage in an RC district, but in compliance with the 80-T-130-T height and bulk district applicable to this project site. As discussed at length in the Section 303(c) findings and further in the General Plan Compliance section, the project is on balance compatible with the criteria, objectives, and policies and principles of the RC-4 district, North of Market Residential Special Use District subarea No. 1, and the General Plan. Specifically, RC-4 districts call for a mixture of high-density dwellings with supporting commercial uses and open space. The project provides that 176 dwelling units in a diverse mix, with retail and religious institution uses on the lower levels.

3. **Additional Findings pursuant to Section 249.5(c)(1) for Section 263.7** establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications for a building exceeding a height of 80 feet in the North of Market Residential Special Use District. In the 80-120-T and 80-130-T Height and Bulk Districts located within the North of Market Residential Special Use District (NOMRSUD), heights higher than 80 feet would be appropriate in order to effect a transition from the higher downtown heights to the generally lower heights of the existing buildings in the NOMRSUD core area and the Civic Center area and to make more feasible the construction of new housing, provided that development of the site is also consistent with the general purposes of the NOMRSUD as set forth in Section 249.5(b). In making determinations on applications for Conditional Use authorizations required for uses located within the North of Market Residential Special Use District, the Planning Commission shall consider the purposes as set forth in Subsection 249.5(b) as delineated below. On balance, the Project does comply with said criteria in that:

- a) protect and enhance important housing resources in an area near downtown;

The project increases housing resources, with a varied unit mix, in the downtown area by a total of 171 units.

- b) conserve and upgrade existing low and moderate income housing stock;

The project replaces the existing five residential units with newly constructed replacement units. As such, the project provides a total of 28 on-site inclusionary affordable units.

- c) preserve buildings of architectural and historic importance and preserve the existing scale of development:

Although the project demolishes buildings of architectural and historic importance, the replacement project is compatible with the scale of development in the neighborhood.

- d) maintain sunlight in public spaces;

The project EIR determined that the project would not cause any shadow impacts on area parks and open spaces or any other significant shadow impacts. Further, analysis conducted pursuant to Section 295 of the Planning Code determined that no parks under the jurisdiction of Recreation and Parks Department would be impacted by the project.

- e) encourage new infill housing at a compatible density;

The project is an infill housing development in close proximity to various modes of transit, with additional options for walking and biking, at a density consistent with the special use district and compatible with the dense urban neighborhood

- f) limit the development of tourist hotels and other commercial uses that could adversely impact the residential nature of the area;

No tourist hotel is contemplated by the project.

- g) limit the number of commercial establishments which are not intended primarily for customers who are residents of the area.

The limited retail space proposed is compatible with other mixed-use projects in the area and of a scale that would be primarily intended to serve residents of the area.

4. **Additional Findings pursuant to Section 271(c)** establishes criteria for the Planning Commission to consider in addition to Section 303(c) when reviewing applications for a building's bulk limits to be exceeded. Section 270 of the Planning Code establishes the bulk districts and the maximum dimensions within each bulk district. Within the "T" bulk district, at a setback height established pursuant to Section 132.2, but no higher than 80 feet, the maximum plan dimension is established at 110 feet (plan length) and 125 feet (diagonal). The project exceeds these dimensions with a proposed diagonal of approximately 165 feet 6 inches and plan dimension of approximately 115 feet. Exceptions to the Section 270 bulk limits are permitted through Section 271. On balance, the Project does comply with said criteria in that:

- a. The appearance of bulk in the building, structure or development shall be reduced by means of at least one and preferably a combination of the following factors, so as to produce the impression of an aggregate of parts rather than a single building mass:
- i. Major variations in the planes of wall surfaces, in either depth or direction, that significantly alter the mass;

- ii. Significant differences in the heights of various portions of the building, structure or development that divide the mass into distinct elements;
 - iii. Differences in materials, colors or scales of the facades that produce separate major elements;
 - iv. Compensation for those portions of the building, structure or development that may exceed the bulk limits by corresponding reduction of other portions below the maximum bulk permitted; and
 - v. In cases where two or more buildings, structures or towers are contained within a single development, a wide separation between such buildings, structures or towers.
- b. In every case the building, structure or development shall be made compatible with the character and development of the surrounding area by means of all of the following factors:
- i. A silhouette harmonious with natural land-forms and building patterns, including the patterns produced by height limits;
 - ii. Either maintenance of an overall height similar to that of surrounding development or a sensitive transition, where appropriate, to development of a dissimilar character;
 - iii. Use of materials, colors and scales either similar to or harmonizing with those of nearby development; and
 - iv. Preservation or enhancement of the pedestrian environment by maintenance of pleasant scale and visual interest.

The project's O'Farrell Street elevation is articulated to break the massing down into several distinct sections. The front façade of the 450 O'Farrell building would be retained and incorporated into the proposed project as a unique urban design feature and create a distinct entry to the O'Farrell Street retail use. The 13-story massing would be setback from the street/retained façade. The building component to the west will rise to eight stories and will house the church on the street level and residences above. The rest of the structure will be set back from O'Farrell Street, helping to reduce the building's massing at the street.

The proposed O'Farrell Street elevation references the tripartite composition characteristic of the district. Specifically, the existing 450 O'Farrell Street façade and the proposed church façade will be the base, the apartments will be the middle, and the parapet will define the top. The proposed base at the new church and at the Jones Street elevation will be further articulated as a two-part vertical composition with a high ground floor, similar to the bases of the adjacent and surrounding district contributors.

The articulation of the proposed façade along on O'Farrell Street will divide the façade in vertical subzones and will reflect the verticality of the nearby buildings by breaking up the horizontal form. The projecting precast concrete sections (rendered in white) with punched rectangular windows accentuate the elongated form of the building. On the western half of the elevation, the orientation of the rectangular windows strengthens verticality while adding rhythm to the façade, through application of an alternate

materials palette: non-reflective metal, spandrel panel and glazing system. The secondary façades, including the western setback and the Shannon Street elevation, will be relatively flat, broken by lines and projecting balconies on Shannon Street.

Continuous street walls are typical of the district. Along O'Farrell Street, the existing 450 O'Farrell Street façade will be retained. The 8-story building component to the west, which will be clad in a textured pre-clad concrete and will house the new church, will extend to the property line. In addition, the Jones Street elevation will also extend to the property line, creating a continuous street wall. This urban design move preserves and enhances the pedestrian environment since the required use of transparency at these elevations provides an openness for pedestrians and users.

The building's design is well-articulated in order to reduce the apparent massing and includes retention of a unique urban design feature as a device to orient the community. The site is within the Uptown Tenderloin National Register Historic District, and the new building has been determined compatible with the District and the character of the surrounding neighborhood, specifically the scale and size, composition, materials, and architectural details.

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

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.1

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

Policy 1.10

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

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.1

Discourage the demolition of sound existing housing, unless the demolition results in a net increase in affordable housing.

OBJECTIVE 4:

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

Policy 4.1

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

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.

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 2:

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.6

Respect the character of older development nearby in the design of new buildings.

OBJECTIVE 3:

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

Policy 3.1

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

Policy 3.5

Relate the height of buildings to important attributes of the city pattern and to the height and character of existing development.

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 which has substantial undesirable consequences that cannot be mitigated.

OBJECTIVE 2:

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

OBJECTIVE 6:

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

Policy 6.4

Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and personal services are accessible to all residents.

The Project is a high-density residential development at an infill site, providing 176 new dwelling units in a mixed-use area. The Project includes 28 on-site affordable housing units for rent, which assist in meeting the City's affordable housing goals. The Project is also in close proximity to ample public transportation.

The Project generally promotes the purpose of the North of Market Residential Special Use District through infill housing at compatible density. The project introduces 171 new residential units with on-site affordable units near downtown, provides five new replacement residential units on-site, proposes less than 4,000 square feet of ground floor commercial which can support existing and new residents, and does not shade public open spaces. Although the proposal does not preserve historic architectural resources, the new building scale, materials and architectural features are compatible with the surrounding neighborhood character and buildings. The Project will activate O'Farrell Street with the re-located church site and retail use, Shannon Street with the residential lobby, and Jones Street with additional retail use. Further, street improvements such as street trees and bicycle parking will further enhance the public realm, consistent with the better street plan policies in the General Plan.

The proposed new construction would produce high-quality architectural design that is compatible with the surrounding neighborhood and with the Uptown Tenderloin National Register Historic District, in which the site is located. The new building will reflect the characteristic pattern which gives to the City and its neighborhood an image, sense of purpose, and a means of orientation; and, moderating major new development to complement the City pattern, by providing a new, mixed-use development consistent with neighboring 6- to 19-story development in close proximity to the site. In addition, the project maintains a sense of scale on the block through retaining a portion of the façade of the 450 O'Farrell building, which is to be incorporated into the new building. The Project would provide a new religious facility that will enable an existing church, which in its current location has been located at this site for more than 90 years, to continue to be located within the community and provide updated, code compliant, and expanded religious instructional and outreach facilities, while salvaging and reusing certain features of the building's interior elements.

The project, on balance, promotes the policies and objectives of the General Plan by locating housing for all at a mixed-use infill development site, with neighborhood-serving commercial, and at a density to support it, where households can easily rely on public transportation, walking and bicycling for a majority of daily trips.

- L. **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 proposes demolishing the existing restaurant and retail spaces, and replacing those with new retail spaces that are consistent in size and intensity with the rest of the block. The overall retail space proposed is less than 4,000 square feet, thereby creating opportunities for residents while not diminishing the residential nature of the mixed-use block.

- 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 introduces 171 new residential units with on-site affordable units near downtown, provides five new replacement residential units as on-site affordable units, proposes less than 4,000 square feet of ground floor commercial which can support existing and new residents, and does not shade public open spaces. Although the proposal does not preserve historic architectural resources, the new building scale, materials and architectural features are compatible with the surrounding neighborhood character and buildings. The Project will activate O'Farrell Street with the re-located church site and retail use, Shannon Street with the residential lobby, and Jones Street with additional retail use. The new building will reflect the characteristic pattern which gives to the City and its neighborhood an image, sense of purpose, and a means of orientation; and, moderating major new development to complement the City pattern, by providing a new, mixed-use development consistent with neighboring 6- to 19-story development in close proximity to the site.

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

The project proposes to replace the five existing residential units, none of which are deed-restricted affordable units but are presumed to be subject to the Rent Stabilization and Arbitration Ordinance, with 176 total residential units, 28 of which are designated on-site affordable housing. As a result, the project creates an increase in the City's supply of affordable housing.

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

The Project Site is served by nearby public transportation options. The Project site is very accessible by public transit, with multiple public transit alternatives (MUNI Bus lines 2-Clement, 3-Jackson, 27-Bryant, 31-Balboa, 38-Geary, 38R-Geary Rapid, and 45-Union/Stockton; Powell Street and Civic Center BART/MUNI) within close walking distance. Additionally, the Project site is directly adjacent to O'Farrell and Jones Streets, both major thoroughfares which provide ready access to those driving. Parking is available either along surrounding neighborhood streets or within the proposed below grade parking garage. This garage has up to 46 parking spaces, of which 10 parking spaces will be dedicated to churchgoers, and one car share space, in addition to 125 Class 1 and Class 2 bicycle spaces. Given the accessibility of the project site, and the limited retail uses proposed, the project will not create community traffic that impedes MUNI service or overburdens the streets.

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

The Project does not include commercial office development. Although the Project would remove a small existing service sector use, the Project does provide new housing, which is a top priority for the City and proposes replacement of ground floor commercial retail space.

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

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

- G. That landmarks and historic buildings be preserved.

Part of the project includes demolition of a building (450 O'Farrell Street) determined individually eligible for the California Register of Historic Resources. In certifying the Project's Environmental Impact Report (EIR), the Planning Commission adopted a Statement of Overriding Considerations, Motion No. 20280 finding that the impacts of demolition of the individual historic architectural resource are outweighed by the benefits of the Project. The proposed new construction would produce high-quality architectural design that is compatible with the Uptown Tenderloin National Register Historic District, in which the site is located.

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

A shadow analysis prepared by CADP (dated January 21, 2016) determined that the Project would not cast any net new shadow on nearby open spaces or spaces under the jurisdiction of the Recreation and Parks Department (Boeddeker Park and Tenderloin Recreation Center).

- M. 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.

- N. The Commission hereby finds that approval of the Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Authorization Application No. 2013.1535ENVCUA** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated June 28, 2018, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

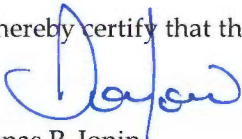
The Planning Commission has reviewed and considered the FEIR and the record as a whole and hereby adopts the CEQA findings contained in Planning Commission Motion No. 20280, incorporated herein as part of this motion, by this reference thereto, and the MMRP attached to Motion No. 20280 as Exhibit B and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the FEIR and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed (after the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on September 13, 2018.



Jonas P. Ionin
Commission Secretary

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

NAYS: Richards

ABSENT: None

ADOPTED: September 13, 2018

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow a mixed-use residential and institutional use building with ground floor commercial and below grade parking located at 450-474 O'Farrell Street and 532 Jones in Lots 007, 009 and 011 of Block 0317 pursuant to Planning Code Section(s) 303, 304, 317, 253, 249.5, and 271 within the RC-4 District and North of Market Residential Special Use District and a 80-T-130-T Height and Bulk District; in general conformance with plans, dated June 28, 2018, and stamped "EXHIBIT B" included in the docket for Case No. 2013.1535ENVCUA and subject to conditions of approval reviewed and approved by the Commission on September 13, 2018, under Motion No. 20281. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on September 13, 2018 under Motion No. 20281.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 20281 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 Conditional Use 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 Conditional Use authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

1. **Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, 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 this Authorization was approved.

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

4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, 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. **Mitigation Measures.** Mitigation measures described in the MMRP attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor. Their implementation is a condition of project approval.

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:

7. **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-5AM. Notice shall be made in person, written or electronic form.
8. **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.
9. **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.
10. **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.
11. **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

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

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

- a. **Façade and Colonnade.** Prior to issuance of the site permit architectural addendum, the Project Sponsor shall work with the Planning Department to redesign the lower levels of the southeast corner of the Project to eliminate the existing 450 O'Farrell Street façade and colonnade and replace it with a contemporary but compatible design that maintains the project's references to the character-defining features of the surrounding district, including the ground-floor storefront height, tripartite façade composition, organization of building into vertical masses, punched window openings, and material uses, ensuring the project's compatibility with the Uptown Tenderloin National Register Historic District in terms of size and scale, composition and materials.
13. **Final Design.** The final design shall be presented to the Planning Commission at a future Informational hearing at a regularly scheduled hearing of the Planning Commission.
14. **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 building 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
15. **Rooftop Mechanical Equipment.** Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application. 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
16. **Lighting Plan.** The Project Sponsor shall submit an exterior lighting plan to the Planning Department prior to Planning Department approval of the building / site permit application.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org
17. **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

18. **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

19. **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).

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>

20. **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

21. **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

22. **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 if applicable as determined by the project planner. 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

23. **Transportation Demand Management (TDM) Program.** 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 TDM Performance Manager at tdm@sfgov.org or 415-558-6377, www.sf-planning.org

24. **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

25. **Car Share.** Pursuant to Planning Code Section 166, no fewer than **one (1)** car share space shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
26. **Bicycle Parking.** Pursuant to Planning Code Sections 155, 155.1, and 155.2, the Project shall provide no fewer than **125** bicycle parking spaces (**116** Class 1 spaces for the residential portion of the Project and **9** Class 1 or 2 spaces for the commercial portion of the Project). SFMTA has final authority on the type, placement and number of Class 2 bicycle racks within the public ROW. Prior to issuance of first architectural addenda, the project sponsor shall contact the SFMTA Bike Parking Program at bikeparking@sfmta.com to coordinate the installation of on-street bicycle racks and ensure that the proposed bicycle racks meet the SFMTA's bicycle parking guidelines. Depending on local site conditions and anticipated demand, SFMTA may request the project sponsor pay an in-lieu fee for Class II bike racks required by the Planning Code.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
27. **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

PROVISIONS

28. **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
29. **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
30. **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

31. **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

32. **Inclusionary Affordable Housing Program.** 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.

- a) **Number of Required Units.** Pursuant to Planning Code Section 415.6, the Project is required to provide 13.5% of the proposed dwelling units as affordable to qualifying households. Further, pursuant to Planning Code Section 415.6(a)(9), the project is required to replace five affordable units existing at the site and that will be removed with units of comparable number of bedrooms and sales prices or rents, in addition to compliance with the requirements set forth in Planning Code Section 415. Therefore, the Project is required to provide 16% of the proposed dwelling units as affordable to qualifying households. The Project contains 176 newly constructed units, of which five units are replacement units; therefore, 28 affordable units are currently required, five of which are the affordable replacement units. The Project Sponsor will fulfill this requirement by providing the 28 affordable units on-site. If the number of market-rate units change, the number of required affordable units, twenty-three (23), shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD"). If the number of existing units to be removed changes, which is currently five (5) units, the number of replacement 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

- b) **Unit Mix.** The Project contains newly constructed: 40 studios, 69 one-bedroom, and 62 two-bedroom units; therefore, the required affordable unit mix at 13.5% is 5 studios, 9 one-bedroom, and 9 two-bedroom units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD. In addition, the project includes replacement of five affordable studio units currently existing at the site; therefore, the required affordable replacement is five affordable studio units. If the number of units to be removed changes, which is currently five (5) units, 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

- c) **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

- d) **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than sixteen (16%), 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

- e) **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

- f) **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

- i. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than

the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.

- ii. 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.
- iii. 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.
- iv. Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- v. 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.
- vi. 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 that any affordable units designated as on-site units shall be rental units and will remain as rental units for the life of the project.
- vii. 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.

- viii. 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.

MONITORING - AFTER ENTITLEMENT

33. **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
34. **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

OPERATION

35. **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>
36. **Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

37. **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

450

O'FARRELL

450

O'FARRELL

Motion No. 20281
Attachment B



28 JUNE 2018

DLR Group | KwanHenmi

Cover

AP1.00



Urban Location

NTS



Neighborhood Location

NTS

Sheet List

- AP1.00** - Cover
- AP1.01** - Location Maps and Sheet List
- AP1.02** - Material Palette
- AP1.03** - Survey
- AP1.04** - Site Plan (Existing)
- AP1.05** - Site Plan (Proposed)
- AP1.06** - Site Aerial Photo
- AP1.07** - Streetscape Plan
- AP1.08** - Context Photos
- AP1.09** - Project Data
- AP1.10** - Typical Units
- AP1.11** - Bike Parking Access

- AP2.00** - Floor Plan - Level P1
- AP2.01** - Floor Plan - Level 1
- AP2.02** - Floor Plan - Level 2
- AP2.03** - Floor Plan - Level 3
- AP2.04** - Floor Plan - Level 4
- AP2.05** - Floor Plan - Level 5
- AP2.06** - Floor Plan - Level 6
- AP2.07** - Floor Plan - Level 7-9
- AP2.10** - Floor Plan - Level 10
- AP2.11** - Floor Plan - Levels 11-13
- AP2.14** - Roof Plan

- AP3.01** - Elevation - O'Farrell Street
- AP3.02** - Elevation - Shannon Street
- AP3.03** - Elevation - Jones Street

- AP3.11** - Building Section - Transverse
- AP3.12** - Building Section - Longitudinal

- AP4.01** - Building Detail - Precast
- AP4.02** - Building Detail - Window Wall and Balconies

- AP5.01** - View - O'Farrell from East
- AP5.02** - View - O'Farrell and Shannon
- AP5.03** - View - O'Farrell and Shannon
- AP5.04** - View - O'Farrell and Jones
- AP5.05** - View - Jones Street

- AP6.01** - Axonometric - from Southeast
- AP6.02** - Axonometric - from Southwest

- AP7.01** - Rendering - O'Farrell Street from West (Day) - Closeup
- AP7.02** - Rendering - O'Farrell Street from West (Day)
- AP7.03** - Rendering - O'Farrell Street from East (Day) - Closeup
- AP7.04** - Rendering - O'Farrell Street from East (Day)
- AP7.05** - Rendering - O'Farrell Street from East (Night) - Closeup
- AP7.06** - Rendering - O'Farrell Street from East (Night)

Notes:

- 1 - Parking in the basement is unbundled per SF Planning Code Section 167
- 2 - Bird safe glazing per SF Planning Code Section 139 is not required on this project.

450

O'FARRELL

Project Sponsors:

450 O'Farrell Partners LLC
 39 Forrest Street
 Suite 201
 Mill Valley, CA 94941
 Contact: Tyler Evje
 Tel: 415 569 4554
 Email: TE@thompsondorfman.com

Fifth Church of Christ, Scientist
 450 O'Farrell Street
 San Francisco, CA 94102
 Contact: Ela Strong
 Tel: 510 579 4179
 Email: ela@elastrong.com

Architect:

DLR Group|Kwan Henmi
 456 Montgomery Street
 Suite 200
 San Francisco, CA 94104
 Contact: Dan Spotswood-Moberly
 Tel: 415 901 7230
 Fax: 415 777 5102
 Email: dspotswood-moberly@dlrgroup.com

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DLR Group|KwanHenmi

Location Maps
and Sheet List

AP1.01

Precast Concrete
White

Precast Concrete
Simulated Stone

Material Palette

Precast Concrete
- White
- Simulated Stone

Glazed Window Wall
- Clear
- Spandrel

Metal Panel
- Charcoal Grey

Cement Plaster
- Charcoal Grey

Glazed Window Wall
Spandrel

Glazed Window Wall
Clear

Metal Panel
Charcoal Grey

Cement Plaster
Charcoal Grey

450

O'FARRELL

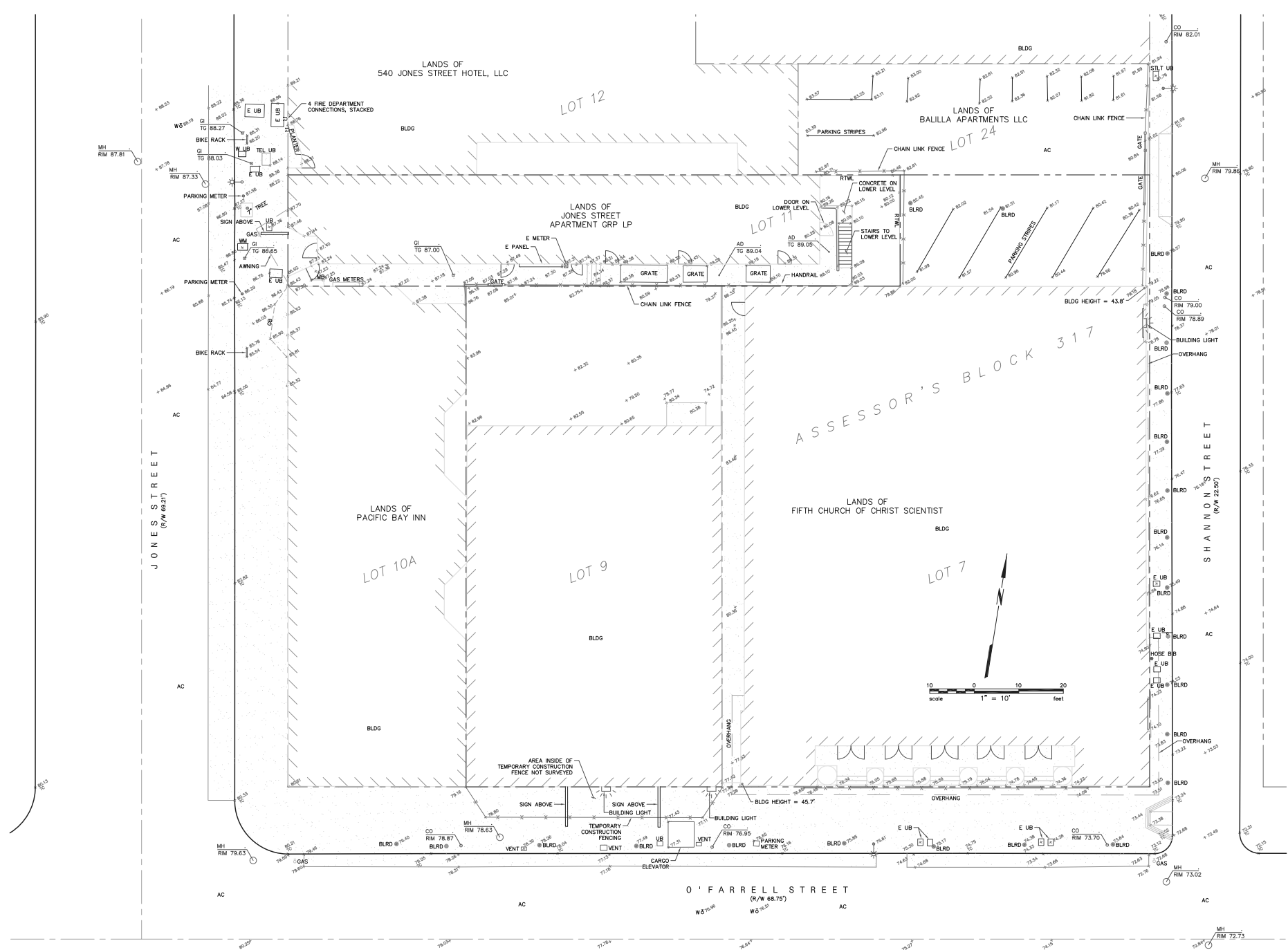
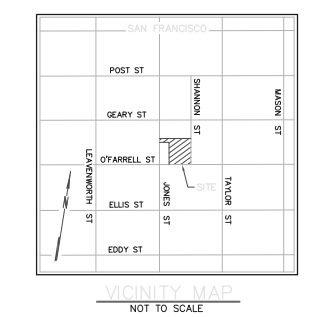
28 JUNE 2018

 DLR Group | **KwanHenmi**

Material Palette

AP1.02

450 O'FARRELL



- ABBREVIATIONS**
- AC ASPHALT CONCRETE
 - AD AREA DRAIN
 - APN ASSESSOR'S PARCEL NUMBER
 - BLDG BUILDING
 - BLRD BOLLARD
 - CO CLEANOUT
 - E ELECTRIC
 - GB GRADE BREAK
 - GI GRATE INLET
 - HS HOSE BOX
 - MH MANHOLE
 - RTWL RETAINING WALL
 - SQFT SQUARE FEET
 - TC TOP FACE OF CURB
 - TG TOP OF GRATE
 - TEL TELECOMMUNICATIONS
 - UB UTILITY BOX
 - W WATER
 - WM WATER METER

- SYMBOLS & LEGEND**
- EXISTING**
- SIGN
 - VALVE
 - FIRE DEPARTMENT CONNECTION
 - MANHOLE
 - CLEANOUT
 - STREET LIGHT
 - TREE
 - CENTER LINE
 - PROPERTY LINE
 - FENCE
 - GRADE BREAK
 - BUILDING LINE
 - CONCRETE

TOPOGRAPHIC NOTES

UNAUTHORIZED CHANGES & USES: THE PROFESSIONAL PREPARING THIS MAP WILL NOT BE RESPONSIBLE FOR, OR LIABLE FOR, UNAUTHORIZED CHANGES TO OR USES OF THIS MAP. CHANGES TO THIS MAP MUST BE REQUESTED IN WRITING AND MUST BE APPROVED BY THE PROFESSIONAL.

TREE DIAMETERS ARE MEASURED AT CHEST HEIGHT (48"). DRIFTLINE DIAMETERS AND TREE SPECIES ARE APPROXIMATE ONLY AND SHOULD BE VERIFIED BY A CERTIFIED TREE ARBORIST.

BENCHMARK: 91.99' AT A CROW OUT AT THE OUTER RIM OF A STORM WATER INLET AT THE NORTHWEST CORNER OF THE INTERSECTION OF JONES STREET AND O'FARRELL STREET.

FIELD SURVEY DATE: 08/07/14 - 04/24/15

JASON KIRCHMANN PLS 8806



450 & 474 O'FARRELL STREET AND 532 JONES STREET, SAN FRANCISCO APN 0317-007, 0317-009, & 0317-011

TOPOGRAPHIC MAP

Revisions	
No.	
Date	MAY 2015
Scale	AS SHOWN
Drawn	BA
Approved	JAK
Job No.	2014588
Drawing Number:	1 OF 1

28 JUNE 2018

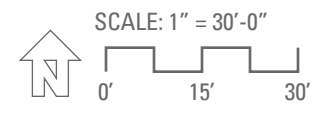
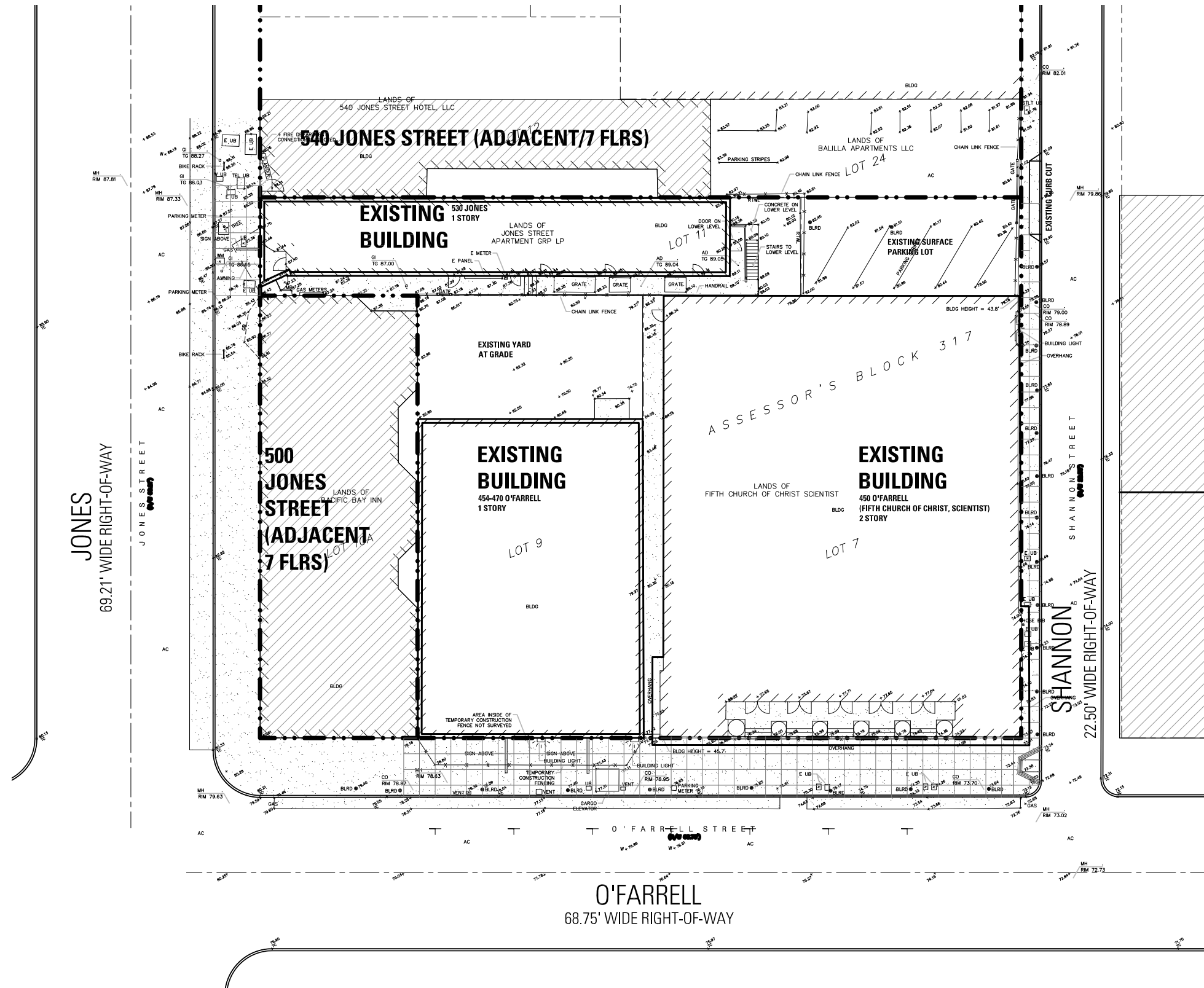


Survey

AP1.03

Site Plan

450 O'FARRELL



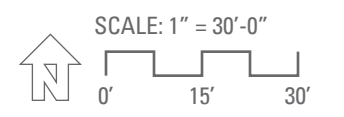
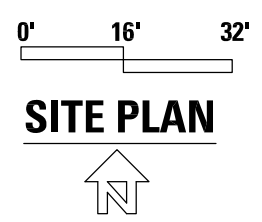
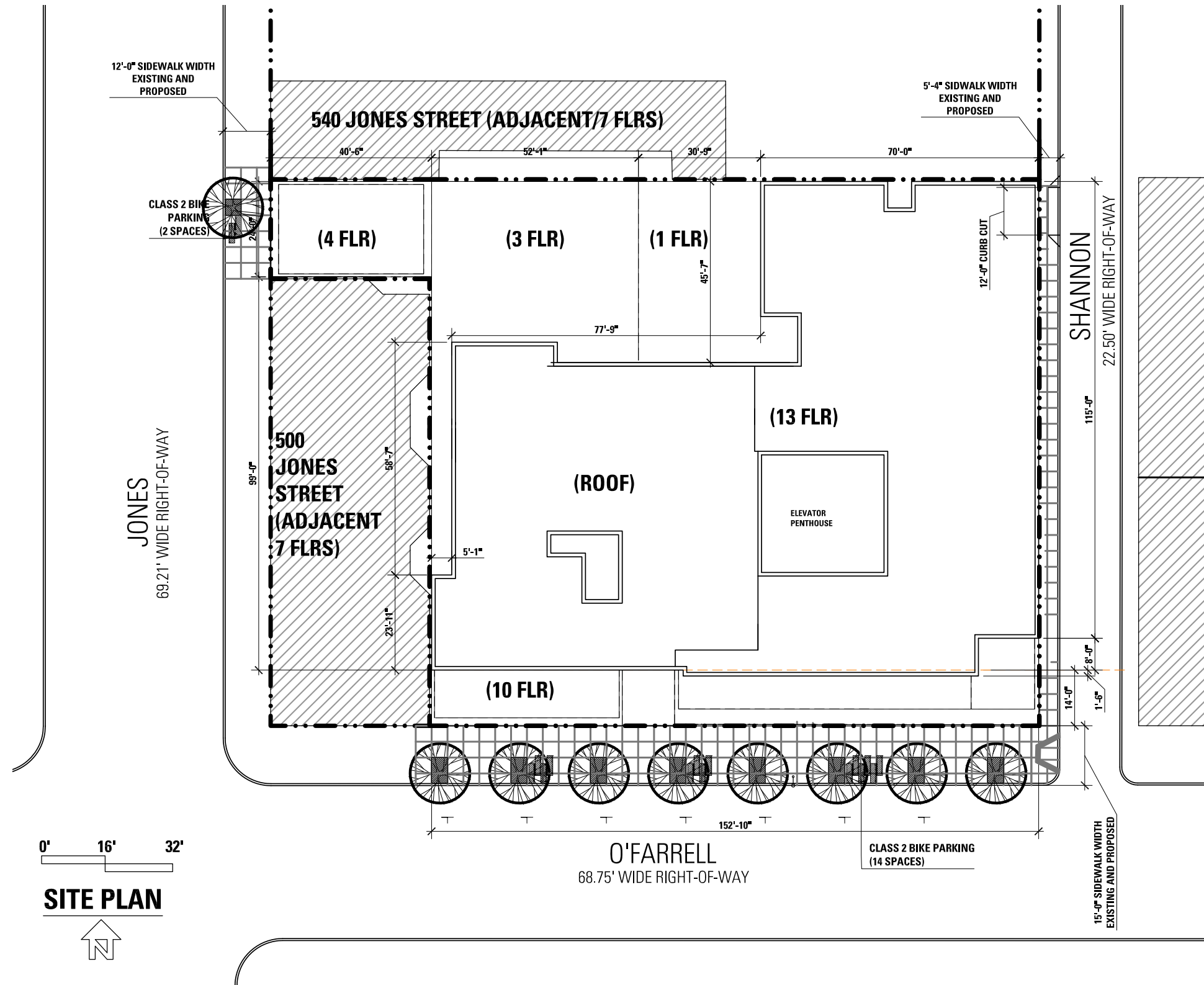
28 JUNE 2018

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Site Plan (Existing)

AP1.04

450 O'FARRELL



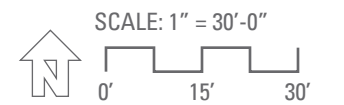
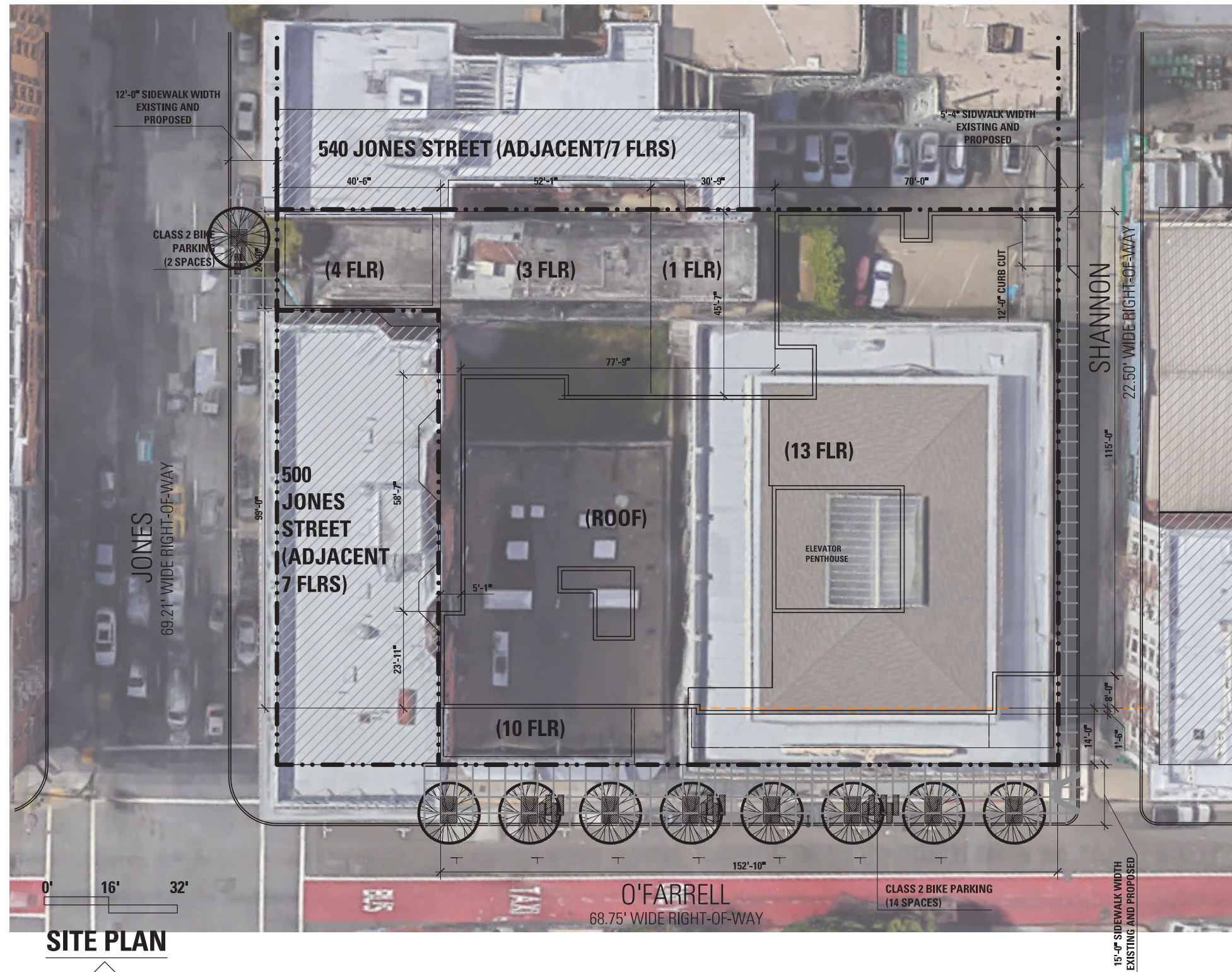
28 JUNE 2018

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Site Plan (Proposed)

AP1.05

450 O'FARRELL



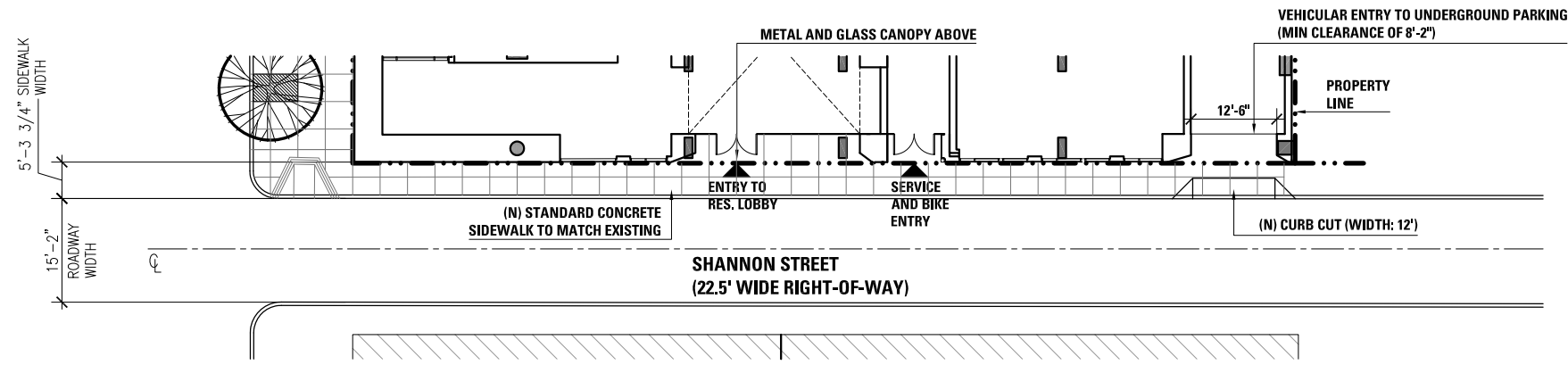
28 JUNE 2018

DLR Group | KwanHenmi

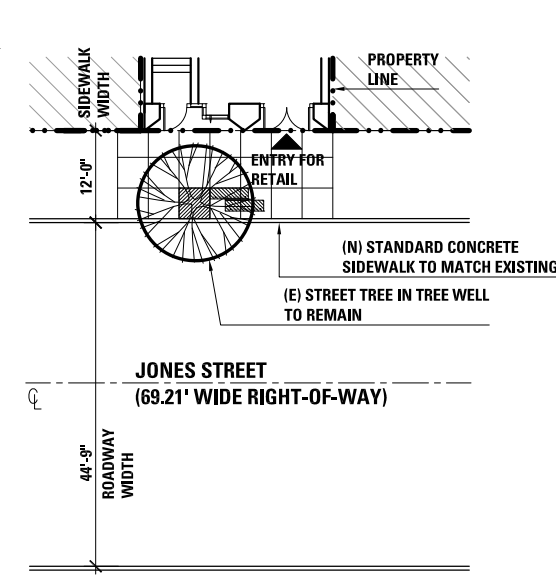
Site Aerial Photo

AP1.06

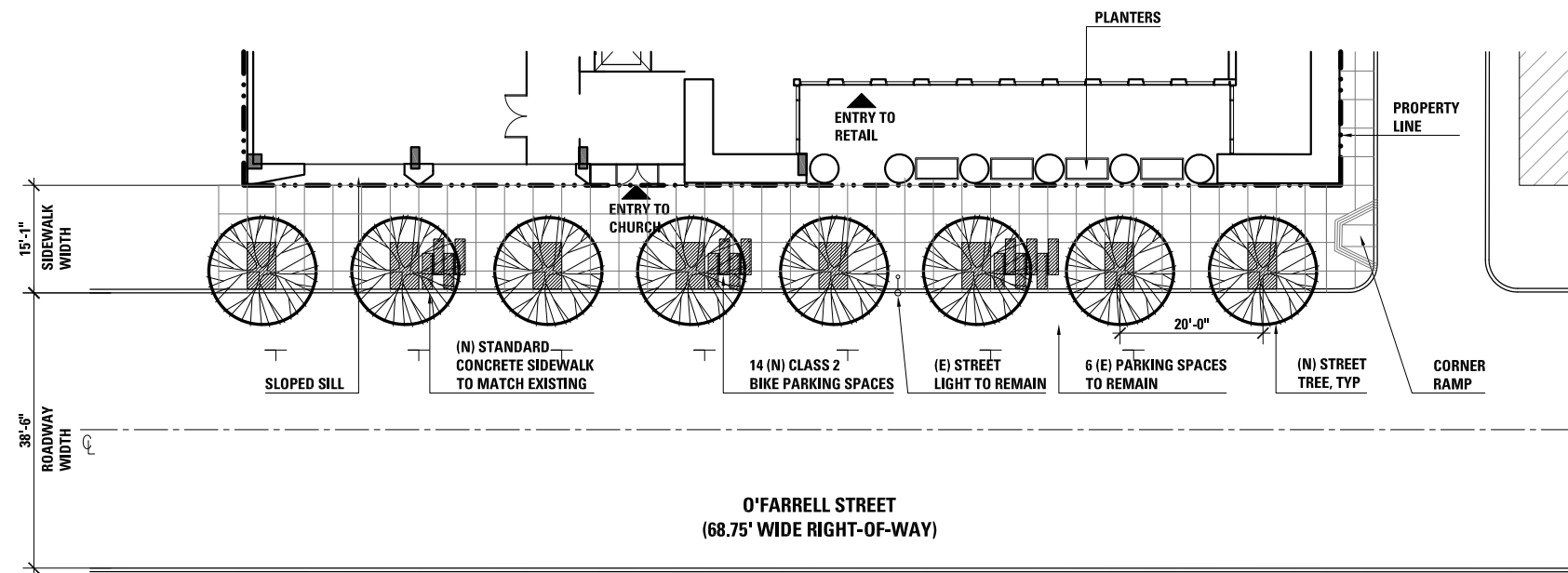
450 O'FARRELL



2 STREETScape - SHANNON



3 STREETScape - JONES



1 STREETScape - O'FARRELL

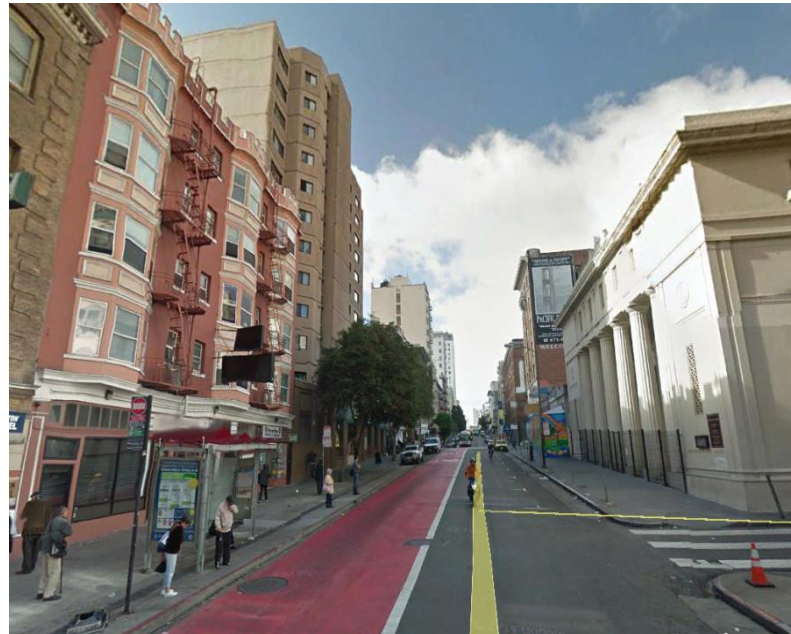
28 JUNE 2018

DLR Group | KwanHenmi

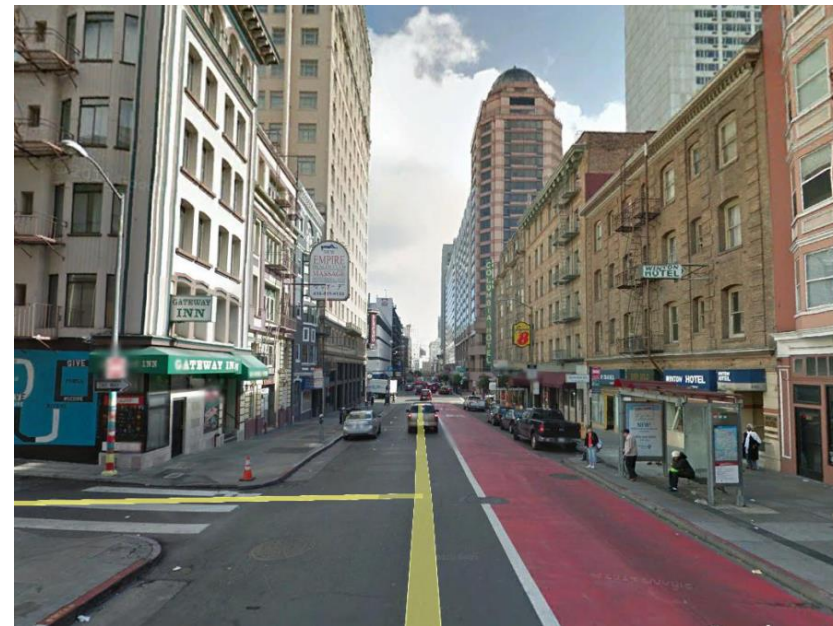
Streetscape Plan

AP1.07

450 O'FARRELL



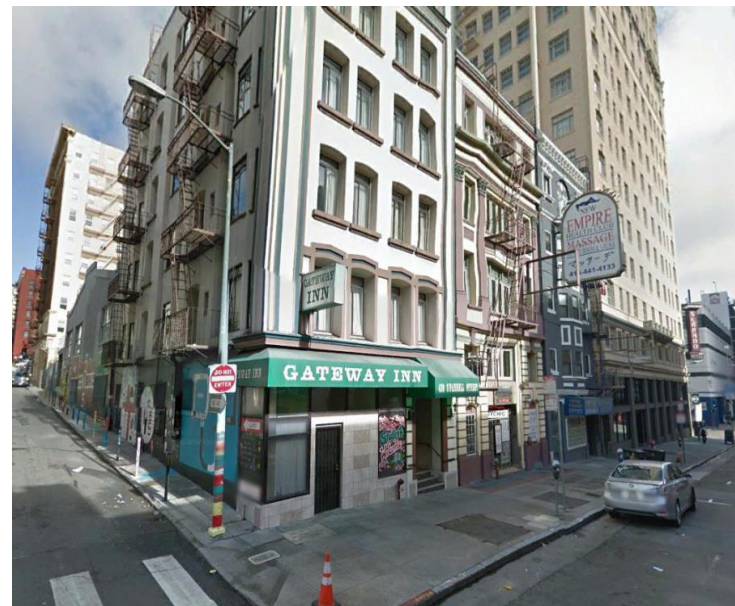
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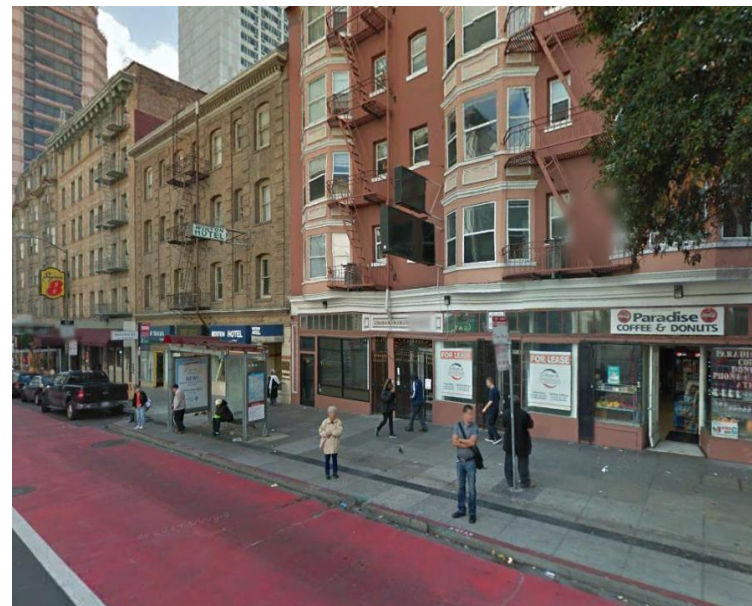
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5



1



2



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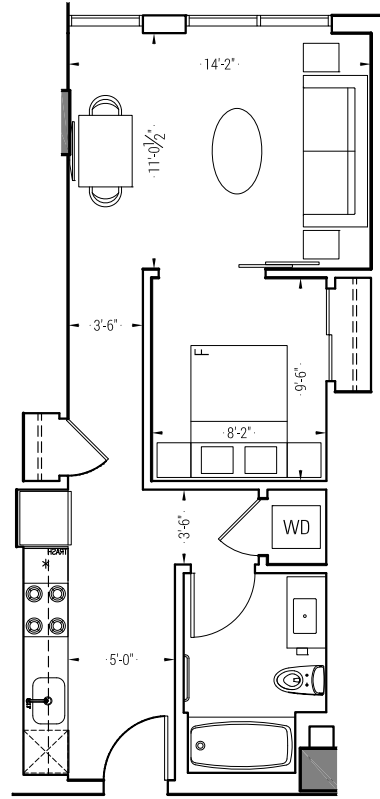
28 JUNE 2018

DLR Group | KwanHenmi

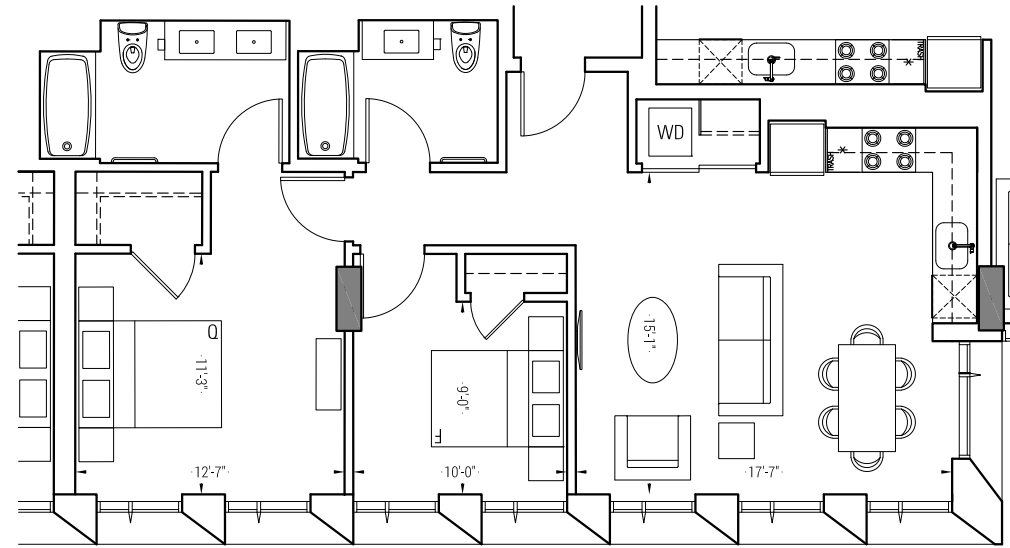
Context Photos

AP1.08

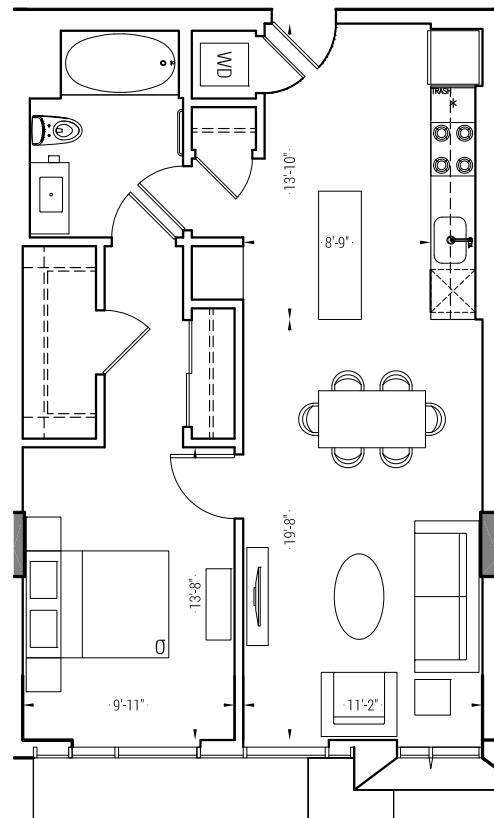
Typical Units



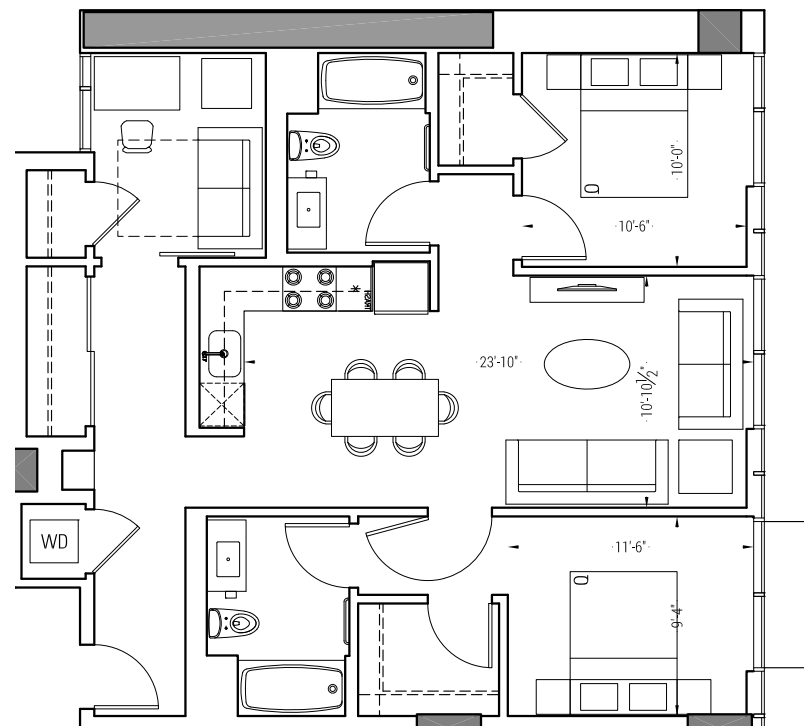
Unit Type S1 (Jr 1 Bed)



Unit Type B3 (2 Bed)



Unit Type A3 (1 Bed)



Unit Type B1 (2 Bed)

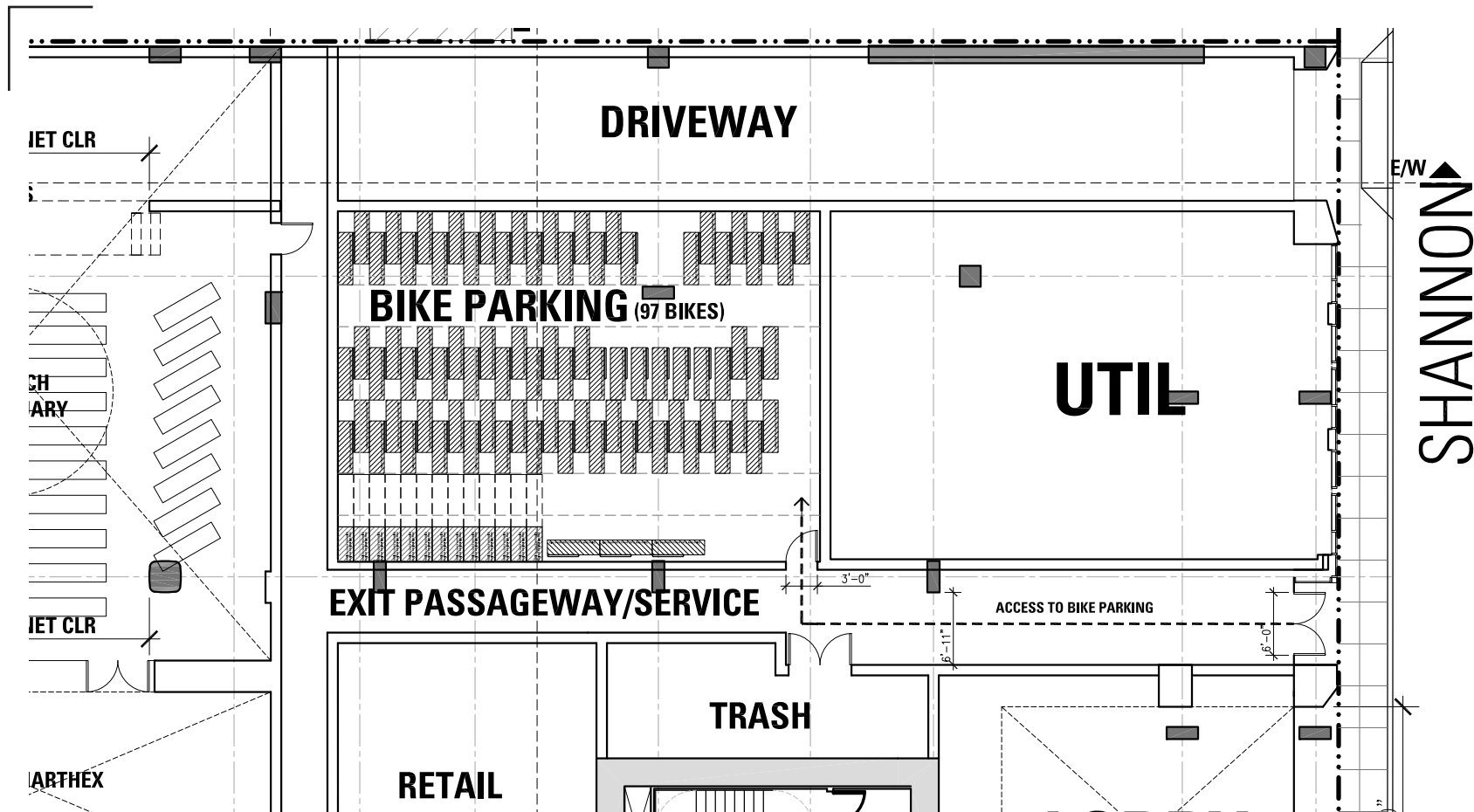
450 O'FARRELL

28 JUNE 2018

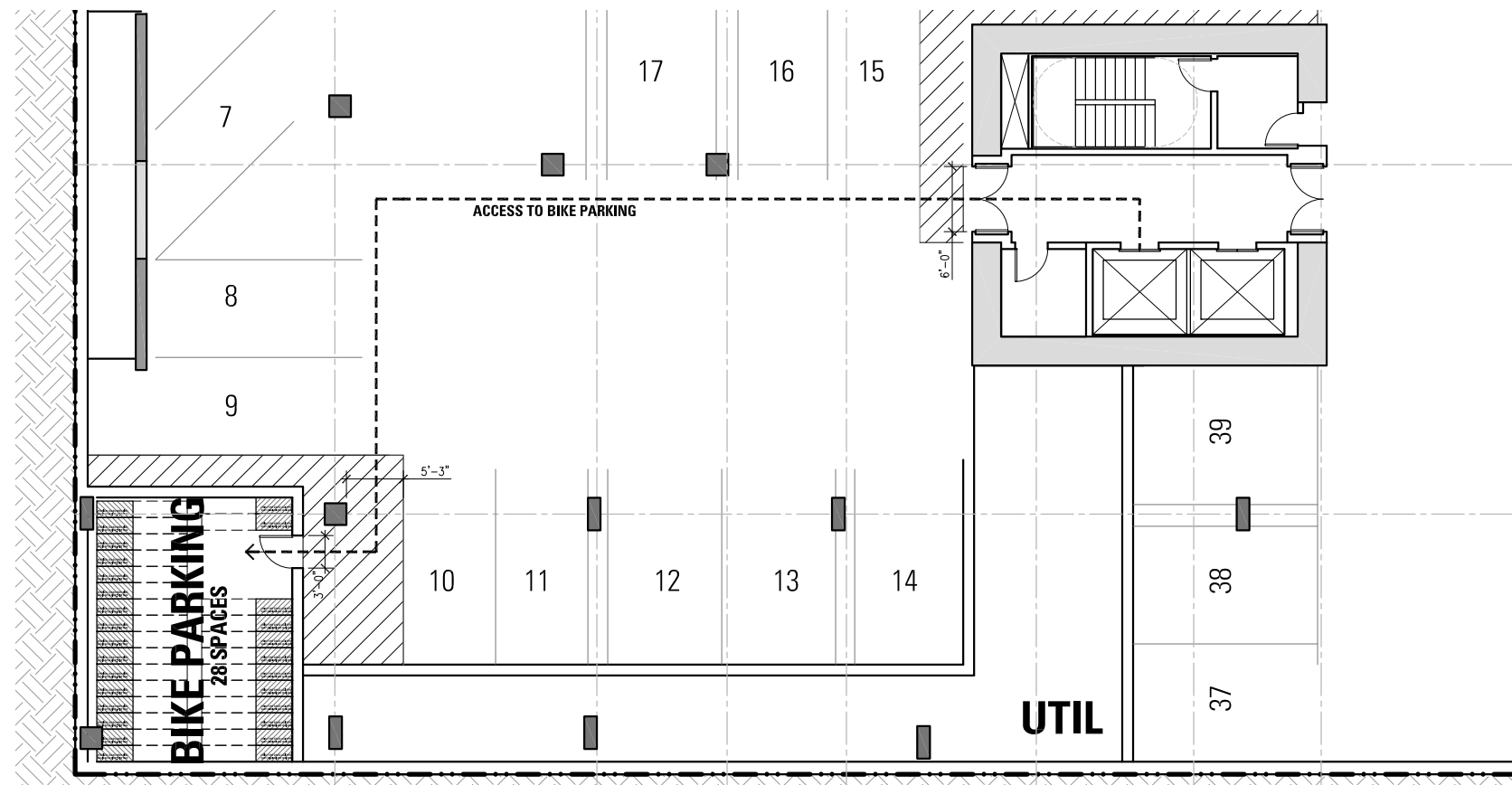
DLR Group | KwanHenmi

Typical Units

AP1.10



BIKE PARKING ACCESS PATH - LEVEL 1



BIKE PARKING ACCESS PATH - LEVEL P1

450

O'FARRELL

28 JUNE 2018

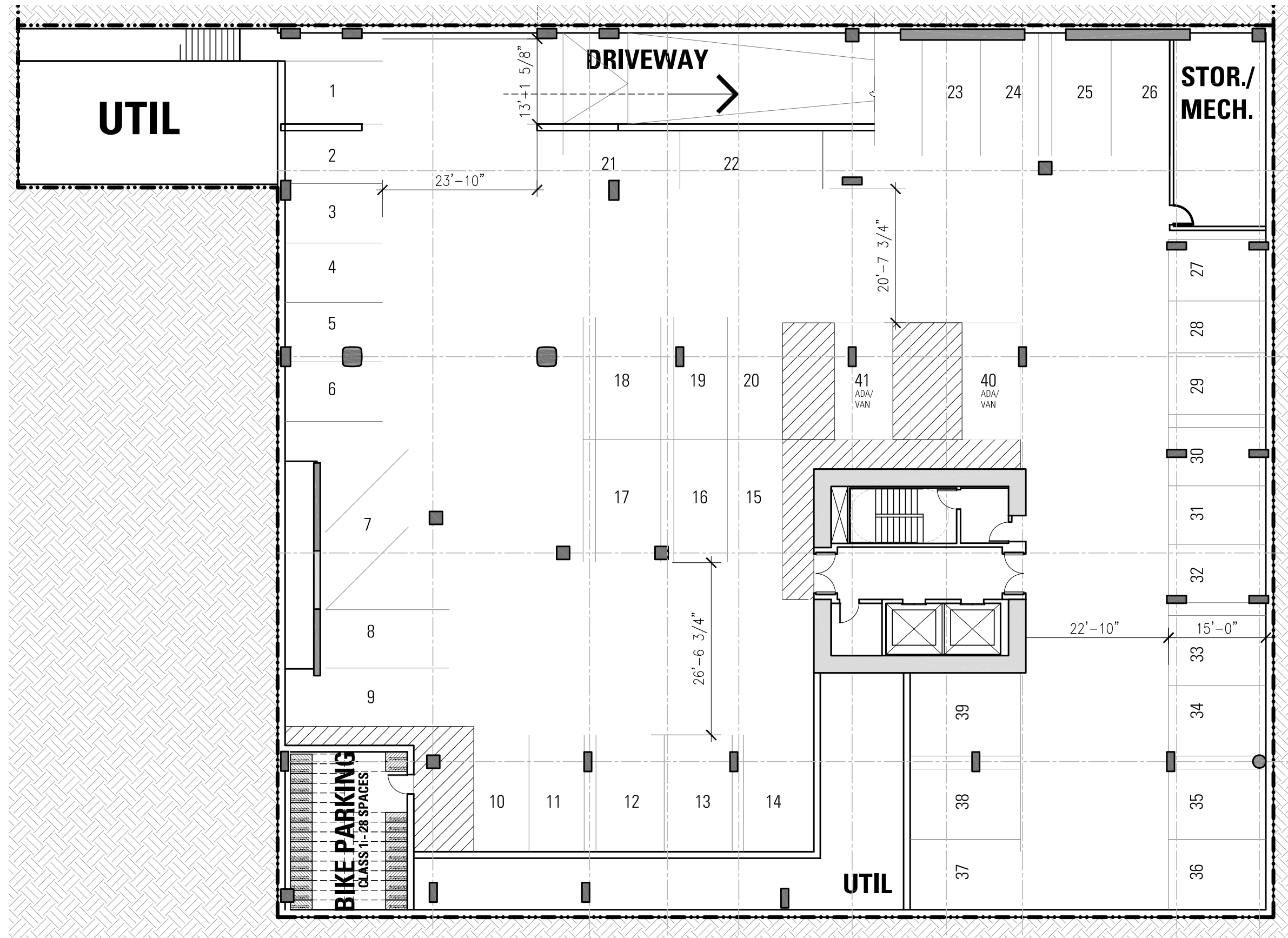
DLR Group | KwanHenmi

Bike Parking Access

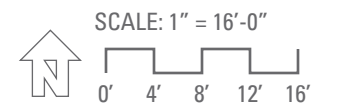
AP1.11

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



28 JUNE 2018

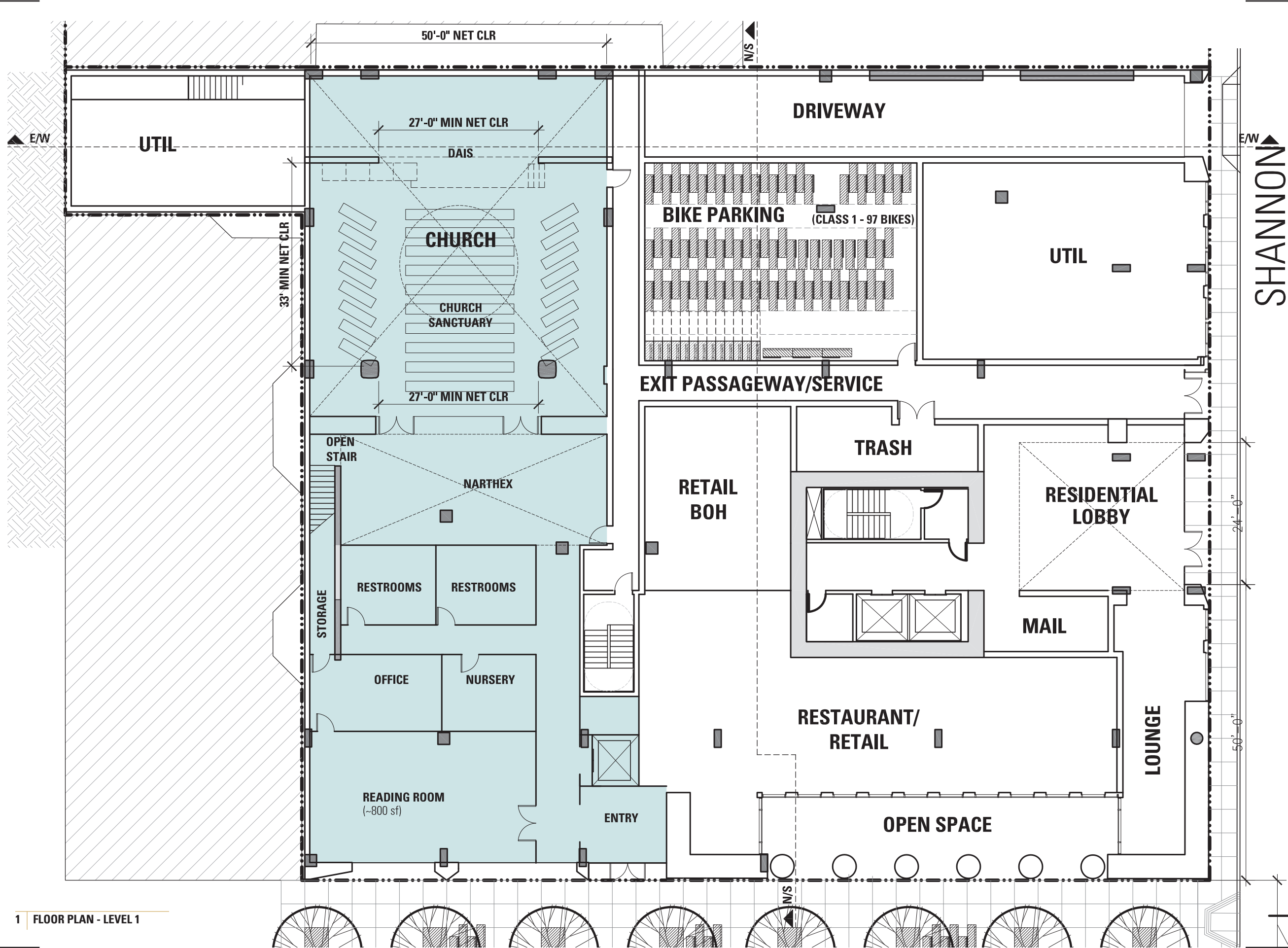
DLR Group | KwanHenmi

Floor Plan
- Level P1

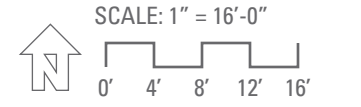
AP2.00

450 O'FARRELL

SHANNON



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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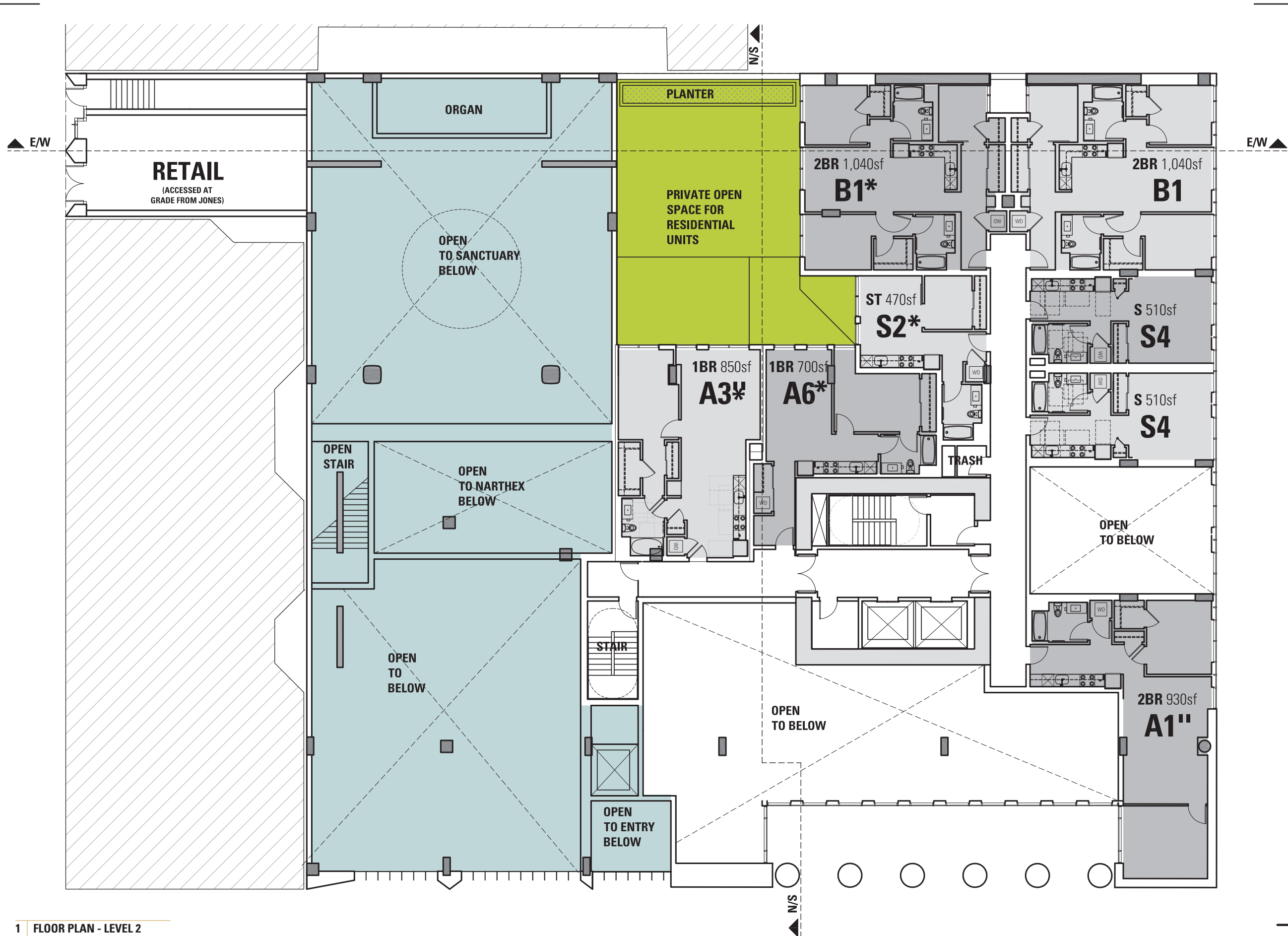
DLR Group | KwanHenmi

Floor Plan
- Level 1

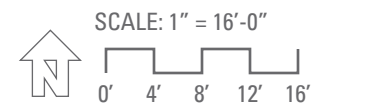
AP2.01

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



28 JUNE 2018

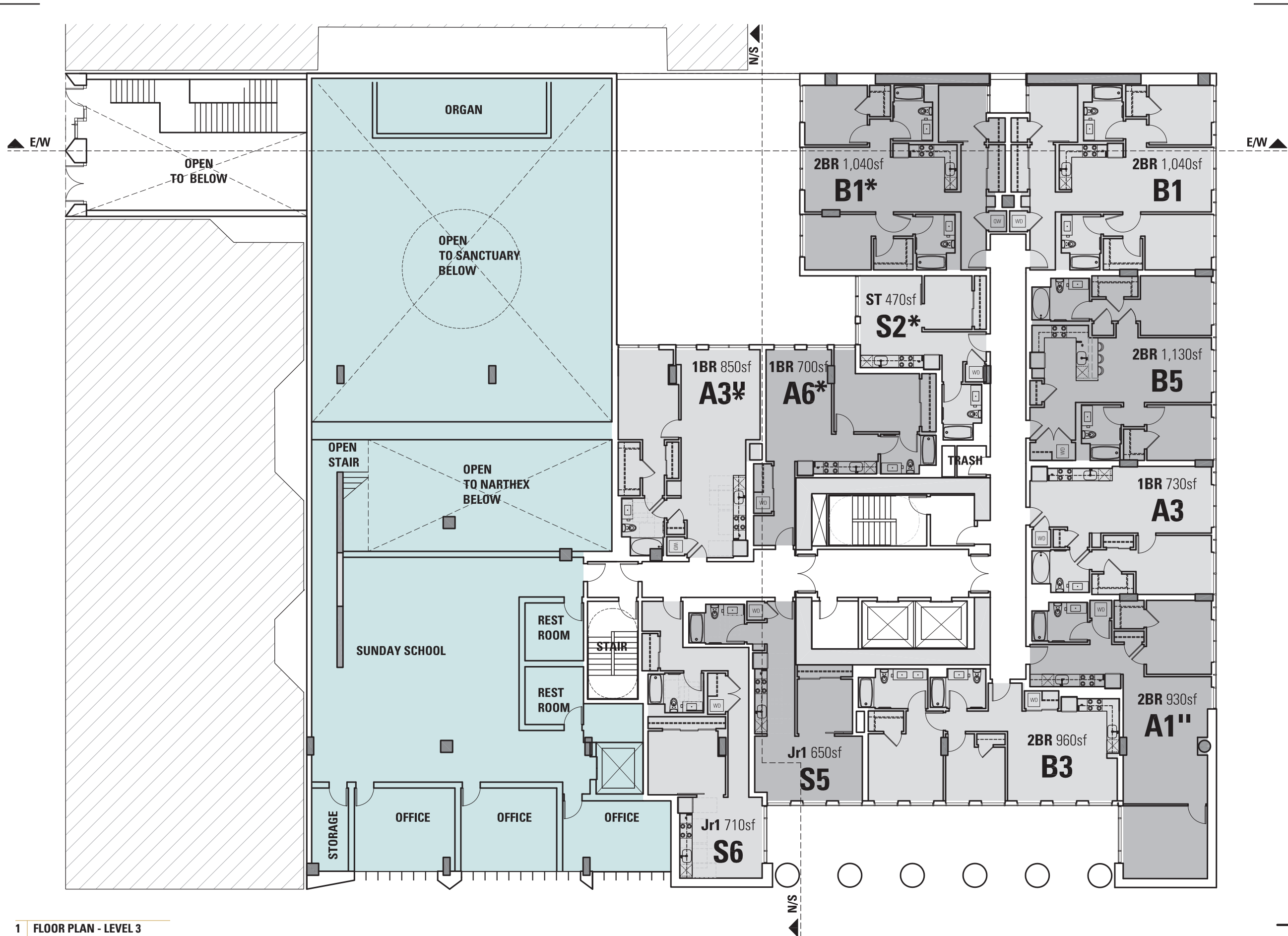
DLR Group | KwanHenmi

Floor Plan
- Level 2

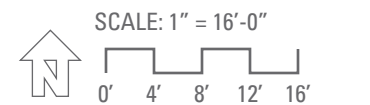
AP2.02

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code

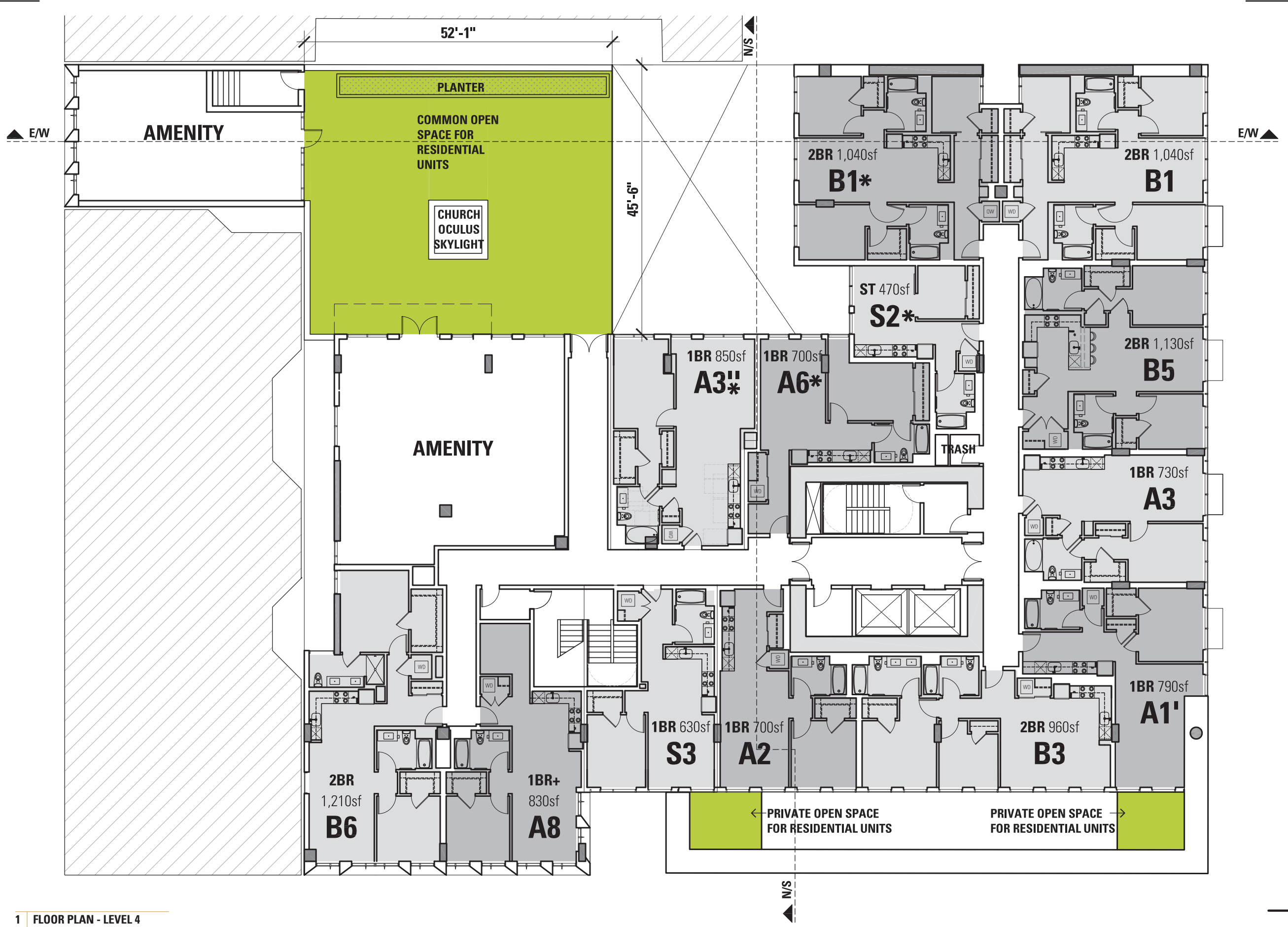


28 JUNE 2018

DLR Group | KwanHenmi

Floor Plan
- Level 3

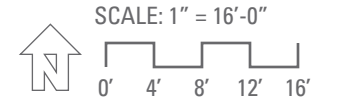
AP2.03



450

O'FARRELL

NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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DLR Group | KwanHenmi

Floor Plan
- Level 4

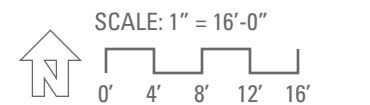
AP2.04

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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DLR Group | KwanHenmi

Floor Plan
- Level 5

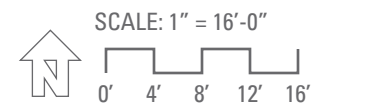
AP2.05

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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DLR Group | KwanHenmi

Floor Plan
- Level 6

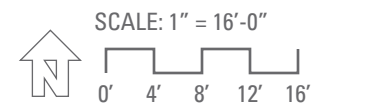
AP2.06

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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DLR Group | KwanHenmi

Floor Plan
- Levels 7-9

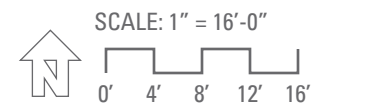
AP2.07

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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DLR Group | KwanHenmi

Floor Plan
- Level 10

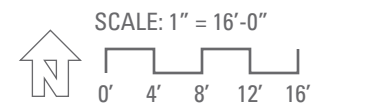
AP2.10

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O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



28 JUNE 2018

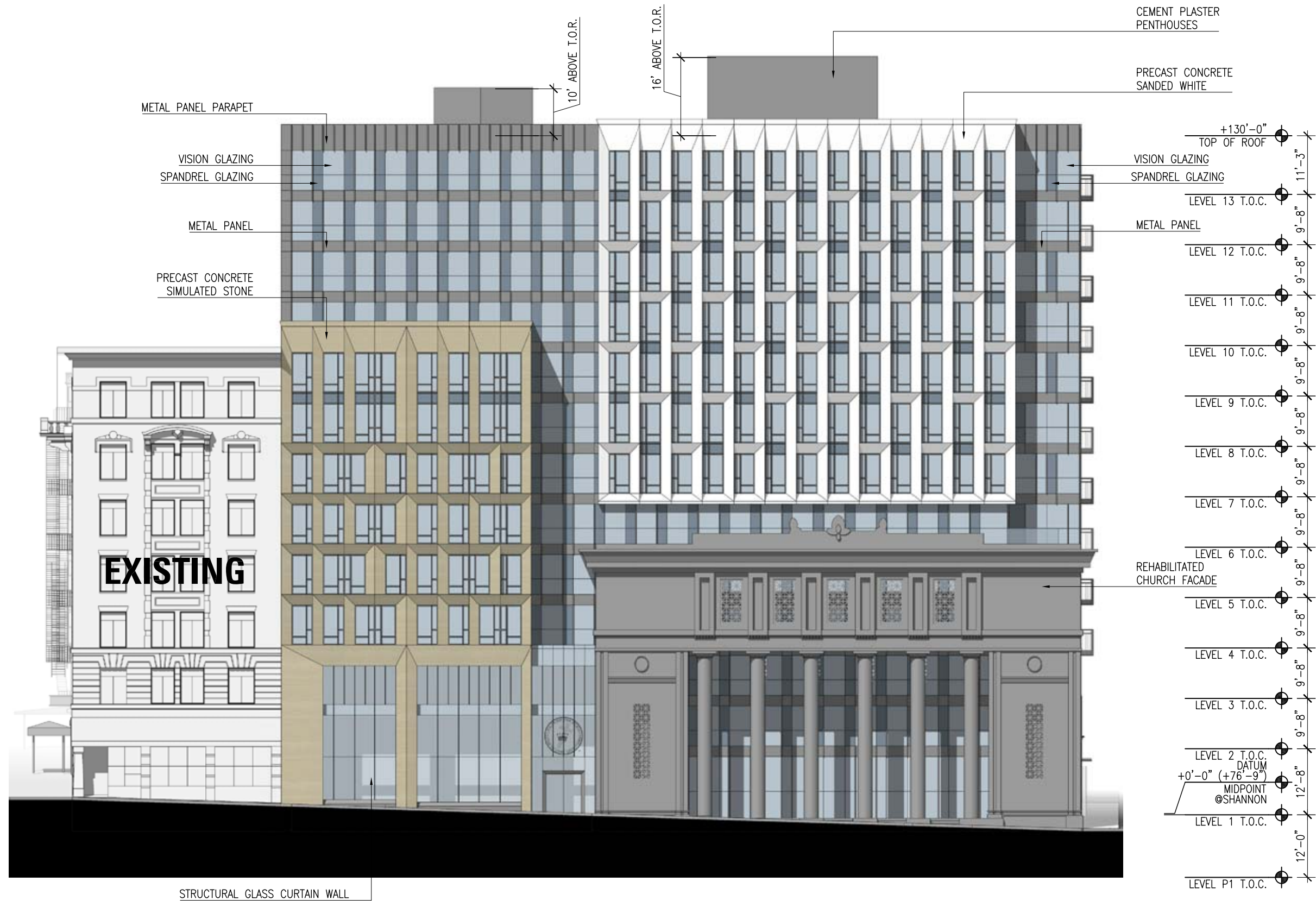
DLR Group | KwanHenmi

Floor Plan
- Levels 11-13

AP2.11

450

O'FARRELL



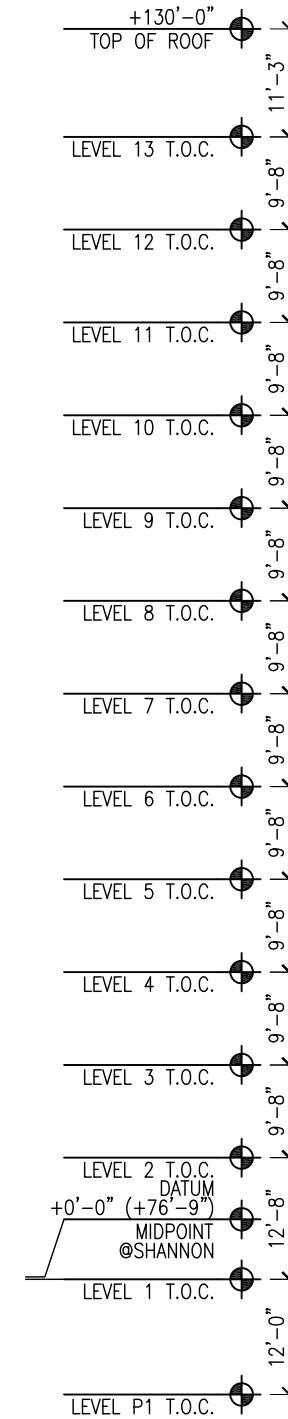
DLR Group | KwanHenmi

Elevation
- O'Farrell Street

AP3.01

450

O'FARRELL



SCALE: 1" = 20'-0"
0' 5' 10' 15' 20'

28 JUNE 2018

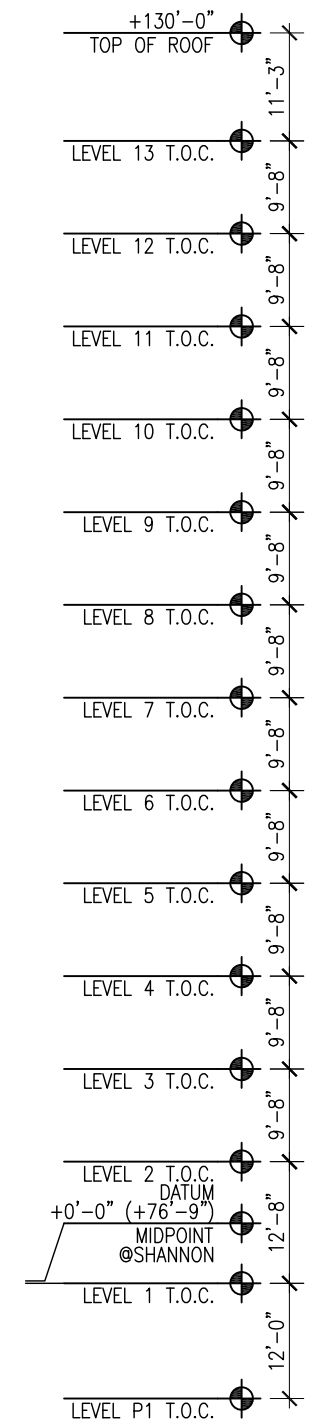
DLR Group | KwanHenmi

Elevation
- Shannon Street

AP3.02

450

O'FARRELL



PRECAST CONCRETE SANDED WHITE VISION GLAZING

SCALE: 1" = 20'-0"

28 JUNE 2018

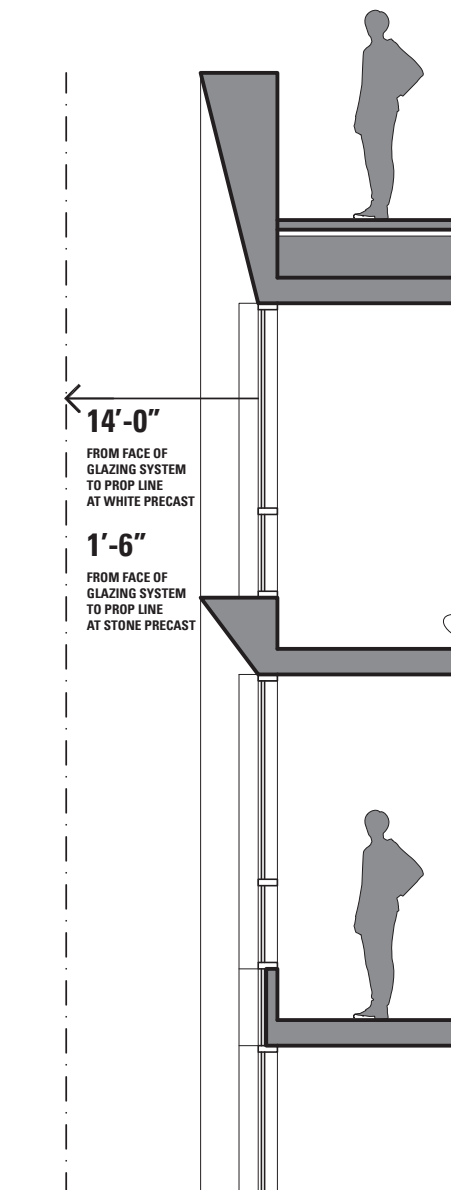
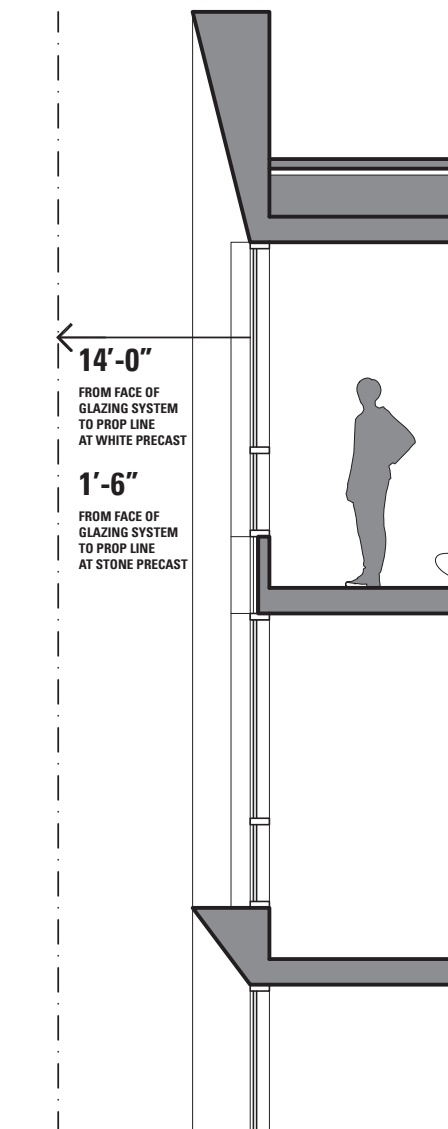
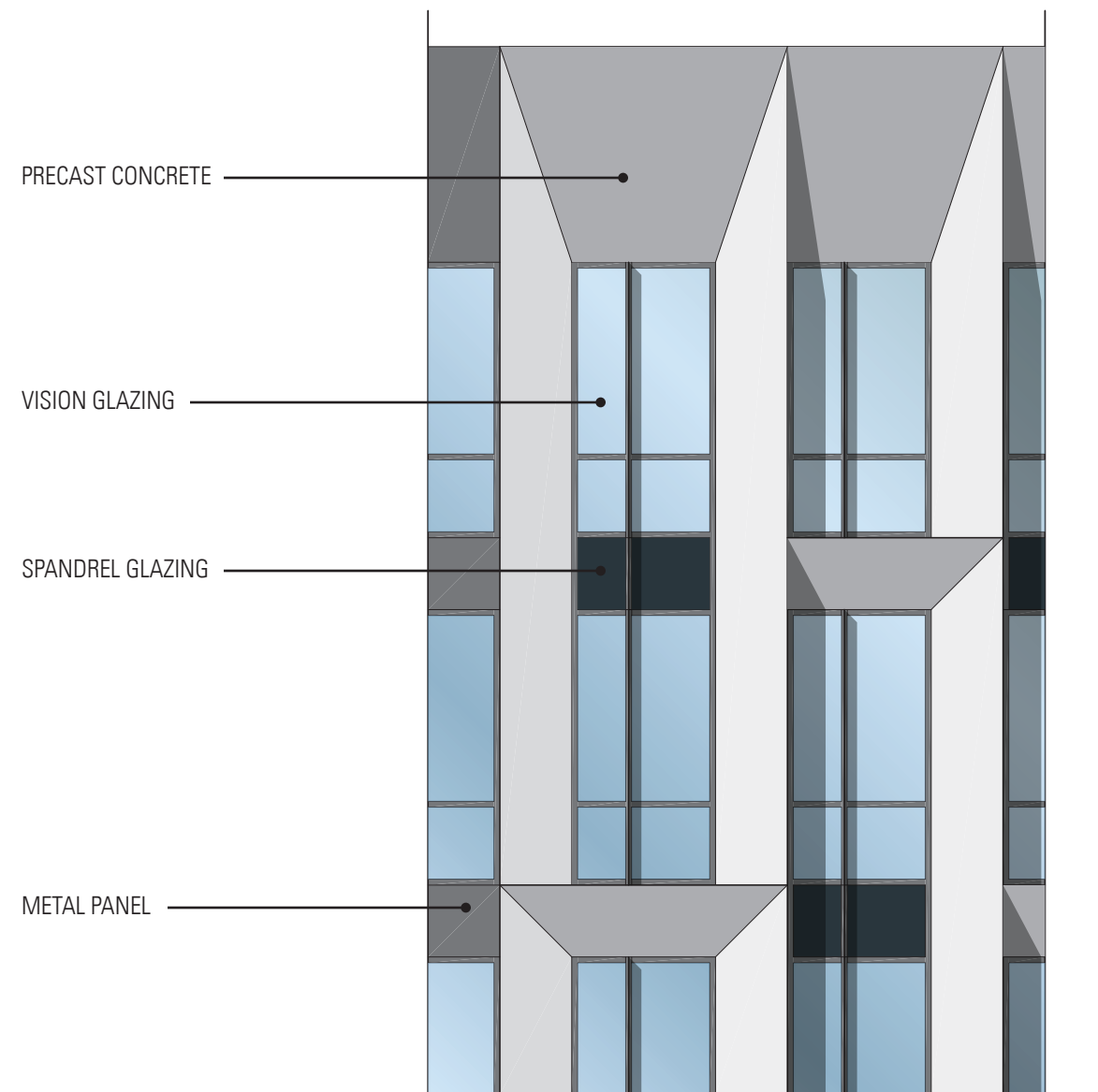
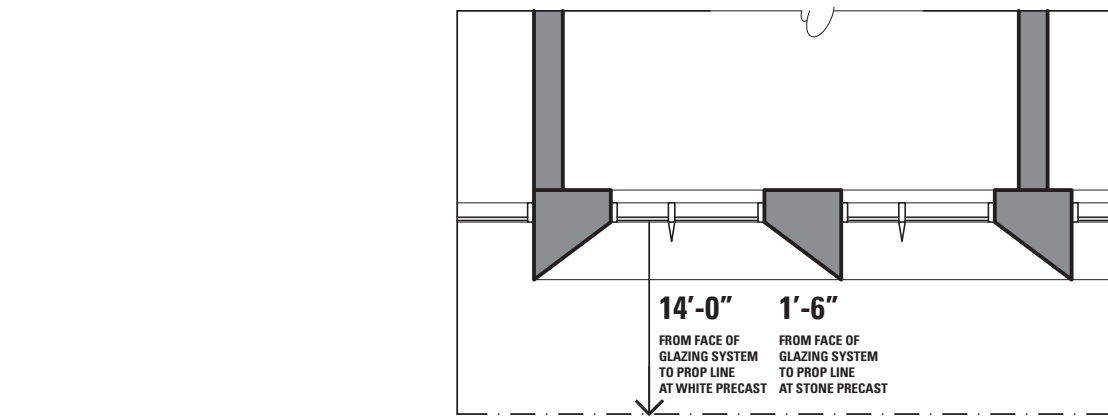
DLR Group | KwanHenmi

Elevation
- Jones Street

AP3.03

450

O'FARRELL



28 JUNE 2018

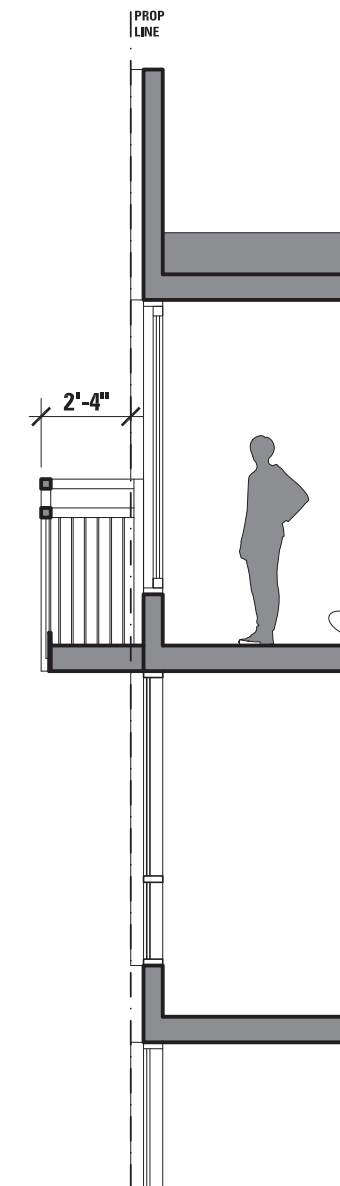
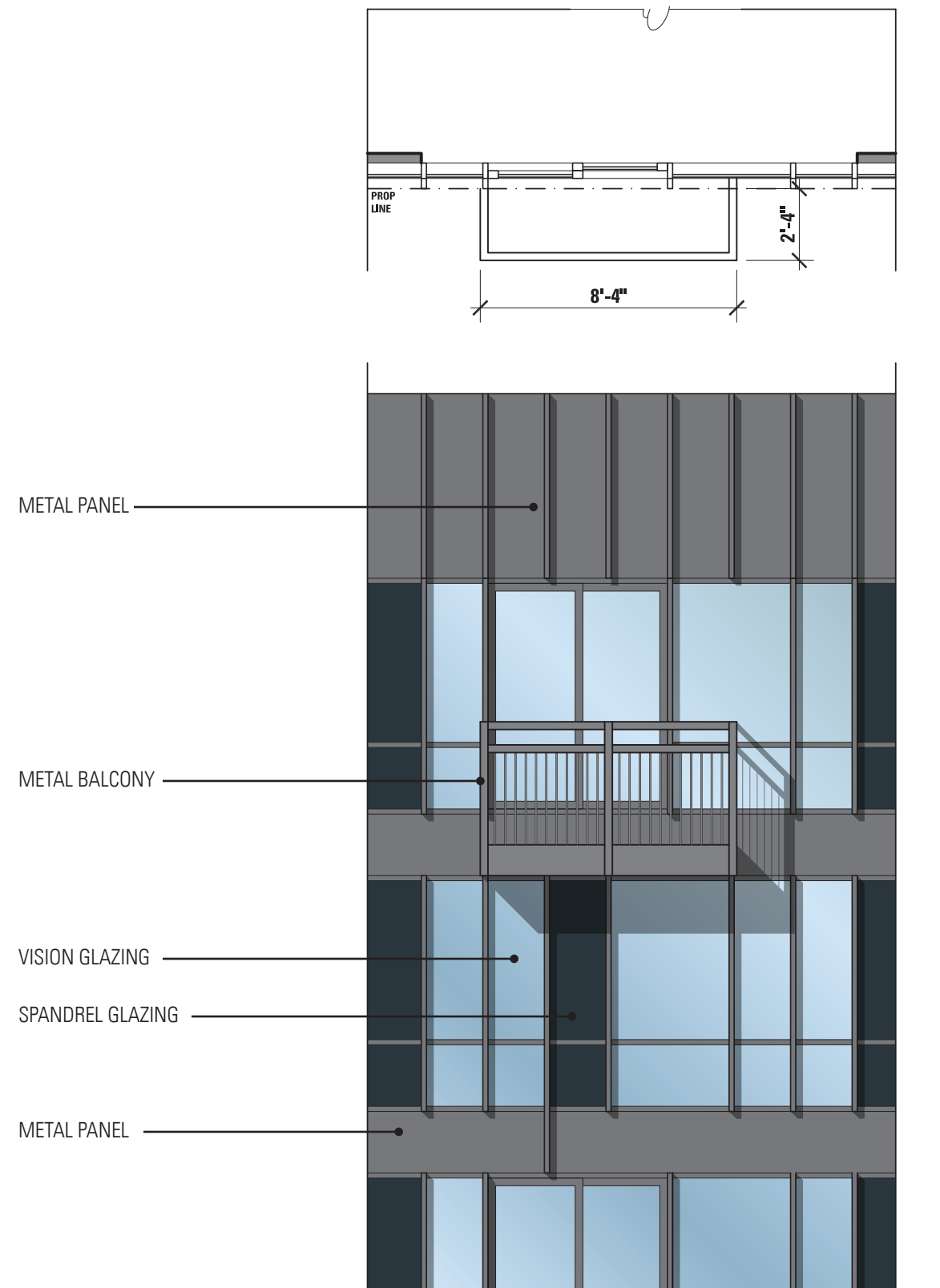
DLR Group | KwanHenmi

Building Detail
- Precast

AP4.01

450

O'FARRELL



28 JUNE 2018

DLR Group | KwanHenmi

Building Detail
- Window Wall+Balconies

AP4.02



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

View
- O'Farrell from East

AP5.01

PREFERRED PROJECT

FACADE SETBACK 14'
FROM O'FARRELL

THIS BUILDING NOT
PART OF PROJECT



450

O'FARRELL

28 JUNE 2018

DLR Group | KwanHenmi

View
- O'Farrell and Shannon

AP5.02



450

O'FARRELL

28 JUNE 2018

 DLR Group | **KwanHenmi**

View
- O'Farrell and Shannon

AP5.03

450

O'FARRELL



28 JUNE 2018

DLR Group | KwanHenmi

View
- O'Farrell and Jones

AP5.04



450

O'FARRELL

28 JUNE 2018

DLR Group | KwanHenmi

View
- Jones Street

AP5.05

450

O'FARRELL



28 JUNE 2018

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Axonometric
- from Southeast

AP6.01



450

O'FARRELL

28 JUNE 2018

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Axonometric
- from Southwest

AP6.02



450

O'FARRELL

28 JUNE 2018

DLR Group | KwanHenmi

Rendering (Closeup)
- O'Farrell from West (Day)

AP7.01

450

O'FARRELL



28 JUNE 2018

 DLR Group |  KwanHenmi

Rendering
- O'Farrell from West (Day)

AP7.02



450

O'FARRELL

28 JUNE 2018

 DLR Group | **KwanHenmi**

Rendering (Closeup)
- O'Farrell from East (Day)

AP7.03



450

O'FARRELL

28 JUNE 2018

DLR Group | KwanHenmi

Rendering
- O'Farrell from East (Day)

AP7.04



450

O'FARRELL

28 JUNE 2018

 DLR Group | **KwanHenmi**

Rendering (Closeup)
- O'Farrell from East (Night)

AP7.05



450

O'FARRELL

28 JUNE 2018

DLR Group | KwanHenmi

Rendering
- O'Farrell from East (Night)

AP7.06

Mitigation Monitoring and Reporting Program

SECTION 1: AUTHORITY

This Environmental Mitigation Monitoring and Reporting Program (MMRP) has been prepared pursuant to California Environmental Quality Act (known as CEQA [Public Resources Code Sections 21000 et seq.]) Section 21081.6 to provide for the monitoring of mitigation measures required of the 450-474 O'Farrell Street/532 Jones Street Project (Project), as set forth in the Final Environmental Impact Report (Final EIR) prepared for the Project. This report will be kept on file in the offices of the City Planning Department (City), 1650 Mission Street, Fourth Floor, San Francisco, CA, 94103.

SECTION 2: MONITORING SCHEDULE

Prior to the issuance of building permits, while detailed development plans are being prepared for approval by Agency and/or City staff, Agency and/or City staff will be responsible for ensuring compliance with mitigation monitoring applicable to the project construction, development, and design phases. Agency and/or City staff will prepare or cause to be prepared reports identifying compliance with mitigation measures. Once construction has begun and is underway, monitoring of the mitigation measures associated with construction will be included in the responsibilities of designated Agency and/or City staff, who shall prepare or cause to be prepared reports of such monitoring no less than once a month until construction has been completed. Once construction has been completed, the Agency and/or City will monitor the project as deemed necessary.

SECTION 3: CHANGES TO MITIGATION MEASURES

Any substantive change in the monitoring and reporting plan made by Agency and/or City staff shall be reported in writing to the City Environmental Review Officer. Reference to such changes shall be made in the monthly/yearly Environmental Mitigation Monitoring Report prepared by City staff. Modifications to the mitigation measures may be made by City staff subject to one of the following findings, documented by evidence included in the record:

- a. The mitigation measure included in the Final EIR and the Mitigation Monitoring and Reporting Program is no longer required because the significant environmental impact identified in the Final EIR has been found not to exist, or to occur at a level which makes the impact less than significant as a result of changes in the project, changes in conditions of the environment, or other factors.

OR

- b. The modified or substitute mitigation measure to be included in the Mitigation Monitoring and Reporting Program either provides corrections to text without any substantive change in the intention or meaning of the original mitigation measure, or provides a level of environmental protection equal to or greater than that afforded by the mitigation measure included in the Final EIR and the Mitigation Monitoring and Reporting Program; and the modified or substitute mitigation measures do not have significant adverse effects on the environment in addition to or greater than those

which were considered by the responsible hearing bodies in their decisions on the Final EIR and the proposed project; and the modified or substitute mitigation measures are feasible, and the City, through measures included in the Mitigation Monitoring and Reporting Program or other City procedures, can assure their implementation.

SECTION 4: SUPPORT DOCUMENTATION

Findings and related documentation supporting the findings involving modifications to mitigation measures shall be maintained in the project file with the MMRP and shall be made available to the public upon request.

SECTION 5: FORMAT OF MITIGATION MONITORING MATRIX

The mitigation monitoring matrix on the following pages identifies the environmental issue areas for which monitoring is required, the required mitigation measures, the timeframe for monitoring, and the responsible implementing and monitoring agencies.

If any mitigation measures are not being implemented, the Agency and/or City may pursue corrective action. Penalties that may be applied include, but are not limited to, the following: (1) a written notification and request for compliance; (2) withholding of permits; (3) administrative fines; (4) a stop-work order; (5) criminal prosecution and/or administrative fines; (6) forfeiture of security bonds or other guarantees; and (7) revocation of permits or other entitlements.

SECTION 6: DEFINITIONS

For the purposes of this MMRP, the following definitions are used:

- **City’s Environmental Review Officer**— The Environmental Review Officer at the San Francisco Planning Department, referred to herein as “ERO.”
- **Code of Federal Regulations**— Referred to herein as “CFR.”
- **Project Sponsors**— The project sponsors consist of 450 O’Farrell Street Partners, LLC, and the Fifth Church of Christ, Scientist.

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Schedule
Cultural Resources				
<p>Mitigation Measure CR-1a: Documentation. Prior to the issuance of demolition or site permits, the project sponsors shall undertake Historic American Building Survey (HABS) documentation of the subject property, structures, objects, materials, and landscaping. The documentation shall be undertaken by a qualified professional who meets the standards for history, architectural history, or architecture (as appropriate), as set forth by the Secretary of the Interior’s Professional Qualification Standards (36 CFR, Part 61). The documentation shall consist of the following:</p> <ul style="list-style-type: none"> • Measured Drawings: A set of measured drawings that depict the existing size, scale, and dimension of the subject property. The Planning Department Preservation staff will accept the original architectural drawings or an as-built set of architectural drawings (plan, section, elevation, etc.). The Planning Department Preservation staff will assist the consultant in determining the appropriate level of measured drawings; • HABS-Level Photography: Digital photographs of the interior and the exterior of subject property. Large format negatives are not required. The scope of the digital photographs shall be reviewed by Planning Department Preservation staff for concurrence, and all digital photography shall be conducted according to the latest National Park Service Standards. The photography shall be undertaken by a qualified professional with demonstrated experience in HABS photography; and • HABS Historical Report: A written historical narrative and report, per HABS Historical Report Guidelines. • Video documentation: Video footage of the exterior and interior of contributing elements of the subject property. <p>The professional shall prepare the documentation and submit it for review and approval by the Planning Department Preservation staff prior to the issuance of demolition permits. The documentation shall be disseminated by the project sponsors to the Planning Department, San Francisco Main Library History Room, Northwest Information Center-California Historical Resource Information System, and San Francisco Architectural Heritage.</p>	Project sponsors and qualified historic preservation individual	Prior to the issuance of a demolition permit for the building	Planning Department Preservation Technical Specialist to review and approve HABS documentation.	Considered complete upon submittal of final HABS documentation to the Preservation Technical Specialist.
<p>Mitigation Measure CR-1b: Interpretation. The project sponsors shall provide a permanent display of interpretive materials concerning the history and architectural features of the original 450 O’Farrell Street building and its relationship with the Uptown Tenderloin National Register Historic District and the Tenderloin neighborhood. Interpretation of the site’s history and relationship with the District shall be supervised by an architectural historian or historian who meets the Secretary of the Interior’s Professional Qualification Standards, and may engage additional consultants to develop the display. The interpretative materials (which may include, but are not limited to, a display of photographs, news articles, memorabilia, and/or video) shall be placed in a prominent setting on the project site visible to pedestrians, such as a lobby, Reading Room of the new church or O’Farrell Street frontage.</p> <p>A proposal describing the general parameters of the interpretive program shall be approved by the San Francisco Planning Department Preservation staff prior to issuance of a site permit. The content, media and other characteristics of such interpretive display shall be approved by the San Francisco Planning Department Preservation staff prior to issuance of a Temporary Certificate of Occupancy.</p>	Project sponsor and qualified architectural historian or historian who meets the Secretary of the Interior’s Professional Qualification Standards	Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the building	Planning Department Preservation Technical Specialist to review and approve interpretive display	Considered complete upon installation of display.

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>Mitigation Measure CR-1c: Salvage. Prepare an in-depth salvage document for the character-defining features of the existing church building at 450 O'Farrell Street. The project sponsors shall work with a professional who meets the Secretary of Interior's Standards to develop a salvage report that documents the building's character-defining features for conservation and assesses the feasibility of reinstallation at the new church space or in other facilities. The salvage report shall include documentation of interior historic interior features, such as the light fixtures, the marble in the bathroom, sanctuary space with balcony, decorative plaster work in the lobby and sanctuary, raised sanctuary stage, the organ pipes, and the grillwork fronting the organ pipes, and any exterior character-defining features that would not be retained by the project. Additionally, the salvage document shall include the identification of diverse organizations with interest in curation of the materials. The professional shall prepare the salvage report and submit it for review and approval by the Planning Department preservation staff prior to the issuance of demolition permits.</p>	<p>Project sponsors and qualified historic preservation individual.</p>	<p>Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the 450 O'Farrell Street building</p>	<p>Planning Department Preservation Technical Specialist to review and approve the salvage report</p>	<p>Considered complete upon approval of the salvage report by the Planning Department Preservation Technical Specialist.</p>
<p>Mitigation Measure CR-3a: Vibration Monitoring and Management Plan. The project sponsors shall retain the services of a qualified structural engineer or vibration consultant and a preservation architect who meet the Secretary of the Interior's Historic Preservation Professional Qualification Standards to conduct a Pre-Construction Assessment of the identified adjacent contributing resources to the Uptown Tenderloin National Register Historic District at 500-520 Jones Street, 536-544 (540) Jones Street, 546-548 (548) Jones Street, 565-575 Geary Street, 438-440 (438) O'Farrell Street, 415 Taylor Street, and 577-579 Geary Street. Prior to any demolition or ground-disturbing activity, the Pre-Construction Assessment shall be prepared. It shall contain written and photographic descriptions of the existing condition of visible exteriors from the public rights-of-way of the adjacent buildings and interior locations upon permission of the owners of the adjacent properties. The Pre-Construction Assessment shall determine specific locations to be monitored and include annotated drawings of the buildings to locate accessible digital photo locations and locations of survey markers and/or other monitoring devices (e.g., to measure vibrations). The Pre-Construction Assessment shall be submitted to the Planning Department along with the demolition and site permit applications. The structural engineer and/or vibration consultant, in consultation with the preservation architect, shall develop, and the project sponsors shall adopt, a vibration management and continuous monitoring plan to protect the adjacent historic buildings against damage caused by vibration or differential settlement caused by vibration during project construction activities. In this plan, the maximum vibration level not to be exceeded at each building shall be 0.2 inch per second, or a level determined by the site-specific assessment made by the structural engineer and/or the vibration consultant in coordination with the preservation architect for the project. The vibration management and monitoring plan shall document the criteria used in establishing the maximum vibration level for the project. In addition, this plan shall state the maximum settlement levels not to be exceeded at each building, which shall range from 3/8-inch to 1/2-inch; or a level determined by the site-specific assessment made by the structural engineer in coordination with the preservation architect for the project. This settlement criterion shall be included in the vibration management and monitoring plan. The vibration management and monitoring plan shall include pre-construction surveys and continuous vibration monitoring throughout the duration of the major construction project activities that would require heavy-duty equipment to ensure that vibration levels do not exceed the established standard. The vibration management and monitoring plan shall be submitted to the Planning Department's preservation staff prior to issuance of the demolition permit. Should vibration levels be observed in excess of the standard, or if settlement to adjacent buildings occurs beyond the settlement levels described above, construction shall be halted and alternative protective measures shall be put in practice. Alternative protective measures may include, but would not be limited to, additional underpinning, additional shoring, grouting, and soldier piles. Appropriate protective measures to prevent damage to adjacent buildings shall be determined on a case by case basis. Should construction of the proposed project result in any damage to adjacent buildings, repairs may be completed as part of the project. The structural engineer and/or vibration consultant and the historic preservation consultant shall conduct regular periodic inspections of digital photographs, survey markers, and/or other monitoring devices during ground-disturbing activity at the project site. The buildings shall be protected to prevent further damage and remediated to pre-construction conditions as shown in the Pre-</p>	<p>Project sponsors, contractor, qualified structural engineer or vibration consultant and qualified preservation architect</p>	<p>Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the 450 O'Farrell Street building</p> <p>Should vibration or settlement levels be observed in excess of the standards set in the mitigation measure, Planning must be notified immediately along with a description of alternative protective measures proposed to be put in place to prevent further damage to adjacent buildings.</p>	<p>Planning Department Preservation Technical Specialist shall review and approve the vibration monitoring and management plan.</p> <p>Planning Department Preservation Technical Specialist shall review and approve alternative protection measures, if necessary.</p>	<p>Considered complete upon submittal to ERO of post-construction report on vibration monitoring plan and effects, if any, on proximately historical resources.</p>

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Construction Assessment with the consent of the building owner.				
<p>Mitigation Measure CR-3b: Construction Best Practices for Historical Architectural Resources. The project sponsors shall incorporate into construction specifications for the proposed project a requirement that the construction contractor(s) use all feasible means to avoid damage to the adjacent contributing resources at 500-520 Jones Street, 536-544 (540) Jones Street, 546-548 (548) Jones Street, 565-575 Geary Street, 438-440 (438) O'Farrell Street, 415 Taylor Street, and 577-579 Geary Street, including, but not limited to, staging of equipment and materials as far as possible from historic buildings to limit damage; using techniques during demolition, excavation, shoring, and construction that create the minimum feasible vibration; maintaining a buffer zone when possible between heavy equipment and adjacent contributing resource(s); enclosing construction scaffolding to avoid damage from falling objects or debris; and ensuring appropriate security to minimize risks of vandalism and fire. These construction specifications shall be submitted to the Planning Department along with the Demolition and Site Permit Applications.</p>	Project sponsors, contractor, qualified structural engineer or vibration consultant and qualified preservation architect	Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection for the building	Planning Department Preservation Technical Specialist shall review and approve the construction specifications.	Considered complete upon approval of construction specifications by the by the Planning Department Preservation Technical Specialist.
<p>Mitigation Measure M-CP-2: Accidental Discovery. The project sponsors shall distribute the Planning Department archeological resource "ALERT" sheet to the project prime contractor; to any project subcontractor (including demolition, excavation, grading, foundation, etc. firms); or utilities firm involved in soils disturbing activities within the project site. Prior to any soils disturbing activities being undertaken each contractor is responsible for ensuring that the "ALERT" sheet is circulated to all field personnel including, machine operators, field crew, supervisory personnel, etc. The project sponsors shall provide the Environmental Review Officer (ERO) with a signed affidavit from the responsible parties (prime contractor, subcontractor(s), and utilities firm) to the ERO confirming that all field personnel have received copies of the Alert Sheet.</p> <p>Should any indication of an archeological resource be encountered during any soil-disturbing activity of the project, the project Head Foreman and/or project sponsor shall immediately notify the ERO and shall immediately suspend any soils disturbing activities in the vicinity of the discovery until the ERO has determined what additional measures should be undertaken.</p> <p>If the ERO determines that an archeological resource may be present within the project site, the project sponsors shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archeological consultant shall advise the ERO as to whether the discovery is an archeological resource, retains sufficient integrity, and is of potential scientific/historical/cultural significance. If an archeological resource is present, the archeological consultant shall identify and evaluate the archeological resource. The archeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the ERO may require, if warranted, specific additional measures to be implemented by the project sponsor.</p> <p>Measures might include: preservation in situ of the archeological resource; an archaeological monitoring program; or an archeological testing program. If an archeological monitoring program or archeological testing program is required, it shall be consistent with the Environmental Planning (EP) division guidelines for such programs. The ERO may also require that the project sponsors immediately implement a site security program if the archeological resource is at risk from vandalism, looting, or other damaging actions.</p> <p>The project archeological consultant shall submit a Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describing the archeological and historical research methods employed in the archeological monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.</p> <p>Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC)</p>	Project sponsors, contractor, Planning Department's archeologist or qualified archaeological consultant, and Planning Department's Environmental Review Officer.	Prior to issuance of any permit for soil-disturbing activities and during construction.	Project sponsor, ERO, archeologist.	Considered complete upon ERO's approval of FARR

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Schedule
shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one bound copy, one unbound copy, and one unlocked, searchable PDF copy on CD of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.				
Mitigation Measure M-CP-3: Human Remains. Human Remains and Associated or Unassociated Funerary Objects. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal laws along with the following procedures. This shall include immediate notification of the Coroner of the City and County of San Francisco and the ERO. In the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archeological consultant, as required under M-CP-3, the project sponsor, ERO, and MLD shall have up to but not beyond six days of discovery to make all reasonable efforts to develop an agreement for the treatment of human remains and associated or unassociated funerary objects with appropriate dignity (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. Nothing in existing State regulations or in this mitigation measure compels the project sponsors and the ERO to accept recommendations of an MLD. The archeological consultant shall retain possession of any Native American human remains and associated or unassociated burial objects until completion of any scientific analyses of the human remains or objects as specified in the treatment agreement if such as agreement has been made or, otherwise, as determined by the archeological consultant and the ERO.	Project sponsors, contractor, Planning Department's archeologist or qualified archaeological consultant, and Review Officer.	Throughout the duration of ground-disturbing activities	Project sponsor to notify ERO, Coroner, and, if applicable, NAHC of any discovery of human remains	Considered complete upon completion of ground-disturbing activities
Air Quality				
Mitigation Measure M-AQ-2: Construction Air Quality The project sponsors or the project sponsors' Contractor shall comply with the following A. <i>Engine Requirements.</i> 1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and have been retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement. 2. Where access to alternative sources of power are available, portable diesel engines shall be prohibited. 3. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than two minutes, at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions, safe operating conditions). The Contractor shall post legible and visible signs in English, Spanish, and Chinese, in designated queuing areas and at the construction site to remind operators of the two-minute idling limit. 4. The Contractor shall instruct construction workers and equipment operators on the maintenance and tuning of construction equipment, and require that such workers and	Project sponsors and construction contractor.	Prior to issuance of a site permit, demolition permit, or any other permit from the Department of Building Inspection, with ongoing compliance with the Construction Emissions Minimization Plan throughout the construction period.	ERO to review and approve Construction Emissions Minimization Plan; project sponsor and construction contractor to comply with, and document compliance with, Construction Emissions Minimization Plan as required by the ERO	Construction Emissions Minimization Plan considered complete upon ERO review and acceptance of Plan; measure considered complete upon completion of project construction and submittal to ERO of required documentation

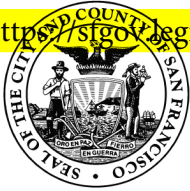
Mitigation Monitoring & Reporting Program																
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule												
<p>operators properly maintain and tune equipment in accordance with manufacturer specifications.</p> <p>B. Waivers.</p> <ol style="list-style-type: none"> The Planning Department’s Environmental Review Officer or designee (ERO) may waive the alternative source of power requirement of Subsection (A)(2) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the Contractor must submit documentation that the equipment used for onsite power generation meets the requirements of Subsection (A)(1). The ERO may waive the equipment requirements of Subsection (A)(1) if a particular piece of off-road equipment with an ARB Level 3 VDECS is technically not feasible, the equipment would not produce desired emissions reduction due to expected operating modes, installation of the equipment would create a safety hazard or impaired visibility for the operator, or there is a compelling emergency need to use off-road equipment that is not retrofitted with an ARB Level 3 VDECS. If the ERO grants the waiver, the Contractor must use the next-cleanest piece of off-road equipment, according to Table 12. <p style="text-align: center;">TABLE 12: OFF-ROAD EQUIPMENT COMPLIANCE STEP-DOWN SCHEDULE</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 15%;">Compliance Alternative</th> <th style="width: 15%;">Engine Emission Standard</th> <th style="width: 70%;">Emissions Control</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">ARB Level 2 VDECS</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">ARB Level 1 VDECS</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">Alternative Fuel*</td> </tr> </tbody> </table> <p>** Alternative fuels are not a VDECS.</p> <p>C. <i>Construction Emissions Minimization Plan.</i> Before starting on-site construction activities, the Contractor shall submit a Construction Emissions Minimization Plan (Plan) to the ERO for review and approval. The Plan shall state, in reasonable detail, how the Contractor will meet the requirements of Section A.</p> <ol style="list-style-type: none"> The Plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, and expected fuel usage and hours of operation. For VDECS installed, the description may include: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used. The project sponsors shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall include a certification statement that the Contractor agrees to comply fully with the Plan. The Contractor shall make the Plan available to the public for review on-site during working hours. The Contractor shall post at the construction site a legible and visible sign 	Compliance Alternative	Engine Emission Standard	Emissions Control	1	Tier 2	ARB Level 2 VDECS	2	Tier 2	ARB Level 1 VDECS	3	Tier 2	Alternative Fuel*				
Compliance Alternative	Engine Emission Standard	Emissions Control														
1	Tier 2	ARB Level 2 VDECS														
2	Tier 2	ARB Level 1 VDECS														
3	Tier 2	Alternative Fuel*														

Mitigation Monitoring & Reporting Program				
Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/ Reporting Responsibility	Monitoring Schedule
<p>summarizing the Plan. The sign shall also state that the public may ask to inspect the Plan for the project at any time during working hours and shall explain how to request to inspect the Plan. The Contractor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right-of-way.</p> <p>D. <i>Monitoring.</i> After start of Construction Activities, the Contractor shall submit quarterly reports to the ERO documenting compliance with the Plan. After completion of construction activities and prior to receiving a final certificate of occupancy, the project sponsors shall submit to the ERO a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the Plan.</p>				
<p>Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators. The project sponsors shall ensure that the backup diesel generator meet or exceed one of the following emission standards for particulate matter: (1) Tier 4 certified engine, or (2) Tier 2 or Tier 3 certified engine that is equipped with a California Air Resources Board (ARB) Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The project sponsors shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.</p>	Project sponsors and construction contractor.	Prior to issuance of site permit	ERO to review and approve the diesel emission control strategy.	Considered complete upon ERO approval of the diesel emission control strategy.

Improvement Measures				
Improvement Measures Agreed to by the Project Sponsor.	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Transportation				
<p>Improvement Measure I-TR-1: Transportation Demand Management (TDM) Plan. As an improvement measure to encourage the use of sustainable modes, the project sponsors and subsequent property owners, should develop and implement a TDM Plan. The scope and number of TDM measures included in the TDM Plan should be in accordance with the Planning Commission Standards for the TDM Program (TDM Program) for the type of development proposed.¹ The proposed project's TDM Plan should conform to the most recent version of the TDM Program Standards available at the time of the project's approval. The Planning Department should review and approve the TDM Plan, as well as any subsequent revisions to the TDM Plan, pursuant to the TDM Program Standards. The TDM Plan should target a reduction in the vehicle miles traveled (VMT) rate (e.g., VMT per capita), monitor and evaluate project performance (actual VMT), and adjust TDM measures over time to attempt to meet VMT target reduction.</p> <p>The TDM Plan may include, but is not limited to, the types of measures summarized below for explanatory example purposes. Actual TDM measures selected should include those from the TDM Program Standards which describe the scope and applicability of candidate measures in detail and include:</p> <ol style="list-style-type: none"> 1. Active Transportation: Provision of streetscape improvements to encourage walking, secure bicycle parking, shower and locker facilities for cyclists, subsidized bike share memberships for project occupants, bicycle repair and maintenance services, and other bicycle-related services 2. Car-Share: Provision of car-share parking spaces and subsidized memberships for project occupants 3. Delivery: Provision of amenities and services to support delivery of goods to project occupants 4. Family-Oriented Measures: Provision of on-site childcare and other amenities to support the use of sustainable transportation modes by families 5. High-Occupancy Vehicles: Provision of carpooling/vanpooling incentives and shuttle bus service 6. Information and Communications: Provision of multimodal wayfinding signage, transportation information displays, and tailored transportation marketing services 7. Land Use: Provision of on-site affordable housing and healthy food retail services in underserved areas 8. Parking: Provision of unbundled parking, short term daily parking provision, parking cash out offers, and reduced off-street parking supply. 	<p>This measure is no longer required because it has been superceded by the passage of the Transportation Demand Management (TDM) Program (Board File # 160925/34-17)</p>			
<p>Improvement Measure I-TR-2: Monitoring and Abatement of Queues. To reduce the potential for queuing of vehicles accessing the project site, it should be the responsibility of the project sponsors to ensure that recurring vehicle queues or vehicle conflicts do not occur on Shannon Street. A vehicle queue is defined as one or more vehicles (destined to the parking garage) blocking any portion of the Shannon Street sidewalk or travel lanes for a consecutive period of three minutes or longer on a daily and/or weekly basis.</p> <p>If the Planning Director, or his or her designee, suspects that a recurring queue or conflict is present, the Planning Department should notify the project sponsors in writing. Upon request, the owner/operator should hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days. The consultant should prepare a monitoring report to be submitted to the Planning Department for review. If the Planning Department determines that a recurring queue or conflict does exist, the project sponsors should have 90 days from the date or the written determination to abate the recurring queue or conflict.</p>	<p>Project sponsor.</p>	<p>During project occupancy.</p>	<p>Transportation consultant, Planning Department</p>	<p>During project occupancy if a queuing of vehicles occurs.</p>

¹ San Francisco Planning Department, *Draft TDM Program Standards*, July 2016 are available online at: <http://sf-planning.org/tdm-materials-and-resources>.

Improvement Measures				
Improvement Measures Agreed to by the Project Sponsor.	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>Improvement Measure I-TR-3: Construction Management Plan and Public Updates.</p> <p>Construction Coordination - To reduce potential conflicts between construction activities and pedestrians, bicyclists, transit and vehicles at the project site, the project sponsors should require that the contractor prepare a Construction Management Plan for the project construction period. The preparation of a Construction Management Plan could be a requirement included in the construction bid package. Prior to finalizing the Plan, the project sponsor/construction contractor(s) should meet with San Francisco Public Works (Public Works), San Francisco Municipal Transportation Agency (SFMTA), the Fire Department, Muni Operations and other City agencies to coordinate feasible measures to include in the Construction Management Plan to reduce traffic congestion, including measures to reduce potential traffic, bicycle, and transit disruption and pedestrian circulation effects during construction of the proposed project. This review should consider other ongoing construction in the project vicinity. As determined necessary by the SFMTA to minimize the potential for impacting vehicle and transit traffic on O'Farrell Street, the Construction Management Plan could include restrictions on travel lane closures or construction truck deliveries or materials removal during the AM (7 to 9 AM) and PM (3 to 7 PM) peak periods when tow-away regulations are in effect on O'Farrell Street.</p> <p>Carpool, Bicycle, Walk and Transit Access for Construction Workers - To minimize parking demand and vehicle trips associated with construction workers, the construction contractor could include as part of the Construction Management Plan methods to encourage carpooling, bicycle, walk and transit access to the project site by construction workers (such as providing transit subsidies to construction workers, providing secure bicycle parking spaces, participating in free-to-employee ride matching program from www.511.org, participating in emergency ride home program through the City of San Francisco (www.sferh.org), and providing transit information to construction workers.</p> <p>Construction Worker Parking Plan - As part of the Construction Management Plan that could be developed by the construction contractor, the location of construction worker parking could be identified as well as the person(s) responsible for monitoring the implementation of the proposed parking plan. The use of on-street parking to accommodate construction worker parking could be discouraged. All construction bid documents could include a requirement for the construction contractor to identify the proposed location of construction worker parking. If on-site, the location, number of parking spaces, and area where vehicles would enter and exit the site could be required. If off-site parking is proposed to accommodate construction workers, the location of the off-site facility, number of parking spaces retained, and description of how workers would travel between an off-site facility and the project site could be required.</p> <p>Project Construction Updates for Adjacent Businesses and Residents - To minimize construction impacts on access to nearby institutions and businesses, the project sponsors could provide nearby residences and adjacent businesses with regularly-updated information regarding project construction, including construction activities, peak construction vehicle activities (e.g., concrete pours), travel lane closures, and parking lane and sidewalk closures. A regular email notice could be distributed by the project sponsors that would provide current construction information of interest to neighbors, as well as contact information for specific construction inquiries or concerns.</p>	Project sponsor	Develop Construction Management Plan prior to the start of construction, and implement plan throughout the construction period.	Project sponsor and construction contractor. Planning will review and approve the Construction Management Plan (CMP).	Considered complete upon completion of project construction.



SAN FRANCISCO PLANNING DEPARTMENT

Conditional Use Authorization Appeal 450-474 O'Farrell Street/532 Jones Street Project

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DATE: November 5, 2018
TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: John Rahaim, Planning Director – Planning Department (415) 558-6411
Aaron Starr, Manager of Legislative Affairs – Planning Department (415)558-6362
Marcelle Boudreaux, Principal Planner – Planning Department (415) 575-9140
RE: File No. 180997, Planning Case No. 2013.1535CUA –
Appeal of the approval of Conditional Use Authorization (CUA) for
450-474 O'Farrell Street, 532-540 Jones Street
HEARING DATE: November 13, 2018
ATTACHMENTS:
A. Planning Commission CUA Final Motion No. 20281
B. Planning Commission CEQA Findings Final Motion No. 20280
C. Planning Commission Packet for CUA and CEQA Findings
D. CUA Appeal Letter (October 15, 2018)

PROJECT SPONSOR: Fifth Church of Christ, Scientist
450 O'Farrell Partners, LLC
39 Forrest Street, Suite 201
Mill Valley, CA 94941
Attn: Stephanie Hill

APPELLANT: Mike Buhler, San Francisco Heritage, 2007 Franklin, San Francisco, CA 94109

INTRODUCTION

This memorandum and the attached documents are a response to the letter of appeal to the Board of Supervisors (the "Board") regarding the Planning Commission's ("Commission") approval of the application for Conditional Use Authorization under Planning Code Section 303 for: i) Planned Unit Development pursuant to Section 304, with modifications to the Planning Code for rear yard (Section 134(g)), dwelling unit exposure (Section 140); off-street loading (Section 152) and permitted obstructions (Section 136(c)); ii) for Demolition of five existing dwelling units (Section 317); iii) Height greater than 50 feet with street frontage greater than 50 feet in RC zoning district (Section 253); iv) Height greater than 80 feet in North of Market Residential Special Use District Subarea No. 1 (Section 249.5/263.7); v) Bulk exceedance (Section 271); and vi) Establishment of new Religious Institution Use (Section 303).

The proposal includes demolition of three buildings, merger of the three lots, and new construction of a 13-story (up to 130 foot), mixed-use residential over ground floor commercial building with a new church facility and 176 residential units, located in an RC-4 (Residential-Commercial, High Density) Zoning District and a 80-130-T Height and Bulk District ("the Project").

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November 5, 2018

Hon. Malia Cohen, President
San Francisco Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: 450 O'Farrell Street EIR and Conditional Use Appeal
Board File Nos. 180993 and 180997

Dear President Cohen and Supervisors:

We have been retained by Fifth Church of Christ, Scientist (the "Church") in connection with the EIR and Conditional Use appeals pending before the San Francisco Board of Supervisors ("Board"). We are writing to inform you that if the Board grants these appeals and imposes the mitigation measures proposed by San Francisco Heritage ("Heritage"), the Board and the City and County of San Francisco ("City") would violate the Church's civil rights as protected by the federal Religious Land Use and Institutionalized Persons Act of 2000 ("RLUIPA"), 42 U.S.C §§ 2000cc, *et seq.*, and the Free Exercise Clause of the United States Constitution. As discussed in further detail below, we urge the Board to reject the appeals and uphold the Planning Commission's conditional use approval without the imposition of additional mitigation measures. Failure to do so would potentially expose the City to years of litigation, substantial damages and attorney's fees, together with a likelihood of eventually granting conditional use approval without the proposed mitigation measures.

This Firm is highly experienced in religious liberty litigation in general, and specifically in bringing cases under RLUIPA's land use provisions with respect to zoning and historic preservation issues. We have represented Buddhist, Hindu, Jewish, Muslim, Native American, Sikh, and Christian clients, among others. Storzer & Associates has successfully represented Third Church Christ, Scientist in its litigation with the District of Columbia Historic Preservation Review Board and the St. John's United Church of Christ against the City of Indianapolis over similar historic preservation issues.

The actions of the Board are subject to the requirements of RLUIPA. RLUIPA mandates that “[n]o government shall impose or implement a land use regulation in a manner that imposes a substantial burden on the religious exercise of a person, including a religious assembly or institution, unless the government demonstrates that imposition of the burden on that person, assembly, or institution-- (A) is in furtherance of a compelling governmental interest; and (B) is the least restrictive means of furthering that compelling governmental interest.” 42 U.S.C. § 2000cc(a). The statute includes any governmental “branch, department, agency, instrumentality or official” in its definition of those subject to its terms. *Id.* § 2000cc-5(4).¹ Furthermore, RLUIPA “shall be construed in favor of a broad protection of religious exercise, to the maximum extent permitted by the terms of this chapter and the Constitution.” *Id.* § 2000cc-3(g). RLUIPA also prevents governments from discriminating between religious denominations, favoring nonreligious assemblies and institutions over religious assemblies and institutions, and unreasonably limiting religious assemblies, institutions or structures. *Id.* § 2000cc(b). Thus, to the extent that any Board action would impose a substantial burden on the religious exercise of the Church without being the least restrictive means of achieving a compelling government interest, or would treat the Church differently and worse than any other religious or nonreligious entity, it would violate RLUIPA.

RLUIPA applies to the application of historic preservation laws. The text of RLUIPA explicitly states that the application of historic preservation laws to church properties is subject to RLUIPA: “The term ‘land use regulation’ means a zoning or landmarking law, or the application of such a law, that limits or restricts a claimant’s use or development of land (including a structure affixed to land).” 42 U.S.C. § 2000cc-5(5) (emphasis added).

Imposing the mitigation measures proposed by Heritage would violate RLUIPA and the Free Exercise Clause of the United States Constitution. Requiring the Church to pay \$1.5 million as a condition of approval would present a classic case of a substantial burden on a church’s religious exercise. In the Ninth Circuit, a government burdens religious exercise when it “imposes a significantly great restriction or onus upon such exercise.” *Int’l Church of Foursquare Gospel v. City of San Leandro*, 673 F.3d 1059, 1067 (9th Cir. 2011) (internal citations and quotations omitted) (finding that the district court erred in finding no substantial burden under RLUIPA when the City blocked the church from building a house of worship that would meet its religious needs). *See also Guru Nanak Sikh Soc. of Yuba City v. Cty. of Sutter*, 456 F.3d 978, 992 (9th Cir. 2006) (holding that the denial of a conditional use permit to build a house of worship substantially burdened organization’s religious exercise because the County’s actions “have to a significantly great extent lessened the prospect of Guru Nanak being able to construct a temple in the future”); *Harbor Missionary Church Corp. v. City of San Buenaventura*, 642 F. App’x 726, 729 (9th Cir. 2016) (“The City’s denial of the conditional use permit prevents the Church from conducting its homeless ministry, an integral part of its religion, without suffering substantial delay, uncertainty, and expense. Therefore, the district court erred in determining that the Church’s religious exercise was not substantially burdened by denial of a conditional use permit.”); *Cottonwood Christian Ctr. v. Cypress Redevelopment Agency*, 218 F. Supp. 2d 1203, 1227 (C.D. Cal. 2002) (finding that plaintiff established a substantial burden under the Free Exercise where the City was prevented from building a church that would meet its religious needs).

¹ The Board is subject to the terms of RLUIPA as it is a branch, department, agency or instrumentality of the City. Its members are also subject to RLUIPA as governmental “official[s].” *Id.* § 2000cc-5(4)(A)(ii).

Placing conditions on approval may also substantially burden a church's religious exercise. *See, e.g., First Lutheran Church v. City of St. Paul*, 326 F. Supp. 3d 745, 760-62 (D. Minn. 2018) ("Thus, the question becomes whether any of Resolution 18-145's conditions impose a substantial burden on First Lutheran's partnership with Listening House."); *Chabad Lubavitch of Litchfield Cty., Inc. v. Litchfield Historic Dist. Comm'n*, 768 F.3d 183, 195 (2d Cir. 2014) ("[O]ur multifaceted analysis considered whether the denial was conditional; if so, whether the condition was itself a substantial burden . . .").

Further, courts have found that municipalities can substantially burden religious exercise by acting in a manner that creates significant "delay, uncertainty, and expense" for a church. *Sts. Constantine & Helen Greek Orthodox Church, Inc. v. City of New Berlin*, 396 F.3d 895, 901 (7th Cir. 2005); *see also Grace Church of N. Cty. v. City of San Diego*, 555 F. Supp. 2d 1126, 1137-39 (S.D. Cal. 2008) (finding plaintiff had established substantial burden from uncertainty and expense resulting from municipality's zoning regulations and from municipal officials' consistent hostility toward plaintiff in their review of plaintiff's land use applications); *Westchester Day Sch. v. Vill. of Mamaroneck*, 504 F.3d 338, 349 (2d Cir. 2007) (noting that a complete denial of a religious institution's zoning application which results in substantial "delay, uncertainty, and expense" can be a substantial burden).

Requiring the Church to pay \$1.5 million as a "mitigation" measure would greatly jeopardize the Church's ability to rebuild in accordance with its religious needs. According to the Development Feasibility Review conducted on the proposed development, the expected returns on the development investment range between 2.9 and 4.5 percent, falling below the typical return threshold. Although the Developer expressed willingness to proceed under these conditions, an unprecedented \$1.5 million in mitigation measures endangers the financial feasibility of the entire project. *See* 450 O'Farrell Street Development Feasibility Review and Evaluation; EPS #161164 (Exhibit A). Building a new place of worship on the Church's property is essential for the Church to fulfill its religious mission, as explained below. If the City were to impose the proposed mitigation measures, it would frustrate the Church's ability to do so.

In a strikingly similar case involving the proposed demolition of a landmarked church, a federal court made clear that such burdens implicate RLUIPA:

The [Historic Preservation Review Board's] motion asserts, among other things, that historic preservation designation alone imposes no burden, it's only a process. That argument frankly blinks reality. It is very clear that a burden is imposed by historic designation; it's a financial burden, it's a burden on the alienability of land, on what you can do with land.

Third Church of Christ, Scientist v. District of Columbia Historic Preservation Review Board, Civil Action No. 08-1371, Transcript of Hearing at 49-50 (Apr. 7, 2009). Several other courts have held that historic preservation regulation that impacts churches substantially burdens religious exercise. *See, e.g., First Covenant Church v. City of Seattle*, 120 Wash. 2d 203, 219 (1992) (holding that designation substantially burdens religious exercise both administratively and financially); *Society of Jesus of New England v. Boston Landmarks Comm'n*, 409 Mass. 38, 41-43 (1990) (holding that historic landmark designation of a church unconstitutionally restrained religious worship. "In short, under our hierarchy of constitutional values we must accept the possible loss of historically significant elements of the interior of this church as the price of

safeguarding the right of religious freedom.”); *Mount St. Scholastica, Inc. v. City of Atchison, Kansas*, 482 F. Supp. 2d 1281, 1295 (D. Kan. 2007) (plaintiffs’ Free Exercise rights violated by historic landmark regulation of property); *Keeler v. Mayor of Cumberland*, 940 F. Supp. 879, 885 (D. Md. 1996) (inability to demolish building that was a financial drain on the church substantially burdened its religious exercise).

In the latter case, *Keeler*, a church sought to demolish a monastery that had previously been landmarked and, consequently, a demolition permit was denied. *Id.* at 880. In ruling for the church, the court held that the failure to issue the permit impermissibly violated the Church’s constitutional rights. *Id.* at 886-887. Although a municipality may have a legitimate interest in recognizing or maintaining the aesthetic values created by historic structures, “[n]o court has found historic preservation to be a compelling government interest.” *Mount St. Scholastica, Inc. v. City of Atchison, Kan.*, 482 F. Supp. 2d 1281, 1295 (D. Kan. 2007) (citing *Keeler*, 940 F. Supp. at 886). In order to rise to the level of a compelling government interest, an interest must be “of the highest order.” *Int’l Church of Foursquare Gospel*, 673 F.3d at 1071 (internal citations and quotations omitted). Preserving the aesthetic qualities of a historic district fails to meet that high standard.

A church’s physical facilities are an integral component of its religious exercise. *See* 42 U.S.C. § 2000cc-5(7)(B) (“The use, building, or conversion of real property for the purpose of religious exercise shall be considered to be religious exercise of the person or entity that uses or intends to use the property for that purpose.”).

Houses of worship. . . . express, among other things, the religious community’s purpose, theology, identity, hope, unity and reverence for the divine and its identification with or separation from certain aspects of the culture. They constitute “an image of an entire religious program, a world view.”

Carmella, *Houses of Worship and Religious Liberty: Constitutional Limits to Landmark Preservation and Architectural Review*, 36 VILL. L. REV. 401, 450 (1991) (footnotes omitted). “In governing the appearance of the worship structure, the state sits as arbiter between the religious community and the individual worshipper. . . . The state consequently becomes involved in the process of defining beliefs for the adherents.” *Id.* at 498 (footnote omitted).

Religious architecture, through its shapes, symbols, decorations, ornamentations, and monumentality, represents a strong intention to communicate a particularized message about a group’s religious beliefs. “The history of church building demonstrates that the urge to express faith through architecture is basic.”

Thomas Pak, *Free Exercise, Free Expression, and Landmarks Preservation*, 91 COLUM. L. REV. 1813, 1840-41 (1991) (footnotes omitted). Additionally, “[i]t is not within the judicial ken to question the centrality of particular beliefs or practices to a faith, or the validity of particular litigants’ interpretations of those creeds.” *Cottonwood Christian Ctr. v. Cypress Redevelopment Agency*, 218 F. Supp. 2d 1203, 1227 (C.D. Cal. 2002) (quoting *Hernandez v. Commissioner*, 490 U.S. 680, 699 (1989)).

Here, the Church is unable to fulfill its religious mission in its current building, which is oversized, dark, and invites illegal behavior. Walls of concrete block and large stucco columns create dark corners that foster unsafe conditions. The front entrance of the building is inactive except when there are church services or meetings. There is frequent urination on and around the church, and people often have to step over feces to enter the building. The Church property is also a site for illegal drug activity and violence. Such conditions are not conducive to welcoming individuals seeking comfort and healing into the Church, which is a crucial component of the Church's religious mission.

Further, the monumental scale and solid concrete block exterior walls of the current building give an impression of coldness and exclusion, which is the antitheses of the Church's religious need to welcome those who seek peace and comfort. The current structure also includes barriers to mobility and access. The steps up to sanctuary are difficult for the elderly and individuals with disabilities, and there is no handicapped access for Sunday school students or teachers. These conditions, along with the need to install a chain link fence in front of the Church's portico, gravely impede the Church's mission of providing a welcoming and healing refuge. The current building cannot be improved to meet the Church's needs, and a new building is required for the Church to carry out its religious mission.

Of great religious significance to the Church, the current structure cannot accommodate a Christian Science Reading Room. A Reading Room is an integral part of this denomination and mandated by the Church's bylaws that state that "[e]ach church of the Christian Science denomination shall have a Reading Room." A Reading Room, which is open to the public daily throughout the week, is a neighborhood sanctuary providing spiritual support and a safe haven where any individual can find hope, comfort, and healing. As Scripture says: "Human beings cannot live on bread alone, but need every word that God speaks." Matthew 4:4. For a Christian Science church, a Reading Room provides spiritual food to the community and offers healing and restoration. The Church cannot fulfill its religious mission without a Reading Room.

The Church seeks to rebuild its house of worship in a way that will enable it to fulfill its religious mission.² The proposed church will have a Christian Science Reading Room which will serve as a daily active presence in the neighborhood. The design will be welcoming, inviting, light-filled and human-scaled to reflect the Church's spiritual mission of creating an atmosphere of light and love while restoring safety and dignity to the neighborhood. The 176 new housing units included in the proposed development will provide much needed animation and a constant flow of people to the area which will end the use of the property for urination, defecation, drug use and violence.

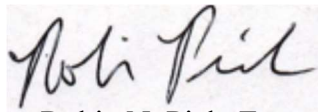
² The instant appeal is thus distinguishable from the situation presented in *California-Nevada Annual Conference of the Methodist Church v. City & Cty. of San Francisco*, 74 F. Supp. 3d 1144, 1156 (N.D. Cal. 2014), where the court found no substantial burden where a religious organization sought to sell its property to a developer for the construction of condominiums, finding such conduct to be commercial, rather than religious. Unlike the instant case, the organization in *California-Nevada Annual Conference* did not allege that it was seeking to build a house of worship necessary for its religious exercise.

If the Board grants Heritage's appeal and requires the Church to pay \$1.5 million, such action by the Board would impose a substantial burden on the Church's religious exercise. Such an excessive and unwarranted demand is not justified by any compelling government interest. 42 U.S.C. § 2000cc(a). Certainly, it is not the "least restrictive means" of achieving any governmental interest. *See id.*; *Cottonwood Christian Ctr.*, 218 F. Supp. 2d at 1229 ("Even if Defendants had compelling reasons to burden Cottonwood's religious exercise, they must do so in the least restrictive means. Far from doing that, the City has done the equivalent of using a sledgehammer to kill an ant.").

Additionally, we are unaware of the City imposing similar conditions on any non-religious institutional or assembly uses. To the extent that the Board imposes such conditions on the Church, such differential treatment vis-a-vis other religious or nonreligious entities would also give rise to claims under Sections 2000cc(b)(1) and 2000cc(b)(2) of RLUIPA.

If the City and Board were not previously aware of these legal requirements, it is now placed on notice that its actions are subject to them. As the court in *Third Church of Christ, Scientist*, noted: "I am troubled to hear that the D.C. government declines even to entertain the religious freedom claims of the plaintiffs here, but the invitation to take that to a court of their choice probably will serve just as well." Transcript, *supra*, at 50-51. We are hopeful that such action will not be necessary here. However, if such condition is imposed, it is this Firm's opinion that it is unlikely that the Board would prevail in defending such action.

Yours truly,

A handwritten signature in black ink, appearing to read "Robin N. Pick". The signature is written in a cursive, flowing style.

Robin N. Pick, Esq.

cc: Mike Buhler, San Francisco Heritage
Fifth Church of Christ, Scientist

DRAFT MEMORANDUM

To: Tyler Evje, Thompson | Dorfman Partners, LLC
From: James Musbach, Ashleigh Kanat, and Michael Nimon
Subject: 450 O'Farrell Street Development Feasibility Review and Evaluation; EPS #161164
Date: November 13, 2017

The Economics of Land Use



At the request of 450 O'Farrell Partners, LLC, the Project Sponsor of 450 O'Farrell Street in San Francisco (the Project), EPS prepared development pro formas for the proposed project and two alternatives considered in the planning documents as part of the application process. This analysis uses static pro forma financial models reflective of vertical development costs and revenue estimates specific to each of the alternatives allowing a comparison of developer returns. The development programs considered in this analysis are described below and are summarized in **Table 1** with design schemes included in the **Appendix**.

- A "Full Preservation" alternative resulting in 151,200 square feet of gross building area, including 97 residential rental units, 800 square feet of restaurant/retail space, and 10,666 square feet of new church space.
- A "Partial Preservation" alternative resulting in 201,200 square feet of gross building area, including 162 residential rental units, 4,600 square feet of restaurant/retail space, and 10,207 square feet of new church space.
- The "Proposed Project" consists of 237,810 square feet of gross building area and includes 176 rental residential units and 6,200 square feet of restaurant/retail. This alternative includes 13,595 square feet of new church space.

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EPS prepared a development pro forma model for the Proposed Project. The Project Sponsor provided EPS with baseline data, such as rents, construction costs, and operating cost assumptions, which EPS reviewed and revised as appropriate. The financial analysis provides an independent assessment of the financial returns for each of the alternatives. The review relies upon industry standards, EPS's experience with similar projects, and market conditions and trends in San Francisco and the Bay Area.

EPS has reviewed the key market assumptions for reasonableness, but has not conducted a detailed market analysis. Actual financial outcomes may differ from the pro forma and EPS findings to the extent that future economic cycles, market, and development trends differ from current conditions. The analysis is in 2017 dollars.

Summary of Findings

Financial results are shown in **Table 2** with the findings described below. Detailed pro formas for each alternative are shown in **Tables 3** through **5**.

- 1. The Full Preservation and Partial Preservation Project alternatives generate insufficient returns to the Developer.** These alternatives generate a yield of 2.9 percent and 3.9 percent, respectively. These returns are below the feasibility threshold range of 5.5 percent to 6.5 percent for projects of comparable development risk and complexity. This return range is based on capitalization rate data adjusted for development risk and location as well as EPS experience with comparable projects.¹
- 2. The additional of square footage reflected in the Proposed Project alternative improves development feasibility.** The resulting yield of 4.5 percent still falls slightly below the typical feasibility range. While the additional space increases total building development costs, the associated revenues offset the cost increase and improve the relative performance of the Proposed Project. The Developer has indicated willingness to accept a 4.5 percent return.

Project Description

The Project is bounded by O'Farrell Street, Geary Boulevard, Taylor Street, and Jones Street in San Francisco's Downtown/Civic Center neighborhood. The site currently houses a three-story 26,904-square foot church, the Fifth Church of Christ Scientist. Other uses include a 4,415-square foot retail space, a 1,012-square foot restaurant, and a residential building at 532 Jones Street. The buildings comprising the Project are designated as contributing resources to the Uptown Tenderloin Historic District, which is listed on the National Register of Historic Places (NRHP).

The proposed Project envisions partial demolition of the existing Fifth Church of Christ Scientist building, and the full demolition of the vacant retail building along O'Farrell Street and the restaurant building along Jones Street. The Project provides a total of 237,810 gross square feet including 187,640 square feet of residential uses, 6,200 square feet of restaurant/retail space, 13,595 square feet for the church, and 8,398 square feet of open space. The new building would be 13-stories (130 feet) with 176 dwelling units, restaurant/retail space, and a replacement church incorporated into the ground level. Twenty-eight units would be Below Market Rate (BMR) with five of these replacing rent controlled units.² The parking garage will provide 41 below grade spaces with additional bicycle parking.

¹ IRR Monitor Viewpoint mid-2017 data for the San Francisco market.

² All alternatives assume 5 replacement units and 13.5 percent BMR units provided onsite, which is the Project's current affordability requirement reflective of the recent changes to San Francisco's inclusionary housing program.

Review of Key Assumptions and Methodology

Revenues

This analysis assumes average market rate rents of about \$4,400 per unit per month across each of the alternatives. This estimate is based on a market report prepared for the proposed Project by the Concord Group in November 2016. Overall, the market-rate rents fall within a comparable rent range relative to other rental projects in San Francisco based on a review of recent rents reported by Trulia.com. This analysis does not vary the market rate rent assumptions by alternative; however, alternatives with lower density will likely achieve lower rents due to the lack of view premiums, which would further compress yields in these alternatives. Average per-unit monthly rents for affordable units are estimated to range from \$660 to \$1,478 per unit across the alternatives, depending on each alternative's unit size distribution. The BMR units are targeted to be affordable to households earning up to 55 percent of the area median income (AMI). Residential revenue also assumes 7 percent of rental income in other revenue consisting of storage fees, RUBs income, and other revenue.

For the commercial space, this analysis assumes rents of \$60 per square foot per year for retail on a triple-net basis (NNN). These rents are within the range of comparable retail projects in the market area. This analysis also assumes parking revenue of \$325 per space per month. Lastly, this analysis assumes reuse of the existing church space, identified as 'assembly' land use in the Environmental Impact Report for the Project. Based on review of similar facility sales in San Francisco, this analysis assumes a value of about \$240 per square foot across all scenarios.³

Vacancy and Operating Expenses

For the residential component, this analysis reflects a vacancy (or other loss) rate of 5.0 percent. This is a typical level of stabilized vacancy in strong residential markets, such as San Francisco. For the commercial components, a 5.0 percent vacancy/loss factor is applied to the retail space.

The analysis assumes that annual operating expenses will be \$5,000 per unit. These expenses reflect a blend of market rate and affordable units and typically include property management, administration, maintenance, utilities, insurance, and taxes. For affordable units, management and administration expenses also include services required for monitoring, compliance and other costs associated with fulfilling the affordability requirements. EPS assumes additional property tax expenses based on the development value of the Project net of the share attributable to the church assuming a property tax rate of 1.23 percent. A residential capital reserve of 2.0 percent of gross revenue is also assumed.

For the retail components, operating expenses are assumed to be approximately \$18 per square foot and 90 percent of these expenses are assumed to be recoverable from the tenant, consistent with a triple-net lease structure.

³ Based on sales comparables reported by Costar for properties with lodging/meeting halls or religious facility uses sold between 2014 and 2017. The resulting 12 transactions have sale prices ranging from \$83 to \$419 per square foot. This value equates to the net rental rate of \$14.40 per square foot assuming a capitalization rate of 6%.

Development Costs

The cost for new construction generally has been increasing over the past several years due to improvements in the economy, resurgence of new development activity, and the associated growth in demand for construction services and materials. The analysis assumes direct construction cost ranges between approximately \$400 and \$500 per square foot, depending on the alternative and reflective of the economies of scale associated with the larger building. The estimates are based on the February 2017 bid provided by the Project Sponsor, as shown in **Table 7**.

Development costs also include site acquisition, indirect costs, project contingency, and financing. These costs do not vary significantly between the alternatives evaluated in this analysis. Site acquisition is assumed at \$8.7 million for all alternatives. Indirect costs include architecture and engineering, legal and other professional services, development impact fees, other permits and fees, marketing, leasing, and retail leasing commissions, general and administrative, developer fees, and taxes during development.

Development impact fees are estimated for each alternative based on the City's 2017 fee schedule, as shown in **Table 8**. They consist of the transit sustainability, bike parking in lieu, school impact, child care, utilities connection, and street trees in lieu fees. A soft cost contingency of 5.0 percent of other indirect costs is also assumed. Lastly, this analysis estimates a financing cost based on a 65 percent loan to cost ratio with a 5 percent annual interest rate, 60 percent average outstanding balance, and a 2-year construction duration. Total indirect costs comprise approximately 27 to 28 percent of the direct costs across all alternatives and fall within a typical range.

Financial Returns

Expected returns on development investment vary based on a range of factors such as risk, capital and real estate market conditions, building uses, and other trends. All evaluated alternatives generate yields ranging between 2.9 and 4.5 percent. These yields are based on annual net operating income as a share of total cost. The Proposed Project generates the highest return whereas the Full Preservation alternative generates the lowest return.

Projects of comparable development risk and complexity typically require a return threshold ranging between 5.5 percent and 6.5 percent depending on location, complexity, construction type, and other risk factors. This range is based on the capitalization rate data reported for a blend of urban multifamily and commercial uses in San Francisco as well as EPS's experience with comparable projects.

Despite the yield for the proposed project falling below the typical return threshold, the Developer expressed willingness to proceed with the Project. This financial risk and reduced return may be taken for a number of reasons including strong market fundamentals and tenant prospects, anticipation of future improvements in market conditions, expected rates of return lower than assumed in this analysis, access to low-cost funding, or long-term investment strategy, among others.

Table 1
Summary of Development Alternatives
450 O'Farrell Street Feasibility; EPS #161164

DRAFT

Item	Full Preservation Alternative	Partial Preservation Alternative	Proposed Project
Gross Building Square Feet (1)	151,200	201,200	237,810
Residential			
Net Square Feet	87,595	127,110	143,380
Units	97	162	176
Market Rate	80	136	148
BMR (2)	17	26	28
Residential Unit Count			
Studio	14	21	22
1 BR	51	87	95
2 BR	30	50	55
3 BR	2	4	4
Restaurant/Retail			
Gross Square Feet	800	4,638	6,200
Net Square Feet 90%	720	4,174	5,580
Church/Assembly Space			
Gross Square Feet (preserved)	17,800	12,960	0
Gross Square Feet (new)	10,666	10,207	13,595
Below-Grade Parking Spaces	28	39	41
Courtyard Open Space	2,674	2,950	8,110

(1) Includes residential lobby and leasing office.

(2) Each alternative preserves 5 "restricted" studio units with the remainder based on a 13.5% BMR ratio requirement. [BMRs = (total units - 5) * 13.5% + 5 (restricted BMRs)]

Table 2
Summary of Feasibility Results
450 O'Farrell Street Feasibility; EPS #161164

DRAFT

Item	Full Preservation Alternative	Partial Preservation Alternative	Proposed Project
Net Operating Income (NOI)	\$3,108,000	\$5,608,000	\$6,228,000
Total Development Cost	\$108,157,000	\$143,210,000	\$137,463,000
Yield (1)	2.9%	3.9%	4.5%
Funding Gap (2)	(\$51,648,000)	(\$41,246,000)	(\$24,227,000)

(1) A measure of return defined as NOI divided by total development cost.

(2) A subsidy needed to bridge the Project's cost and the resulting finished value.

Table 3
Full Preservation Pro Forma
450 O'Farrell Street Feasibility; EPS #161164

DRAFT

Item	Assumption	Total (Rounded)
DEVELOPMENT PROGRAM		
Gross Building Square Feet		151,200
Residential		
Gross Square Feet		87,595
Units		97
Market Rate		80
BMR		17
Retail/Restaurant		
Gross Square Feet		800
Net Square Feet (1)		720
Church Square Feet		10,666
Parking Spaces		28
OPERATING REVENUE		
Market Rate Residential Lease Revenue (2)	\$4,400 per month	\$4,224,000
Below Market Rate Residential Lease Revenue (3)	\$1,080 per month	\$220,000
Other Income (4)	7.0%	\$311,000
(less) Operating Expenses (5)	\$5,000 per unit/year	(\$485,000)
(less) Capital Reserve	2.0%	(\$89,000)
(less) Vacancy/Credit Loss	5.0%	(\$222,000)
Residential NOI		\$3,959,000
Residential Parking Revenue (6)	\$325 per space/month	\$109,000
(less) Operating Expenses	20%	(\$22,000)
Parking NOI		\$87,000
Subtotal, Residential and Parking NOI (before property taxes)		\$4,046,000
Subtotal, Residential and Parking NOI (after property taxes) (7)		\$2,817,000
Retail Lease Revenue (NNN) (8)	\$60.00 /sq. ft./year	\$43,000
(less) Vacancy/Credit Loss	5.0%	(\$2,000)
(plus) Recovered Expenses (9)	\$16.20 /sq. ft./year	\$12,000
(less) Operating Expenses (10)	\$8.00 /sq. ft./year	(\$6,000)
(less) Property Taxes (10)	\$10.00 /sq. ft./year	(\$7,000)
Subtotal, Retail NOI (after property taxes)		\$40,000
Assembly Space NOI (11)		\$251,000
Total NOI (after property taxes)		\$3,108,000
REVERSION VALUE (12)		
Residential and Parking	4.0% cap rate	\$69,026,000
Retail	6.0% cap rate	\$649,000
Assembly Space (11)	6.0% cap rate	\$4,187,000
Total Revenues		\$73,862,000
DEVELOPMENT COSTS		
Site Acquisition (13)		\$8,670,000
Direct Construction Costs		
Building Construction Cost (13)	\$492 per gross sq.ft.	\$74,338,000
Tenant Improvements (Retail)	\$75 per net retail sq.ft.	\$54,000
Hard Cost Contingency	5.0% of building and TI cost	\$3,720,000
Subtotal, Direct Construction Costs		\$78,112,000
Indirect Costs		
Architectural & Engineering	4.0% of direct construction cost	\$3,124,000
Legal and Other Professional Services	3.0% of direct construction cost	\$2,343,000
Development Impact Fees	see Table 8	\$1,180,000
Other Permits and Fees	3.0% of direct construction cost	\$2,343,000
Marketing, Leasing, and Retail Commissions	1.0% of direct construction cost	\$781,000
G&A	2.0% of direct construction cost	\$1,562,000
Developer Fees	6.0% of direct construction cost	\$4,687,000
Taxes During Development	1.0% of direct construction cost	\$781,000
Soft Cost Contingency	5.0% of other soft cost	\$840,000
Financing (14)		\$3,734,000
Subtotal, Indirect Costs		\$21,375,000
Indirect Costs as % of Direct Costs		27%
Total Development Costs		\$108,157,000
Yield (15)		2.9%

- (1) A 90% efficiency factor is applied to the gross square footage.
- (2) Applies to net square footage; based on recommendations prepared by The Concord Group and Trulia, as of November 2016.
- (3) Applies to net square footage; based on data posted by the San Francisco Mayor's Office of Housing and Community Development for 55% of AMI.
- (4) Includes storage fees, RUBs income, and other revenue.
- (5) Reflects typical apartment operating expenses in the Bay Area net of property taxes, based on EPS's experience with similar projects.
- (6) Monthly revenue per space provided by Project Sponsor. Assumes 100% occupancy.
- (7) As a tax-exempt institution, the church will not pay property taxes. The property tax calculation discounts the taxable basis accordingly.
- (8) Retail NNN lease assumption based on CoStar data.
- (9) Assumes retail tenants reimburse approximately 90% of Operating Expenses and Property Taxes.
- (10) Operating Expenses and Property Taxes combined represent 30% of revenues.
- (11) Applies to the existing church space and assumes a net rent of \$14.40 per square foot or a value of \$240 per square foot based on comparable sales in San Francisco.
- (12) Assumes a 2% cost of sale.
- (13) Provided by the Project Sponsor.
- (14) Assumes 65% LTC ratio with a 5% annual interest rate, 60% average balance outstanding and 2 year construction period.
- (15) A measure of unleveraged return calculated as total NOI divided by total development costs.

Table 4
Partial Preservation Pro Forma
450 O'Farrell Street Feasibility; EPS #161164

DRAFT

Item	Assumption	Total (Rounded)
DEVELOPMENT PROGRAM		
Gross Building Square Feet		201,200
Residential		
Gross Square Feet		127,110
Units		162
Market Rate		136
BMR		26
Retail/Restaurant		
Gross Square Feet		4,638
Net Square Feet (1)		4,174
Church Square Feet		10,207
Parking Spaces		39
OPERATING REVENUE		
Market Rate Residential Lease Revenue (2)	\$4,410 per month	\$7,197,000
Below Market Rate Residential Lease Revenue (3)	\$1,140 per month	\$356,000
Other Income (4)	7.0%	\$529,000
(less) Operating Expenses (5)	\$5,000 per unit/year	(\$810,000)
(less) Capital Reserve	2.0%	(\$151,000)
(less) Vacancy/Credit Loss	5.0%	<u>(\$378,000)</u>
Residential NOI		\$6,743,000
Residential Parking Revenue (6)	\$325 per space/month	\$152,000
(less) Operating Expenses	20%	<u>(\$30,000)</u>
Parking NOI		\$122,000
Subtotal, Residential and Parking NOI (before property taxes)		\$6,865,000
Subtotal, Residential and Parking NOI (after property taxes) (7)		\$5,234,000
Retail Lease Revenue (NNN) (8)	\$60.00 /sq. ft./year	\$250,000
(less) Vacancy/Credit Loss	5.0%	(\$13,000)
(plus) Recovered Expenses (9)	\$16.20 /sq. ft./year	\$68,000
(less) Operating Expenses (10)	\$8.00 /sq. ft./year	(\$33,000)
(less) Property Taxes (10)	\$10.00 /sq. ft./year	<u>(\$42,000)</u>
Subtotal, Retail NOI (after property taxes)		\$230,000
Assembly Space NOI (11)		\$144,000
Total NOI (after property taxes)		\$5,608,000
REVERSION VALUE (12)		
Residential and Parking	4.0% cap rate	\$128,235,000
Retail	6.0% cap rate	\$3,763,000
Assembly Space (11)	6.0% cap rate	<u>\$2,401,000</u>
Total Revenues		\$134,399,000
DEVELOPMENT COSTS		
Site Acquisition (13)		\$8,670,000
Direct Construction Costs		
Building Construction Cost (13)	\$498 per gross sq.ft.	\$100,176,000
Tenant Improvements (Retail)	\$75 per net retail sq.ft.	\$313,000
Hard Cost Contingency	5.0% of building and TI cost	<u>\$5,024,000</u>
Subtotal, Direct Construction Costs		\$105,513,000
Indirect Costs		
Architectural & Engineering	4.0% of direct construction cost	\$4,221,000
Legal and Other Professional Services	3.0% of direct construction cost	\$3,165,000
Development Impact Fees	see Table 8	\$1,733,000
Other Permits and Fees	3.0% of direct construction cost	\$3,165,000
Marketing, Leasing, and Retail Commissions	1.0% of direct construction cost	\$1,055,000
G&A	2.0% of direct construction cost	\$2,110,000
Developer Fees	6.0% of direct construction cost	\$6,331,000
Taxes During Development	1.0% of direct construction cost	\$1,055,000
Soft Cost Contingency	5.0% of other soft cost	\$1,142,000
Financing (14)		<u>\$5,050,000</u>
Subtotal, Indirect Costs		\$29,027,000
Indirect Costs as % of Direct Costs		28%
Total Development Costs		\$143,210,000
Yield (15)		3.9%

- (1) A 90% efficiency factor is applied to the gross square footage.
- (2) Applies to net square footage; based on recommendations prepared by The Concord Group and Trulia, as of November 2016.
- (3) Applies to net square footage; based on data posted by the San Francisco Mayor's Office of Housing and Community Development for 55% of AMI.
- (4) Includes storage fees, RUBs income, and other revenue.
- (5) Reflects typical apartment operating expenses in the Bay Area net of property taxes, based on EPS's experience with similar projects.
- (6) Monthly revenue per space provided by Project Sponsor. Assumes 100% occupancy.
- (7) As a tax-exempt institution, the church will not pay property taxes. The property tax calculation discounts the taxable basis accordingly.
- (8) Retail NNN lease assumption based on CoStar data.
- (9) Assumes retail tenants reimburse approximately 90% of Operating Expenses and Property Taxes.
- (10) Operating Expenses and Property Taxes combined represent 30% of revenues.
- (11) Applies to the existing church space and assumes a net rent of \$14.40 per square foot or a value of \$240 per square foot based on comparable sales in San Francisco.
- (12) Assumes a 2% cost of sale.
- (13) Provided by the Project Sponsor.
- (14) Assumes 65% LTC ratio with a 5% annual interest rate, 60% average balance outstanding and 2 year construction period.
- (15) A measure of unleveraged return calculated as total NOI divided by total development costs.

Table 5
Proposed Project Pro Forma
450 O'Farrell Street Feasibility; EPS #161164

DRAFT

Item	Assumption	Total (Rounded)
DEVELOPMENT PROGRAM		
Gross Building Square Feet		237,810
Residential		
Gross Square Feet		143,380
Units		176
Market Rate		148
BMR		28
Retail/Restaurant		
Gross Square Feet		6,200
Net Square Feet (1)		5,580
Church Square Feet		13,595
Parking Spaces		41
OPERATING REVENUE		
Market Rate Residential Lease Revenue (2)	\$4,410 per month	\$7,828,000
Below Market Rate Residential Lease Revenue (3)	\$1,150 per month	\$384,000
Other Income (4)	7.0%	\$575,000
(less) Operating Expenses (5)	\$5,000 per unit/year	(\$880,000)
(less) Capital Reserve	2.0%	(\$164,000)
(less) Vacancy/Credit Loss	5.0%	<u>(\$411,000)</u>
Residential NOI		\$7,332,000
Residential Parking Revenue (6)	\$325 per space/month	\$160,000
(less) Operating Expenses	20%	<u>(\$32,000)</u>
Parking NOI		\$128,000
Subtotal, Residential and Parking NOI (before property taxes)		\$7,460,000
Subtotal, Residential and Parking NOI (after property taxes) (7)		\$5,921,000
Retail Lease Revenue (NNN) (8)	\$60.00 /sq. ft./year	\$335,000
(less) Vacancy/Credit Loss	5.0%	(\$17,000)
(less) Operating Expenses (9)	\$8.00 /sq. ft./year	(\$45,000)
(less) Property Taxes (9)	\$10.00 /sq. ft./year	(\$56,000)
(plus) Recovered Expenses (10)	\$16.20 /sq. ft./year	<u>\$90,000</u>
Subtotal, Retail NOI (after property taxes)		\$307,000
Total NOI (after property taxes)		\$6,228,000
REVERSION VALUE (11)		
Residential and Parking	4.0% cap rate	\$145,058,000
Retail	6.0% cap rate	<u>\$3,554,000</u>
Total Revenues		\$148,612,000
DEVELOPMENT COSTS		
Site Acquisition (12)		\$8,670,000
Direct Construction Costs		
Building Construction Cost (12)	\$402 per gross sq.ft.	\$95,504,000
Tenant Improvements (Retail)	\$75 per net retail sq.ft.	\$419,000
Hard Cost Contingency	5.0% of building and TI cost	<u>\$4,796,000</u>
Subtotal, Direct Construction Costs		\$100,719,000
Indirect Costs		
Architectural & Engineering	4.0% of direct construction cost	\$4,029,000
Legal and Other Professional Services	3.0% of direct construction cost	\$3,022,000
Development Impact Fees	see Table 8	\$1,989,000
Other Permits and Fees	3.0% of direct construction cost	\$3,022,000
Marketing, Leasing, and Retail Commissions	1.0% of direct construction cost	\$1,007,000
G&A	2.0% of direct construction cost	\$2,014,000
Developer Fees	6.0% of direct construction cost	\$6,043,000
Taxes During Development	1.0% of direct construction cost	\$1,007,000
Soft Cost Contingency	5.0% of other soft cost	\$1,107,000
Financing (13)		<u>\$4,834,000</u>
Subtotal, Indirect Costs		\$28,074,000
Indirect Costs as % of Direct Costs		28%
Total Development Costs		\$137,463,000
Yield (14)		4.5%

(1) A 90% efficiency factor is applied to the gross square footage.
(2) Applies to net square footage; based on recommendations prepared by The Concord Group and Trulia, as of November 2016.
(3) Applies to net square footage; based on data posted by the San Francisco Mayor's Office of Housing and Community Development for 55% of AMI.
(4) Includes storage fees, RUBs income, and other revenue.
(5) Reflects typical apartment operating expenses in the Bay Area net of property taxes, based on EPS's experience with similar projects.
(6) Monthly revenue per space provided by Project Sponsor. Assumes 100% occupancy.
(7) As a tax-exempt institution, the church will not pay property taxes. The property tax calculation discounts the taxable basis accordingly.
(8) Retail NNN lease assumption based on CoStar data.
(9) Operating Expenses and Property Taxes combined represent 30% of revenues.
(10) Assumes retail tenants reimburse approximately 90% of Operating Expenses and Property Taxes.
(11) Assumes a 2% cost of sale.
(12) Provided by the Project Sponsor.
(13) Assumes 65% LTC ratio with a 5% annual interest rate, 60% average balance outstanding and 2 year construction period.
(14) A measure of unleveraged return calculated as total NOI divided by total development costs.

Table 6
Summary of Unit Distribution and Rents by Alternative
450 O'Farrell Street Feasibility; EPS #161164

DRAFT

Type of Unit	Monthly Rent (1)	Full Preservation Alternative		Partial Preservation Alternative		Proposed Project	
		Units	Share of Total	Units	Share of Total	Units	Share of Total
Market Rate							
Studio	\$2,808	8	8.2%	14	8.6%	15	8.4%
1 BR	\$3,888	44	45.4%	75	46.3%	82	46.7%
2 BR	\$5,616	27	27.8%	44	27.2%	48	27.0%
3 BR	\$7,128	<u>1</u>	<u>1.0%</u>	<u>3</u>	<u>1.9%</u>	<u>3</u>	<u>2.0%</u>
Subtotal, Market Rate		80	82.5%	136	84.0%	148	84.0%
Below Market Rate							
Studio	\$1,063	1	1.0%	2	1.2%	2	1.1%
Studio (Restricted)	\$660	5	5.2%	5	3.1%	5	2.8%
1 BR	\$1,214	7	7.2%	12	7.4%	13	7.3%
2 BR	\$1,353	3	3.1%	6	3.7%	7	4.2%
3 BR	\$1,478	<u>1</u>	<u>1.0%</u>	<u>1</u>	<u>0.6%</u>	<u>1</u>	<u>0.3%</u>
Subtotal, Below Market Rate		17	17.5%	26	16.0%	28	15.8%
Total Residential Units							
Studio		9	9.3%	16	9.9%	17	9.7%
Studio (Restricted)		5	5.2%	5	3.1%	5	2.8%
1 BR		51	52.6%	87	53.7%	95	54.0%
2 BR		30	30.9%	50	30.9%	55	31.3%
3 BR		<u>2</u>	<u>2.1%</u>	<u>4</u>	<u>2.5%</u>	<u>4</u>	<u>2.3%</u>
Total		97	100.0%	162	100.0%	176	100.0%

(1) Market rate rents are based on median rent data for San Francisco as aggregated and reported by the Concord Group and Trulia.com, as of November 2016. Below market rate rents are based on data posted by the San Francisco Mayor's Office of Housing and Community Development,

Sources: Thompson | Dorfman; Trulia.com; San Francisco Mayor's Office of Housing and Community Development, 2016 Maximum Monthly Rent by Unit Type; and Economic & Planning Systems, Inc.

Table 7
Summary of Construction Costs by Alternative
450 O'Farrell Street Feasibility; EPS #161164

DRAFT

Item	Full Preservation Alternative		Partial Preservation Alternative		Proposed Project (1)	
Direct Costs						
Restoration and Renovation		\$6,548,842		\$4,497,149	\$1,967,530	
Residential		\$43,494,226		\$63,156,114	\$67,276,094	
Other Uses (2)		\$6,829,529		\$11,153,537	\$7,348,559	
Site Work		<u>\$3,186,426</u>		<u>\$3,248,526</u>	<u>\$2,720,076</u>	
Subtotal		\$60,059,023		\$82,055,326	\$79,312,259	
Contractor Contingency	4.5%	\$2,693,047	3.9%	\$3,190,721	3.3%	\$2,619,684
Construction Management Fee	4.8%	\$2,859,154	4.7%	\$3,852,922	4.6%	\$3,673,228
Other (3)	14.5%	<u>\$8,726,791</u>	13.5%	<u>\$11,077,014</u>	12.5%	<u>\$9,898,766</u>
Subtotal		\$14,278,992		\$18,120,657	\$16,191,678	
Total Construction Cost		\$74,338,015		\$100,175,983	\$95,503,937	
Construction Cost per Unit		\$766,371		\$618,370	\$542,636	
Construction Cost per Sq.Ft.		\$492		\$498	\$402	

(1) Construction cost estimates provided by the Project applicant based on a construction bid dated 02.14.17.

(2) Includes church, retail, and garage uses.

(3) Includes general requirements, general conditions, job equipment, GRT, insurance, and subguard.

Table 8
Development Impact Fees by Alternative*
450 O'Farrell Street Feasibility; EPS #161164

DRAFT




Item	Full Preservation Alternative	Partial Preservation Alternative	Proposed Project
Transportation Sustainability Fee (Resi)	\$461,663	\$705,450	\$808,647
Transportation Sustainability Fee (Retail)	\$15,152	\$87,844	\$116,576
Bike Parking In-lieu Fee	\$2,246	\$3,750	\$4,074
School Impact Fee (Retail)	\$310	\$1,800	\$2,388
Childcare Impact Fee - Resi	\$211,617	\$307,607	\$373,605
Childcare Impact Fee - Retail	\$11,075	\$11,075	\$11,075
Water Capacity Charge	\$35,213	\$35,213	\$35,213
Wastewater Capacity Charge	\$119,811	\$119,811	\$119,811
Contractor Connection Fee	\$120	\$120	\$120
Meter Rental Deposit	\$8,580	\$8,580	\$8,580
Street Trees In-Lieu Fee	<u>\$9,530</u>	<u>\$9,530</u>	<u>\$9,530</u>
Total Fees	\$1,180,147	\$1,733,122	\$1,989,451

*Note: fee estimates are based on the 2017 San Francisco Citywide Development Impact Fee Register published by the San Francisco Planning Department.

APPENDIX A



Table S.3: Comparison of Significant Impacts of the Proposed Project to Impacts of the Alternatives – for DEIR

	Proposed Project	No Project Alternative	Full Preservation Alternative	Partial Preservation Alternative
		[assumes no change to the site]		

Legend: NI = No Impact; LS = Less than Significant; S = Significant; SU = Significant and unavoidable; SUM = Significant and unavoidable impact with mitigation; NA = Not Applicable

Description	The 450 O'Farrell Street church building would be retained as a public space, with a play area, café, and other community uses.	No changes would be made to the existing structures at 450–474 O'Farrell Street and 532 Jones Street.	This alternative would include the rehabilitation of the church and the development of 97 residential units.	This alternative would retain and rehabilitate the front of the existing buildings located at 474 and 450 O' Farrell Street.
Height ^a	A single 13-story (130 foot tall, with an additional 20 feet for the elevator penthouse).	Three existing buildings with heights of 50, 30 and 30 feet.	Height of new construction at the streetwall property line 130 feet high.	Height of new construction setback (15', 20', 35') from streetwall property 130 feet high.
Number of Stories	13	3/1/1	13	13
Number of Residential Units	176	5	97	162

GSF by Use				
Residential	143,380 nsf		87,595 nsf	127,110 nsf
Retail/Restaurant	6,155 gsf	5,427 gsf	800 gsf	4,638 gsf
Leasing Office/Lobby/Amenity	2,490 gsf		4,600 gsf	4,618 gsf
Church (new)	10,570 gsf	N/A	10,666 gsf	1,726 gsf (existing) ^d 8,481 gsf (new)
Existing church		25,800 gsf	21,800 gsf (assembly/event)	12,960 gsf (assembly/event)
Below Grade Parking, Building Storage, Bicycle Storage, Mechanical, and Circulation Space	21,520 gsf	None	28 parking spaces in belowground parking ^e	39 parking spaces in belowground parking ^e
Total GSF	235,605 gsf	31,227 gsf	151,236 gsf	201,231 gsf
Common Open Space	8,110 gsf		2,674 gsf	2,950 gsf
Parking and Loading		4		
Residential Spaces ^b	40(2)	N/A	28(1)	39(1)
Car-share Spaces ^c	1	N/A	0	0
Service Vehicle Loading Spaces	0	N/A	0	0
Total Parking and Loading	41	4	28	39
	Yes	None	Some	Some

Summary
Table S.3 (continued)

	Proposed Project	No Project Alternative [assumes no change to the site]	Full Preservation Alternative	Partial Preservation Alternative
--	-------------------------	--	--------------------------------------	---

Legend: NI = No Impact; LS = Less than Significant; S = Significant; SU = Significant and unavoidable; SUM = Significant and unavoidable impact with mitigation; NA = Not Applicable

Historic Architectural Resources				
Impact CR-1: The proposed demolition of the existing Fifth Church of Christ, Scientist building at 450 O'Farrell Street would have a substantial adverse effect on an individual historic architectural resource.	S	NA	NA	S
Impact CR-2: The proposed demolition of the existing buildings on the project site and the new construction, as included under the proposed project, would not have a substantial adverse effect on a historic district.	LS	NA	LS	LS
Impact CR-3: Construction activities for the proposed project could result in physical damage to adjacent historic resources.	LS	NI	LS	LS
<p><i>Notes:</i></p> <ul style="list-style-type: none"> a The height of the proposed project is 130 feet as measured from 450 O'Farrell Street per Planning Code Sections 260(a)(1)(B) and 260(a)(1)(D). b For each 25 off-street parking spaces provided, one space must be designed and designated for persons with disabilities per San Francisco Planning Code Section 155(i). The number of ADA-accessible spaces is shown in parentheses. c One space is required per San Francisco Planning Code Section 166. d Rehabilitated portion of existing building at 474-480 O'Farrell. e Does not include gross square footage of underground parking. 				

Source: Johanna Street Architect and Kwan Henmi Architects, 2017.

November 2, 2018

Hon. Malia Cohen, President
San Francisco Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: 450 O'Farrell Street EIR and Conditional Use Appeal
Board File Nos. 180993 and 180997
Hearing Date: November 13, 2018

Dear President Cohen and Supervisors:

I am writing on behalf of the Fifth Church of Christ, Scientist (the "Church"), the owner of an obsolete and blighted church structure at 450 O'Farrell Street plus two smaller adjacent buildings at 474 O'Farrell Street and 532 Jones Street, and 450 O'Farrell Partners, LLC (an affiliate of Thompson Dorfman Partners), which the Church is partnering with to redevelop the church properties (the "Sponsors"). The proposed project would demolish the three buildings and construct a replacement church facility and a 13-story mid-rise structure containing 176 dwelling units, including 28 on-site inclusionary affordable units and ground floor retail space (the "Project"). The original 2014 Project design was to demolish the existing 450 O'Farrell Street church building, but after initial review by Planning Department staff was revised to retain the O'Farrell Street façade and colonnade. The Project plans favored by the Planning Department and presented to the Planning Commission, including the retained façade and colonnade, are attached as Exhibit D.

On September 13, 2018, the Planning Commission unanimously certified the Project's Final EIR and then adopted CEQA Findings and approved the Project's conditional use authorization with only a single dissenting vote. The Central City SRO Collaborative, Code Tenderloin, the Interfaith Council, and many individual neighbors spoke at the hearing in the support of the Project. The Commission did impose a condition of approval rejecting the Planning Department's preferred design and requiring the Project to be redesigned again to eliminate the retained façade and colonnade, at the request of San Francisco Heritage because Heritage deemed the retained façade inappropriate "facadism." The Sponsors consented to that redesign. Despite the imposition of this condition of approval at Heritage's request, Heritage has appealed both Commission actions.

We urge you to reject Heritage's appeals for the following reasons, each more fully explained below:

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- * The Project provides a substantial amount of housing, including 28 on-site BMR units, as well as a modern more functional replacement facility for the Church, has negotiated a generous community benefits package, and has widespread support in the Tenderloin community.
- * The EIR fully evaluates the impacts of the Project. It concludes that demolition of the existing Church building would be a significant and unavoidable historic resource impact to an individual building, but that the Project would not have a significant impact on the Uptown Tenderloin National Register Historic District (UTNRHD) as a whole or have any cumulative impacts. The EIR also includes analysis of two preservation alternatives.
- * In its comments on the Draft EIR, Heritage agreed with the EIR's significance conclusions (including no district-wide or cumulative impacts), mitigation measures, and preservation alternatives and requested only that the proposed retained façade and colonnade be eliminated and that the Project objectives be revised. Heritage's comments were fully addressed in the Final EIR, which added an analysis of the finally approved Project design (with the façade and colonnade removed) and revised Project objectives.
- * For the first time in this appeal, Heritage now demands that the EIR be amended to find that there are significant cumulative impacts to the UTNRHD and to include a new mitigation measure requiring the Church to pay at least \$1.5 million to three preservation funds identified by Heritage to mitigate those impacts. Yet, Heritage provides no evidence of cumulative impacts that would support rejection of the Final EIR or provide any nexus justifying imposition of new mitigation.
- * A monetary historic resource mitigation measure or condition of approval would be unprecedented in San Francisco and impose a significant financial burden on the Church, a burden not imposed on any other non-religious institution, in direct violation of the federal Religious Land Use and Institutionalized Persons Act (RLUIPA) and State law.
- * The Planning Commission correctly determined that the Project warrants conditional use approval, given the need for housing in the Tenderloin neighborhood, the Project's high on-site inclusionary commitment, the support the Project received from community members, and the revised Project design that incorporates Heritage's demands.

I. Project History.

The Church realized about 30 years ago that its monumental closed off structure that lacks a Christian Science Reading Room and has almost no physical interaction with the community no longer serves its mission. The building is further separated from the community by a fence that was installed around the colonnade after that area became a haven for drug dealing. On Shannon Street, the property is frequently littered with used hypodermic needles,

human feces, and other garbage. The Church has been attempting to redevelop its property with a new church and new housing for years, and finally found an appropriate development partner in Thompson Dorfman Partners in 2013.

The Sponsors submitted an environmental evaluation application with the Planning Department in 2014. The new church includes a smaller, light-filled, street level sanctuary that is inviting and open to all passersby as well as a reading room – which is part of the Church’s mission – that would be open during typical business hours, offering a safe and quiet refuge for spiritual study, reflection and rest. The Project also includes 176 dwelling units, 16% of which (28 units) would be inclusionary on-site affordable units and three additional units that the Sponsors have designated as “Moving-On” units for Tenderloin residents exiting supportive housing.

Over the past three years, the Sponsors have held over 100 meetings with people who live, work and worship in the Tenderloin. In response to input, the Sponsors made substantial design changes, increased safety measures, and negotiated a robust community benefit package that will immediately benefit the lives of Tenderloin residents, a copy of which is attached as Exhibit A. Attached as Exhibit B is an Outreach Report detailing the Sponsors’ significant outreach efforts in the Tenderloin and beyond. Not once during any of these meetings did a neighbor or Tenderloin organization express interest in preserving the existing dilapidated and underused building. Members of the community turned out in force at the Planning Commission hearing to so advise the Commission.

From 2014 through 2017, the Planning Department demanded a series of project redesigns, most significantly the retention of the façade and colonnade. The Department determined the existing church is an individually significant historic resource, and finally published the Draft EIR in October 2017. At the Department’s direction, in late 2017 and early 2018 the Sponsors commissioned two real estate economists (Economic and Planning Systems Inc. (EPS) and Willdan Financial Services) to evaluate the feasibility of the EIR’s full preservation alternative and the partial preservation alternative, both of which included substantially less housing (97 units and 164 units, respectively). Both studies concluded the preservation alternatives are financially infeasible.

The Project was first heard by the Planning Commission on June 28, 2018. Heritage requested a continuance, demanding that the feasibility of the 97-unit full preservation alternative be explored further utilizing certain preservation incentives, such as TDRs and tax credits. The Commission continued the hearing to September 13 and directed the Sponsors to engage with Heritage. During the continuance period, EPS evaluated the incentives proposed by Heritage (copy attached as Exhibit C) and concluded they were insufficient to render the full preservation alternative feasible.

The Sponsors presented this analysis to Heritage at several meetings in early September 2018, and at the end of the day Heritage agreed that the full preservation alternative is not financially feasible. Instead, Heritage asked the Sponsors to eliminate from the design the retained façade and colonnade because of its opposition to facadism and dedicate a portion of

any savings to community preservation efforts. The Sponsors agreed to that demand, provided it did not further delay the hearing and provided there are any actual savings associated with replacing the façade and colonnade with a different new building design. On September 13, the Commission approved the Project, with the condition that the façade and colonnade be removed and urged the parties to continue negotiating a cost sharing agreement.

Unfortunately, before the redesign had even been created, vetted by the Planning Department and analyzed for costs savings, Heritage chose to appeal the EIR and conditional use approval. Rather than await the cost savings analysis, Heritage is demanding that this Board impose on the Project a minimum of \$1.5 million in preservation payments. Heritage came up with that figure based on its limited analysis, without benefit of the new design, and on its apparent belief that new Type I concrete high rise construction can be built for \$200/square foot. That cost figure is much less than half of what it actually costs to build in San Francisco, as documented by several studies, including the Controller's recent inclusionary housing analyses.

We finally received sign off from the Planning Department on the façade redesign on October 26 and obtained cost estimates from Webcor Builders on October 30. Webcor's estimate, which is being shared with Heritage, documents little if any cost differential between the prior design and the redesign. We requested a meeting with Heritage on October 31 to present this material and are awaiting a response. As of today's date, the Sponsors remain willing to negotiate a final agreement with Heritage, based on the actual costs savings associated with the Project redesign, but cannot commit to an arbitrary and unsubstantiated \$1.5 million minimum payment.

II. The Final EIR is adequate and complete and meets the requirements of CEQA. Heritage previously supported the EIR's conclusion but has reversed itself in this appeal.

The Sponsors defer to and incorporate by reference the Planning Department's Response to the EIR appeal.

Briefly, the EIR fully evaluates the impacts of the Project and includes a full set of mitigation measures and preservation alternatives, as required by CEQA. Based on an Historic Resource Evaluation prepared by Carey & Company and affirmed by the Planning Department's preservation staff, the EIR concludes that demolition of the existing Church building would be a significant and unavoidable individual impact; that the replacement Project, including demolition of the three on-site buildings, would not have a significant impact on the Uptown Tenderloin National Register Historic District as a whole¹; and that the Project would not cause any significant cumulative historic resource impacts. The EIR includes five preservation mitigation

¹ Draft EIR at 4-36: "The proposed project would entail the full demolition of three existing structures at 450 O'Farrell Street, 474 O'Farrell Street and 532 Jones Street are contributors to the UTRHD. The buildings are among the extant 407 contributors to the 477 buildings in the UTRHD. However, the loss of three contributors would not significantly alter the historic district's integrity or eligibility for the NRHP and CRHR. In addition, the proposed building would generally be compatible with the UTRHD in terms of size and scale, massing and composition, materials, and features. Therefore, the proposed full demolition and the new construction of 237,810 square feet of development would result in a *less-than-significant* impact on the UTRHD under CEQA."

measures, although none would lessen the single individual impact to less than significant, and analysis of two preservation alternatives.

In its comments on the Draft EIR, Heritage agreed with the EIR's significance conclusions, mitigation measures, and preservation alternatives, states its preference for the full preservation alternative, and requested that the proposed retained façade and colonnade be eliminated and that the Project objectives be revised. In particular, Heritage never disputed the Draft EIR's conclusion that the Project would have no significant impacts on the UTNRHD and no cumulative historic resource impacts. The Historic Preservation Commission's comment letter similarly does not dispute those conclusions.

Heritage's comments were fully addressed in the Final EIR, which added an analysis of the finally approved Project design (with the façade and colonnade removed) and revised Project objectives.

Now, for the first time in this appeal, Heritage has reversed its position and insists, with citation to no evidence whatsoever, that the Project would have significant cumulative historic resource impacts on the UTNRHD. Heritage's only basis is its assertion that the Project will "almost certainly" spur future demolition of other historic buildings in the UTNRHD, with reference to no other proposed demolitions or other evidence. This despite the fact that the Project removes only three of the district's 407 contributory buildings and features a district-compatible new design.

CEQA conclusions must be based on "substantial evidence." Under CEQA, "argument, speculation, [or] unsubstantiated opinion" are not substantial evidence. CEQA Guidelines §§ 21080(e)(2) and 21082.2(c). Based on this reversal of its prior position and its new unsubstantiated opinion, Heritage now demands that the Board of Supervisors decertify the Final EIR and require it to be rewritten to find a significant cumulative impact and include a new monetary mitigation measure to lessen this cumulative impact.

That mitigation measure would require the Church to pay at least \$1.5 million to three preservation funds identified by Heritage to mitigate area-wide impacts, even though the EIR concluded, based on substantial evidence, that those impacts are less than significant. Under CEQA, mitigation measures may only be imposed to lessen the significant impacts of a project, not impacts the EIR has determined are less-than-significant. See CEQA Guidelines § 15126.4(a) and (c): "An EIR shall describe feasible measures which could minimize significant adverse impacts. . . Mitigation measures are not required for effects which are not found to be significant".

We urge the Board to uphold the certification of the EIR. It is complete, contains appropriate mitigation measures and alternatives, its conclusions are based on undisputed evidence, all of Heritage's Draft EIR comments were appropriately addressed in the Final EIR, and a new mitigation measure cannot be imposed to lessen an impact that the evidence establishes is less than significant.

III. The new mitigation measure demanded by Heritage, if imposed by the Board, would violate Federal and State law and subject the City to litigation by the Church.

The federal Religious Land Use and Institutionalized Persons Act (42 U.S.C. §§ 2000cc *et seq.*, hereafter “RLUIPA”) prohibits local government from imposing land use burdens on religious institutions that substantially burden their exercise of religion or are regulations not imposed equally on others. Specifically, RLUIPA provides that “[n]o government shall impose or implement a land use regulation in a manner that imposes a substantial burden on the religious exercise of a person, including a religious assembly or institution.”² In addition, “[n]o government shall impose or implement a land use regulation in a manner that treats a religious assembly or institution on less than equal terms with a nonreligious assembly or institution.” RLUIPA, § 2000cc(a), (b). Per the express language of the statute, RLUIPA “shall be construed in favor of broad protection of religious exercise, to the maximum extent permitted.” RLUIPA, §2000cc-3(g).

Cases interpreting RLUIPA demonstrate that the construction of a worship facility is a fundamental component of religious practice, and that actions which burden the construction of such structures and their ancillary facilities are substantial burdens on religious exercise. See, e.g., *Guru Nanak Sikh Society of Yuba City v. Yuba County* (9th Cir. 2006) 456 F.3d 978, 985. Because the Church intends to construct a new worship facility that is a necessary component of its religious practices, financial burdens that will significantly limit that endeavor would constitute a substantial burden under RLUIPA.

Accordingly, the imposition by the City of the unprecedented mitigation measure or land use condition of approval demanded by Heritage that would require the Church to pay at least \$1.5 million to funds selected by Heritage (or to any other group) would violate RLUIPA. Such an historic resource mitigation measure or condition would place a substantial burden on the Church’s ability to replace its religious institution and to our knowledge a similar measure or condition has not been imposed by the City on any other nonreligious institution.

California law also prohibits the imposition by cities and counties of historic preservation regulations that would impose a substantial financial burden on a religious organization. Government Code Sections 25373(c) (applicable to counties) and 37361(c) (applicable to cities) prohibit the application of landmarking restrictions to noncommercial property owned by religious organizations. The California Supreme Court has interpreted these provisions to allow religious organizations to exempt property from historic regulations when such regulations will “cause substantial hardship that is likely to deny the owner economic return on the property, or deprive the owner of reasonable or appropriate use of its property in furthering the owner’s religious mission.” The Court held “[a]ny significant financial burden, or simply the inability to

²Under the RLUIPA the term “land use regulation” is defined to mean “a zoning or landmarking law, or the application of such a law, that limits or restricts a claimant’s use or development of land (including a structure affixed to land), if the claimant has an ownership, leasehold, easement, servitude, or other property interest in the regulated land.” RLUIPA, § 2000cc-5(5).

demolish or alter a structure that is no longer suited to the needs of the owner, could affect the ability of many owners to carry out their religious missions.” *East Bay Asian Local Development Corp. v. State of California* (2000) 24 Cal.4th 693, 709, 713.

IV. The Planning Commission’s findings authorizing a conditional use for the Project are sound and should not be reversed by the Board.

Planning Commission Motion No. 20281 (Conditional Use approval) sets forth the Planning Commission’s reasons for approving the Project, including the public value associated with a modern replacement facility for the Church incorporating a reading room accessible to the public, the construction of 176 dwelling units in the RC-4 district and the North of Market Residential Special Use District, both of which encourage high density housing, 28 on-site inclusionary units (at 16% well above the grandfathered requirement of 13.5%³), a design compatible with the UTNRHD and complementary to nearby development, the Project’s alleviation of the blight currently surrounding the site, and the Project’s general conformity with the General Plan. The Commission’s CEQA Findings (Motion No. 20280) sets forth the reasons the Commission approved the Project despite its significant impact on the existing church building and rejected the two preservation alternatives, based on their reduced number of dwelling units and their documented financial infeasibility, among other reasons.

Heritage does not dispute the Commission’s CEQA Findings.

In its conditional use appeal, Heritage claims demolition of the obsolete church structure is incompatible with the goals and character of the UTNRHD. Yet, a national register district is not a local historic district, and unlike City historic districts has no associated land use or demolition restrictions. The UTNRHD is huge, encompassing 477 buildings, and as the EIR determined, it can accommodate certain changes without impairing the integrity of the district.

Second, Heritage claims the demolition of three structures never designated by the City as landmarks or contributory buildings violates the General Plan. To support that argument, Heritage cites a single policy of a single General Plan element, Urban Design Policy 2.4 that urges the preservation of landmarks. Heritage ignores all other General Plan policies. Pages 19 to 22 of Motion No. 20281 sets forth the Commission’s findings as to how the Project is, *on balance*, consistent with the General Plan, citing multiple objectives and policies of the Housing Element, the Commerce and Industry Element, as well as the Urban Design Element. No project can comply with every single policy of every single element of the General Plan (which number in the 100’s), many of which emphasize competing City policies. What is required is that the Planning Commission consider all policies of the General Plan and find a project, on balance, consistent with the Plan as a whole, not that every project is consistent with every policy.

³ In addition to the 23 on-site units representing 13.5% of the 176 units, the Project is replacing five dilapidated and primarily vacant studio units located at the rear and basement of the one-story 532 Jones Street building that will be demolished with five permanently affordable studio units in the Project.

Finally, Heritage claims that mixed income housing with a high on-site inclusionary affordable housing percentage and a new community friendly church facility provides no benefit to the Tenderloin neighborhood. It would appear Heritage did not listen to the testimony on both Planning Commission hearings, where multiple organizations and individuals from the neighborhood testified in favor of the Project, including its mixed income housing.

For these reasons, we request that the Board uphold the Planning Commission's conditional use approval.

Sincerely,



Steven L. Vettel

cc: Mike Buhler, San Francisco Heritage
Fifth Church of Christ, Scientist
Bruce Dorfman and Will Thompson
David Cincotta

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TAB A

450 O'Farrell Project – Community Benefits Summary

Partner: Central City SRO Collaborative

1. Direct Monetary Benefits

- a. Capital Improvements
 - i. Pierre Hotel
 1. \$46,000 for Lobby Renovations
 2. \$1,000 for computer equipment/station
 3. \$22,000 for installation of wifi access throughout building
 4. \$69,500 for ADA improvements to entry door, ramp, etc
 5. **Total: \$138,500**
 - ii. Winton Hotel
 1. \$2,000 for community building activities and programming
 2. \$18,000 for installation of wifi access throughout building
 3. \$75,500 for ADA improvements and a chair lift
 4. **Total: \$95,500**
 - iii. Macaulay Park
 1. **\$81,000** for construction of structural improvements to Macaulay Park

Total Capital Improvements: \$315,000

2. In-Kind and Other Community Benefits

- a. Moving On Initiative:

Developer to make 3 market rate units available for the Moving On Initiative managed by the Department of Homelessness and the San Francisco Housing Authority. Developer, CCSROC, and DoHSH to work together to identify neighborhood TL SRO tenants as candidates for the 3 Moving On units
- b. Donate Roof deck:

Developer to make roof deck in completed project available at no cost to Community Organizations to host parties, meetings, fundraisers, and other events as requested
- c. Neighborhood Serving Retail:

Developer to work with La Cocina and Working Solutions to identify one or more retail tenants who fill unmet needs of low-income residents in neighborhood
- d. Good Neighbor Agreement:
 - i. Developer to provide full-time staff members with appropriate training of following types: verbal de-escalation training, conflict resolution training, and mental health sensitivity training.
 - ii. Reps from property management shall meet with community stakeholders on a bi-weekly basis to discuss ongoing issues related to the operation of the completed Project.

450 O'Farrell Project – Community Benefits Summary

3. Construction Mitigation Measures

a. Tenant Comfort and Convenience

Developer to pay for any and all items residents need in order to mitigate noise and dust, including earplugs, facemasks, air filters, noise machines, etc.

Developer budgeting **\$25,000**

b. Security:

Developer, its GCs, and/or subcontractors shall develop and present a Security Plan to CCSROC. Developer shall maintain fencing, security cameras, and provide security guards. Developer shall respond to community concerns regarding security in a timely fashion.

c. Pest Control:

Prior to the demolition of the Shalimar Restaurant, develop and implement a vermin control plan satisfactory to CCSROC.

d. Set up regularly occurring bi-weekly check-in meetings between construction personnel and representatives of the Pierre and Winton Hotel

e. Comply with all applicable noise regulations and ordinances

Partner: Community Youth Center of San Francisco

1. Pedestrian Ambassadors:

a. Developer to pay CYC for Pedestrian Ambassador Services for first 12 months of Construction Period

i. Ambassadors will be young adults (18-24) from CYC's WorkLink program; no school-age children shall be recruited

ii. Tentative hours are from 7am-9am and 2:30pm-5:30pm, total of 5 hours per day, no less than 25 hours per week

iii. Hours can be changed in response to community needs at CYC's discretion

b. **Cost: \$50,000**

Partner: Code Tenderloin

1. Job Readiness Training Program

a. Developer to provide funding for instructor costs

b. **Cost: \$18,875**

Partner: DISH (manager of Pacific Bay Inn)

1. Design

a. Provide a 5' setback along western wall of new building to provide relief to existing light wells in Pacific Bay Inn (setback already provided in current entitlement plans)

2. Construction Mitigation Measures

450 O'Farrell Project – Community Benefits Summary

- a. Tenant Comfort and Convenience
Developer to pay for any and all items residents need in order to mitigate noise and dust, including earplugs, facemasks, air filters, noise machines, etc.
Developer budgeting **\$25,000**
- b. Light and Air Mitigation
Developer to pay for additional lighting improvements in hallways and in select units to mitigate reduced ambient light;
Developer to pay to convert community room to residential unit and relocate tenant from lower-level unit into the newly converted unit
- c. **Estimated cost: \$25,000-\$30,000** (pending actual contractor estimates after entitlements)

TOTAL COMMUNITY BENEFITS VALUE:

\$463,875

TAB B

450 O'Farrell Street, San Francisco Mixed-Use Church Development Progress Outreach Report

Prepared for: 450 O'Farrell Partners, LLC and
Fifth Church of Christ, Scientist

June 2018



Prepared by:



70 Washington Street, Suite 425
Oakland, CA 94607

www.craig-communications.com

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FIGURES

Figure 1	Mailing Radius Map
Figure 2	Outreach Boundary/Letter of Support Maps

APPENDICES

Appendix A	Contact/Mailing Lists
Appendix B	Fact Sheet
Appendix C	Community Meeting Letters
Appendix D	Contact Log
Appendix E	Comment Cards
Appendix F	Public Meeting Presentation
Appendix G	Planning Commission Presentation
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Appendix I	Letters of Support
Appendix J	2014/2015 Outreach Log

1.0 INTRODUCTION

The report summarizes outreach conducted by The Fifth Church of Christ Scientist, 450 O'Farrell Partners, LLC, local San Francisco architect Kwan Henmi and Craig Communications (the project team) in support of the 450 O'Farrell Street proposed mixed-use church development project. Outreach for this project began in early 2016 and continues; the project team will update this report on a quarterly basis, at a minimum.

2.0 COMMUNICATION MATERIALS

A variety of communication materials have been prepared and regularly updated - in support of outreach activities for the project. The purpose of the outreach has been to provide project information, provide a contact person for community members, and to gather feedback. Materials include:

- Key stakeholder and 300-foot radius mailing list (Appendix A)
- Project fact sheet (Appendix B)
- Community meeting notification letters (Appendix C) – prepared in support of meetings and mailed to interested stakeholders and community members within a 300-foot radius of the project site
- Frequently asked questions – updated as needed based on community input
- Presentations – prepared prior to community meetings
- Meeting collateral (e.g., agendas, sign-in sheets, etc.) – prepared and used during community meetings to document participation

Contact Lists

A list of key contacts and mailing addresses was prepared in support of various outreach deliverables. The key contact list includes important individuals from the City and County of San Francisco, representatives of local social, housing, faith-based, and business organizations, adjacent property owners and tenants, attendees of project community meeting, and other individuals that have requested to receive information on the project. The project mailing list includes property owners and tenants (both business and residential) within a 300-foot radius of the site. The contact lists are used to for all project mailings and are updated prior to each mailing. At a minimum, we review lists quarterly to ensure they are current. Contact lists are located in Appendix A.

3.0 CITY/COUNTY

This project team is committed to working with the County and City of San Francisco to receive input and keep them up-to-date on community interactions and potential issues. Representatives of the departments

presented below have been contacted via phone calls, emails, formal and informal in-person meetings to receive project briefings and we remain in regular contact with them.

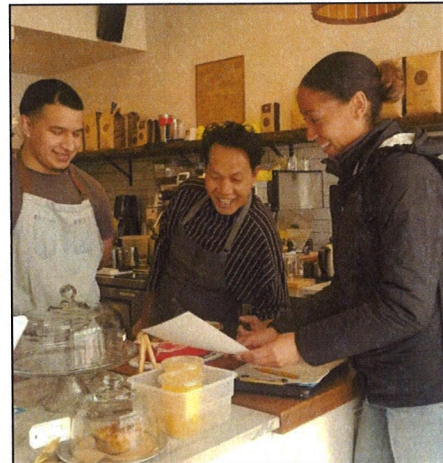
- San Francisco Board of Supervisor, Jane Kim's Office
- San Francisco Mayor's Office of Housing
- San Francisco Historic Preservation Committee
- San Francisco Planning Department
- San Francisco Tenderloin Police Station
- San Francisco Entertainment Commission

4.0 LOCAL BUSINESSES

The project team has conducted door-to-door outreach to local businesses to provide information on the proposed project. Beginning in 2016, regular outreach was conducted within the area bounded by Geary and Eddy streets and Hyde and Taylor Street (see Figure 1). Prior to each community meeting, outreach team members canvassed local businesses and residential buildings, going door to door (appx a 5-block radius) distributing information about the project or upcoming meetings. Project team members provided a copy of the project fact sheet, invited individuals to community meetings or to call the project team with questions at a convenient time, and added interested individuals to the key contact mailing list. These individuals and businesses continue to receive information on future meetings/project updates via U.S. mail, phone/email and door-to-door outreach, as appropriate. Additionally, the San Francisco Entertainment Commission requested specific outreach to places of entertainment within a 300-foot radius of the 450 O'Farrell project site.

Overall, local businesses have expressed varying levels of interest in the project and have had a variety of questions and concerns.

When appropriate, staff have followed-up with business owners/employees as needed. The project contact log, included as Appendix E, provides more detail on individual interactions with these businesses.



Local Business Outreach

- Addy's Hair Salon
- Angkor Laundromat
- Amigos Market
- Battambang Market
- Bel Clif Market
- Bien Hoa Café
- Continental Mail Services
- Dollar & Cents
- Downtown Grocery
- Econo Market
- El Rincon Yucateco
- El Tesoro Taqueria & Grill
- Empire Market
- Geary Wine & Spirits
- Hilton Hotel
- Irish Castle Shop
- Jaspers & Kitchen
- Jeff Murai's Market Garage
- King Ling
- Larkin Street Merchants Association
- Milan Pizza
- Napa Valley Winery Exchange
- O'Farrell Liquors
- Olympic Café
- On Time Café
- Osha Thai Noodle Café
- Pakwan Authentic Cuisine
- Panoply
- Paradise Coffee & Donut
- Blu Cleaners
- Cam Tho Vietnamese Sandwiches
- Casbah Market
- Chutney
- City Super Market
- Cole Hardware
- Pesba's
- Pharaoh's Mediterranean Sandwiches
- Red Chili Restaurant
- Salama Halal Meat Butcher Shop
- Scullery
- Serv-Well Market Liquors
- Shalimar
- Starlight Market
- Star Market
- Taste of Nepal and India
- Taqueria El Sol
- The Cova Hotel
- The Original Perfect Hamburger
- The Thing Quarterly
- The TL Café and Laundromat
- Tin Huu Nguyen Pediatrics
- Un Cafecito
- US Smoke Shop
- Walgreens
- Wendy Q Nail Spa
- X-Press Market
- Young Ellis Market

Place of Entertainment

The project team conducted outreach to the following places of entertainment located within a 300-foot radius of the 450 O'Farrell project as directed by the San Francisco Entertainment Commission.

Swig - 561 Geary St, San Francisco

- The project team has exchanged multiple emails/calls/in-person meetings with Brian Sheehy, Swig owner, and had an in-person meeting on February 2, 2018. Brian Sheehy is very supportive of the project.

Hotel Adagio - 550 Geary St, San Francisco

- The project team met with Adelaide Pope, Front Desk Manager, on March 12, 2018 and provided a briefing of the project. Project information was also left to provide to the management/ownership who have indicated support for the project.

Marrakech Moroccan Restaurant - 419 O'Farrell St, San Francisco

- The project team has visited this establishment in person, provided project information to the owner and offered a project briefing.

Hotel Monaco & Grand Café - 501 Geary St, San Francisco

- The project team has visited this establishment in person, provided project information to the management and offered a project briefing.

Hilton San Francisco - 333 O'Farrell St, San Francisco

- Project team briefed Jason Tresh, Hotel Manager, on January 24, 2018. He is very supportive of the project stating it will improve neighborhood conditions.

Clift Hotel - 495 Geary St, San Francisco

- The project team has visited this establishment in person, provided project information to the management and offered a project briefing.

The project team has visited the above listed places of entertainment a minimum of three times: once to provide project information, and two additional times to provide invitations to attend community meetings on the project. An additional in-person visit was conducted to extend an invitation for the third community meeting scheduled for April 26, 2018. Further details of all conversations and meetings can be found in Appendix E.

5.0 RESIDENTS/PROPERTY OWNERS/HOTELS

The project team has been in communication with neighboring property owners and interested residents for over two years. Outreach has focused primarily within the area bounded by Geary and Eddy Streets and Hyde and Taylor Street (see Figure 1). The list below includes the property owners and residents who have been contacted. We provided each individual/residential organization a copy of the project fact sheet and invited them to attend the three separate community meetings. We also mailed letter form invitations or dropped off invitations in person. Interested community members were encouraged to submit phone calls with questions if they had them, and a dedicated phone number was set up for these types of inquiries. Pre-stamped comment cards were also provided. These individuals and organizations will continue to receive information on future meetings/project updates via U.S. mail, phone, email, and door-to-door outreach, as appropriate. Individuals that expressed interest in meeting with the project team were accommodated and

met with and had their questions answered. We will continue to schedule meetings with adjacent property owners and businesses to solicit input and gain project support.

Overall, residents and property owners have appreciated the information on the project. The project contact log, included as Appendix D, provides more detail on individual interactions with these individuals and organizations' staff.

Resident/Property Owner/Hotel Outreach

- Immediate area property owners and smaller property owners including Pierre Hotel - 540 Jones Street, Pacific Bay Inn - 520 Jones Street, and Balilla Apartments - 535-565 Geary Street
- Hamilton Homeowners Association
- San Francisco Downtown Senior Center and O'Farrell Towers
- Shalimar – Met with accountant, Abhey Singh, with Grant & Smith LLP, in December 2017; met with Abhey Singh and Shalimar owner, Mohammed Hammad on April 20, 2018, and are in negotiations with them regarding relocating the restaurant space.

Pierre Hotel, 540 Jones Street– 4/27/18

Project team updated Pierre Hotel residents on March 27. Hotel residents provided the following information:

- Concerned that new construction would impact building reception for tv and requested cable/Wi-Fi for the entire building.
- Impacts from construction: noise, dust, vibrations.
- Support relocation of Shalimar and noted the restaurant has a very bad pest problem.
- When Shalimar is demolished, a plan to deal with rodents will be needed.
- Would like local jobs.
- View impacts (building design has since been lowered).



Pictured above is David Murray with the Fifth Church of Christ, Scientist, speaking with Pierre Hotel residents on March 27, 2018.

Tilden Hotel, 345 Taylor Street– 5/4/18, 5/10/18

Spoke with Jason Webb, General Manager at the Tilden Hotel on May 4th. He requested project information so that he could share it with management. Provided him with the project fact sheet and the hotel letter of support template.

He mentioned that SFMTA will be working on a project on Taylor between Market and Post Street. There are currently four car lanes which will be reduced to two and widening sidewalks. The Tilden is concerned about

this work due to construction traffic and wants to make sure the 450 project is coordinating, as needed, with SFMTA. He liked the idea of new development and is not opposed to it. On May 10th, received a letter of support.

Hotels

Project meetings and information have been provided to the following hotels.

Local Hotel Outreach

The Marker San Francisco	501 Geary St.
Layne Hotel	545 Jones St.
Alise Hotel	580 Geary St.
Hotel Bijou	111 Mason St.
SF International Hostel	138 Mason St.
Hotel Nikko	222 Mason St.
King George Hotel	334 Mason St.
Orange Village Hostel	411 O'Farrell St.
Super 8 San Francisco	415 O'Farrell St.
Vantaggio Suites	505 O'Farrell St.
Sweden House Hotel	570 O'Farrell St.
Tilden Hotel	345 Taylor St.
Serrano Hotel Union Square	405 Taylor St
Warwick Hotel	501 Geary St.
The Marker San Francisco	545 Jones St.
Layne Hotel	501 Geary St.
Alise Hotel	580 Geary St.
Hotel Bijou	111 Mason St.
SF International Hostel	138 Mason St.
Hotel Nikko	222 Mason St.
King George Hotel	334 Mason St.
Orange Village Hostel	411 O'Farrell St.
Super 8 San Francisco	415 O'Farrell St.
Vantaggio Suites	505 O'Farrell
Sweden House Hotel	570 O'Farrell St.
Tilden Hotel	345 Taylor St.
Serrano Hotel Union Square	405 Taylor St

In addition, the project team has routinely canvassed the immediate area within a four-block radius of the site to provide interested residents and businesses with project information and have personally invited them to each community meeting.

6.0 COMMUNITY ORGANIZATIONS

The project team has been in communication with community organizations who are located adjacent to the proposed project and who provide supportive services to the neighborhood. The list below includes the organizations we have been in contact with to date. We provided staff with a copy of the project fact sheet and invited them to attend the next community meeting. These individuals and organizations will continue to receive information on future meetings and project updates via U.S. mail, phone, email and door-to-door outreach, as appropriate. As outreach continues, additions will be made to the list.

Local Organizations Outreach

- | | |
|---|---|
| • African American Chamber of Commerce | • Hospitality House |
| • Alliance for a Better D6 | • Hotel Council |
| • Bay Area Women's Children Center | • Kelly Cullen Community Center |
| • Boeddeker Park | • Larkin Street Merchants Association |
| • Central City SRO Collaborative | • Market Street for the Masses Coalition (MSMC) |
| • Code Tenderloin | • Mission Hiring Hall |
| • Compass Family Services | • Raphael House |
| • Community Housing Partnership | • SF Bicycle Coalition |
| • Delivering Innovation in Supportive Housing | • SF Housing Action Coalition |
| • EF International Language Center | • SFMTA |
| • Episcopal Community Services | • SF YIMBY |
| • Faithful Fools Street Ministry | • SF Veterans Art Guild Project |
| • Southeast Asian Community Center | • Tenderloin Health Services |
| • SPUR | • Tenderloin Housing Clinic |
| • Tenderloin Children's Playground | • TNDC |
| • Tenderloin Community Benefit District | • The Gubbio Project |
| • Tenderloin Community School | • Vietnamese Youth Development Center |
| • Tenderloin Economic Development Project | • Youth with A Mission |

Overall, organizations have appreciated the information on the project and asked questions regarding affordable housing, project benefits and public safety that the project team has addressed to their satisfaction. More details about specific meetings with key organizations are provided below. The project contact log, included as Appendix D, provides more detail on individual interactions with the remaining organizations not listed below.

SF Veterans Art Guild Project – 9/19/16; 2/3/17; 7/24/17; 1/28/18

The project team has met with founder, Amos Gregory, several times to provide project introduction, gather feedback, and learn more about his art project in Shannon's Alley. Since then, the team has remained in communication as needed via emails, phone calls and in-person meetings. The project team has also participated in Veteran's Art Guild project events including providing funding for supplies and donating time to participate in mural painting events. Further details of these individual interactions can be found in Appendix D. Mr. Gregory has submitted a proposal for a mural installation on the Christian Science Church wall which the Church Board is considering.

Alliance for a Better D6 – 10/11/16 and 4/11/17

The project team has provided two project briefings at the monthly meeting of the Alliance for a Better D-6. The presentations have been well-received by the community and they appreciate the outreach but stressed that they were interested in increased below-market-rate housing and other community benefits. Marvis Phillips requested that the project team provide him with the EIR and geotechnical report which was emailed by Craig Communications. Additional individual's interactions with this organization can be found in Appendix D.

Interfaith Council Prayer Breakfast – 2/9, 10/13, and 11/8/16; 1/12, 1/18, and 11/23/17

The project team has attended several monthly breakfasts to provide project information and gain project support for Fifth Church's continued operation in the Tenderloin. Two support letters were received from SFIC-member churches while an additional seven letters were received from SFIC individuals. During this time, we also spoke with SFIC Executive Director Michael Pappas and asked whether it would be possible to provide a formal project overview at the next IFC prayer breakfast. He shared that the request would be discussed with the Board and suggested we prepare a detailed letter of support for the project on behalf of the Council. This was prepared and emailed to Mr. Pappas as requested. Additional breakfasts were attended and have been noted in Appendix D.

Tenderloin Community Benefit District – 10/17/16, 2/20/2018

The project team provided a project briefing to the Board and the project was well-received especially if funding could be provided to increase area safety. Steven Gibson, Interim Director, provided information about their Safe Passage program which provides small monthly (\$200-400) stipends to "corner captains" whose main responsibility is to escort children to and from school safely. Project information has been sent on a regular basis and invitations to community meetings have been provided.

Hamilton HOA – 10/25/16

The project team provided a project overview to the homeowner's association and received a letter of support.

Interfaith Council Essential Housing Task Force Meeting - 11/12/16

The project team provided information on the project. The meeting focused largely on IFC's efforts to support churches in the redevelopment of their properties and they indicated support for the project.

Market Street for the Masses Coalition (MSMC) - 12/7/16, 2/2/17

The project team met with MSMC board members multiple times and presented to the steering committee. MSMC went over their requirements for supporting new developments including the process for the development and adoption of a Good Neighborhood Agreement. Topics discussed included: affordable housing, development without displacement, street lighting/green scaping, safety, community engagement, future employment opportunities and possibilities for community benefits. Board members also noted that the Shalimar Restaurant provides a valuable service to the community and four units of housing which they consider permanent housing. The MSMC suggested additional individuals to meet and possibly partner with for community benefits and indicated their desire to remain engaged with the project and process. Questions that were asked are provided below along with comments that were made. Answers were provided at the time of the meeting.

Questions

- Question #1 – Have you met with resident groups?
- Question #2 – Are there any SROs that surround your development?
- Comment #1 – We suggest that you contact Pratibha Tekkey with CCSRO and Lorenzo Listana with People's Congress.
- Question #3 – Is the Shalimar restaurant/building part of the development? What is above the Shalimar, is it an apartment building and rent-controlled? How many rent-controlled units are there currently?
- Comment #2 – The Pacific Bay Inn is run by Episcopal Community Services, a group you should reach out to.
- Question #4 – What does below market rate housing mean?
- Question #5 – Can you do anything about street lighting/streetscaping?
- Question #6 – Is there room for green scaping along unit balconies?
- Comment #3 – The lack of greenery is a big issue in this neighborhood. Suggested including a garden on top of the roof.
- Question #7 – How many church members live within the surrounding area of the church?
- Question #8 – What type of environmental analysis are you conducting?
- Question #9 – How many permanent employees do you anticipate having as part of the project?

- Question #10 – Is property management going to be contracting?
- Question #11 – What are you thinking regarding commercial space?
- Question #12 – Are you purchasing the Shalimar building?
- Question #13 – What is the unit mix of the building?
- Comment #4 – We are interested in the total number of units being built and are asking developers to be exceptional during these times. A 55% AMI requirement is a mismatch in this neighborhood. Most clients that we work with have anywhere from 25-30% AMI.
- Comment #5 – Episcopal Community Services may be a good organization to partner with in the area given that residents from this neighborhood utilize their services.
- Comment #6 – We are interested in seeing movement in each of the expectations we've laid out in supporting new developments and would like for developers to consider developing without displacing folks in the area.
- Question #14 – How many permanent residents are there in the Shalimar building?
- Questions #15 – Where will people who are directly impacted by the project be housed during construction?

Tenderloin Housing Clinic – 2/13/17

The project team met with Executive Director Randy Shaw to provide a project introduction. Mr. Shaw expressed support of the project and increasing all types of housing in San Francisco. Additional individual interactions can be found in Appendix D.

The Gubbio Project/Code Tenderloin – 2/14, 12/7/17; 3/27, 4/3, 5/30, 6/11/18

The project team has met with Del Seymour several times to discuss the project with the initial meeting in 2017. Del Seymour is well-known in the Tenderloin, strongly supports the project and has signed a letter of support as well as offered to help with outreach. Additional meetings have taken place since then and have been noted in Appendix D.

Larkin Street Merchants Association - 3/6/17

The project team provided an introduction to the project and Association and members discussed support of the project during their April 2017 meeting. After discussing, the Board decided not to take a position on the project as it does not fall within their boundaries, and they do not believe it will have a significant effect on the merchants, patrons, residents and staff.

Faithful Fools Street Ministry – 3/15/17

The project team has met with Sam Dennison, Chair of MSMC and Community Advocate/Director of Street Level Learning for Foolish Fools Ministry. Ms. Dennison expressed interest in working with the development team, in coordination with MSMC, to address the following: affordable housing in the Tenderloin without displacing tenants, educating new residents about the history and culture of the Tenderloin. She stated that MSMC is trying to develop an acquisition fund, possibly set up as a B-Corporation, to purchase and preserve current low-income housing stock. She referenced the example "Community Land Trust" as a successful co-op model. Additionally, she expressed interest in developing a formula to determine developer contribution amounts to the acquisition fund based on project size, square footage, etc. She would like to see developers contribute \$100,000 to \$200,000 to the fund. The project team informed her this would not be possible for the church project given current fiscal constraints and she stated that in-kind contributions (consulting services, introductions to potential funders) would also be considered. Additional informal check-ins have taken place and noted in Appendix D.

De Marillac Academy – 4/11/17

The project team met with Michael Anderer, MSMC steering committee member and Vice President of Mission Advancement for De Marillac Academy. Mr. Anderer provided information on MSMC's recent experiences on other development project such as the group housing project at Leavenworth and Turk by Forge Land Company, Shoreline, Group I, and Tidewater. He noted that the 450 project will be of great interest to MSMC with a focus on permanently affordable housing. He emphasized that the other items listed in MSMC's Good Neighbor Agreement are important, permanently affordable housing is the one issue that all the member organizations strongly support. He stated that the minimum below-market rate housing would likely not be accepted by MSMC and that the numbers would have to increase, levels of AMI would need to be lowered, or some combination thereof. Additional individual interactions can be found in Appendix D.

Chinatown Community Development Corporation – December 2017

The project team met with David Ho, senior community organizer overseeing CCDC's housing counseling and code enforcement program to discuss project and gather information as to how to best engage the Chinese population in the Tenderloin.

SF Veterans Art Guild Project – 1/18/18

The project team provided an update to Amos Gregory. Mr. Gregory stated he would like to request permission from the Fifth Church of Christ, Scientist to paint on the churches walls. He would like to do a community poetry project that would include painting key words on the churches wall, about ¼ of the way up. It is non-controversial, and he would conduct outreach to community members and businesses in an effort to get them to write poems or share poems they like. This request will be discussed with the church.

Tenderloin Housing Clinic (THC) – 1/18/18

The project team met with Randy Shaw, Executive Director and Pratibha Tekkey, Director of Community Organizing for the Central City SRO Collaborative (CCSROC), an organization that functions under the umbrella of the THC. CCSROC works to improve access to tenant's rights information and improve city and state building and health code laws for those living in single-room occupancy (SRO) buildings.

At the meeting, the following items were discussed: project status and schedule; planning commission hearing and environmental impact report; and opposition and affordable housing solutions. Mr. Shaw stated he is supportive of the project and that it should not be too controversial. Ms. Tekkey will assist the project team in coordinating briefings to key SRO buildings near the project. Additional interactions can be found in Appendix D.

Market Street for the Masses Coalition (MSMC) - 1/24/18

The project team met with Sam Dennison/ Community Advocate and Director for Street Level Learning of Faithful Fools Street Ministry and Co-Chair of MSMC, and Alexandra Goldman, Senior Community Organizing & Planning Manager for the Tenderloin Neighborhood Development Corporation and Co-Chair of MSMC. MSMC stated they are willing to work collaboratively with developers with a focus on increasing affordable housing on-site and will consider off-site affordable housing if a compelling case can be made. For this project, they stated that contributing to a fund for off-site housing, coupled with an agreement to donate a reasonable number of services in-kind, would be considered. Further, they stated that once affordable housing issues are agreed upon, if possible, it would be simple to execute the remainder of their Good Neighbor Agreement.

Code Tenderloin – 1/24/18, 3/6/18 and 6/4/18

The project team participated in the job preparedness training and met several of Code Tenderloin's clients. After that, a brief discussion was held in which Del Seymour indicated his support of the project and commitment to increasing area housing stock and safety. Code Tenderloin has provided a letter of support.

Episcopal Community Services – 1/30/18

The project team met with Kristin Ullom, Support Services Manager for ECS and representative of the Crosby, and Kathy Treggiari, ECS Director of Programs. A project update was provided, and Kristin stated she would rather see more affordable housing incorporated into the project instead of putting monies towards retaining the façade. Additionally, she stated that she could get community support for this, if it wasn't too late, and elected officials will listen/respond to TL community members and historic preservation individuals will likely back down in the face of community opposition. Following the meeting, Tracy emailed a summary and project fact sheet to be shared with the Crosby residents, clients and Board members and Kristin will ask if the Board is willing to formally support the project.

Central City SRO Collaborative – 2/13/18

The project team met with Pratibha Tekkey and Lindsay Mulcahy as a follow-up meeting to the one held with Randy Shaw on January 18th. The team discussed outreach specific to the Tenderloin including presenting information to the CCSROC Land Use Committee (a group of residents from various SROs that provide input on land use issues), and Pierre and Winton Hotel residents. They stated they are interested in affordable housing and prefer on-site affordable housing.

San Francisco Senior Center – 2/15/18

The SF Senior Center is run by the Northern California Presbyterian Homes and Services and David Berg the Executive Director. The Center is not affiliated with senior housing located next door at 477 O'Farrell which is run by TNDC. The project team met with Executive Director Sue Horst and Program Coordinator Crystal Booth. They are very supportive of the project and have worked with Church members on safety and other neighborhood issues. Sue has asked David Berg, Executive Director, to sign a letter of support, and will explore having the Senior Center sign a letter of support.

Central City SRO Collaborative – 2/20/18

The project team met with the CC SRO land use committee per Pratibha Tekkey and Lindsay Mulcahy's request. The meeting went well, and the committee will be compiling a list of any outstanding questions they may have. From there, we will answer the questions and schedule a follow up meeting to discuss.

Tenderloin Community Benefit District Board – 2/20/18

The project team met with the Board members to provide an update and solicit feedback. Board members appreciated the update and had no questions.

San Francisco Housing Action Coalition (SFHAC) – 4/18/18

Project team provided a briefing to the San Francisco Housing Action Coalition. The coalition was interested in community outreach and benefits resulting from community input. San Francisco HAC has sent a letter of support for the project.



Tenderloin Housing Clinic (THC), Land Use Committee- 4/27/18 and 6/12/18

The project team met with the THC Land Use Committee, which consists of eight residents representing various SROs in the area with a focus on land use, on April 27, 2018 and again on June 12, 2018. They like the new project design and strongly support the developer investing in the neighborhood/community. They have requested the following community benefits:

- Locally serving retail including bodega, market, bakery. Would like language that promotes wholesome uses and prohibits uses such as liquor store, cigarette sales, massage parlor, paraphernalia, etc.
- Wi-fi and/or cable for Winton and Pierre Hotel
- Macaulay Park upgrades:
Infrastructure: bathroom, storage unit, fence, sitting area about 300K
or Art Program: murals in various locations and mosaic path about 300K
- Move-On program: 16 units set aside for Move-On program allowing low-income individuals to move-in with vouchers that offer market-rate rent.
- Capital Improvements: Capital improvements to Winton and Pierre Hotel.
- Community Space: Christian Science Church to offer space for community use.



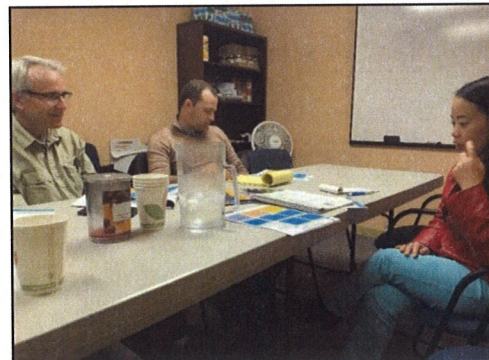
The project team met with the THC Land Use Committee on June 12, 2018, where LUC members provided more information on their community benefit requests including costs, timing, and prioritization. 450 O'Farrell Partners, LLC remains in negotiations with the THC Land Use Committee members.

Pit Stop - 5/1/18

Tyler Evje met with Eric Rodenbeck, who is spearheading the effort to place the Pit Stop (portable toilet) installation along the south side of O'Farrell Street. Eric is the CEO and founder of Stamen Design. The project team toured a Pit Stop facility located at 16th and Mission on May 1, 2018. The project team has assisted Eric with outreach in the Tenderloin neighborhood.

Vietnamese Youth Development Center – 5/2/18

Project team met with Brandy Chi, Outreach Marketing Specialist with the Vietnamese Youth Development Center located at 166 Eddy Street. Brandy stated that any development should be inclusive and honor the diverse population in the Tenderloin. She also requested the following: 1) community space for events that would host 100 to 200 people such as celebrations (Lunar New Year etc.), job trainings and 2) opportunities for jobs during and after construction.



Outreach meeting with Brandy Chi, Vietnamese Youth Development Center

Delivering Innovation in Supportive Housing (DISH) – 6/12/18

Project Team members called and emailed Jason Pellegrini, Director of Facilities and Georgette Lovett, Pacific Bay Inn, numerous times to set up a briefing. Additionally, the project team mailed community meeting notices to all residents of the Pacific Bay Inn and provided public meeting invitations/fact sheets in advance of each community meeting. Jason Pellegrini, Director of Facilities, replied to the project team's email, and expressed excitement about the project, stating they wanted to be kept in the "loop and figure out ways to potentially partner with your organization to make the construction phase as easy as possible for our tenants." The project team met with Lauren Hall, Director, and Jason Pellegrini, on June 12, 2018. At this meeting they expressed support of the project and requested that the project team determine what mitigation measures would be employed during construction and that the project team brief residents of the Pacific Bay Inn after receiving approvals from the San Francisco Planning Commission. Concern was expressed about having a plan in place to deal with vermin during demolition and possibly taking light sources away from the construction. A site tour of the Pacific Bay Inn was set up for June 21, 2018, and site plans were sent in response to a request on June 13, 2018, from Jason Pellegrini.

7.0 CHURCHES

The project team has conducted outreach to churches located within the proposed project area and throughout District Six. Additionally, we have established a key relationship with the San Francisco Interfaith Council which is strongly supportive of the project. Provided below is a list of organizations/churches we have met with and provided project information; we will continue to provide them with information as the project progresses.

Local Church Outreach

- | | |
|---|--|
| • Buddhist Church of San Francisco | • Interfaith Council |
| • Cathedral of Saint Mary | • Lutheran Social Services |
| • Chinese Congressional Church | • Providence Baptist Church |
| • Church of Christ of LDS | • St. Anthony's Foundation |
| • City Church SF | • SF Bay Area Rescue Mission |
| • Congregation Emmanu-El | • SF Evangelical Free Church |
| • Diocese of California, The Episcopal Church | • St. Boniface Church |
| • Faith Christian Center | • St. John of God |
| • First A.M.E. Zion Church | • St. John's Presbyterian |
| • First Chinese Southern Baptist Church | • St. Mark's Lutheran Church |
| • First Unitarian Universalist | • St. Mary the Virgin Episcopal Church |
| • Glad Tidings Church | • St. Patrick's Church |
| • Glide Memorial | • St. Vincent de Paul of SF |
| • Hamilton Square Baptist Church | • Urban Mission/True Hope Church |

8.0 COMMUNITY MEETINGS

As required by the City of San Francisco, notification letters of the two community meetings held to date were mailed to all property owners and tenants within a 300-foot radius, 15 days prior to the selected meeting date. Additionally, notification letters were mailed to all individuals on the key contact mailing list maintained for the site and other key neighborhood contacts (see Figure 1 for radius list, Appendix A for mailing lists, and Appendix C for copies of notification letters). A summary of the two community meetings is provided below. The project team continues to follow-up with interested community members via U.S. Mail and phone/email updates, where appropriate. They will continue to receive notifications of any future public meetings.

Community Meeting #1 – November 10, 2016

This was the first community meeting held at the Cova Hotel, a few blocks away from the proposed project site. Five community members attended.

David Murray and Ela Strong, Fifth Church of Christ, Scientist project sponsors introduced the project and the developer representative, Tyler Evje and Kwan Henmi project Architect Dan Moberly, provided specifics of the project. The project was well received, and a list of questions is provided below. Questions were addressed at the meeting.

Questions and Comments

- Question #1 (Liz) - Does anyone on the development team/church live in the area?
- Comment (Liz) - My kitchen window looks directly onto the back of the church. The proposed building would impact my view, anyone that lives in the Balilla building, SROs, people who live across the street, and the O'Farrell towers will be caused a lot of distress.
- Question #2 (Liz) - Have you looked at the impact on sewers/water mains/electricity?
- Comment (Liz) - There are many older buildings all over the neighborhood including the Adagio Hotel, former Hotel California, and hotels down the street. When work is conducted on sewers, water mains and streets it impacts everybody in the neighborhood. Their power, water and electricity gets turned off. This happened every single week for at least three days.
- Question #3 (Liz) - Have you talked to any landlords of the buildings or anybody in the neighborhood as to how this project will impact them and their renters?
- Comment (Liz) - If it's going to take a long time to construct this project, we don't want a 13-story building going into our neighborhood. It is way too tall, not seismically safe and will impact people's view.
- Question #4 (Liz) - For those that will be impacted during construction, are you going to place a tent over the work? Are you going to implode it or just tear it down?

- Comment (Liz) - If you don't tent it and there's any lead-based paint or asbestos it's going to get in the air and affect people.
- Question #5 (Liz) – If people in the neighborhood get impacted from lead-based paint/asbestos, are you going to offer them restitution or rental spaces at the price that they are paying currently?
- Comment (Liz) - Instead of a 13-story building, how about turning the church into 1/3 of its size and include a community building at the same height of the existing building with a commercial kitchen where locals can learn healthy cooking, a small café where people can be trained in viable work ethics and skills, a learning center where free classes are held, community garden and playground where children are not exposed to preaching's of the church.
- Comment (Amos) - I was stunned when I saw the design and there was no type of component for a community center. I also don't feel that it requires millions of dollars and units to provide safety in the neighborhood. It's an agreement between all community members and property owners. I would like to propose that the church provide proper lighting and sidewalk is compliant. This would prevent many problems from occurring in the alley. The city has a program called the Pit Stop and Lava Mae if we petition as a community together they will provide restrooms and showers throughout the day. If we worked together we could start addressing issues now.
- Question #6 (Joanie) - How is it going to impact the parking lot space, views, noise levels, lighting, dust?
- Questions #7 (Joanie) - Will the parking lot remain there?
- Question #8 (Amos) - What impact will the project have on wildlife such as the red tail hawks and paragon falcons in the area?
- Comment (Amos) - I didn't see anything built into the design regarding a community center. You are going to displace Vets alley and all the stuff we do in the community and people we work with. I don't understand why we weren't initially contacted.
- Question #9 (Joanie) - When will the project begin?
- Question #10 (Amos) - What is Supervisor Jane's feedback on the project?
- Comment (Amos) - She just passed a law requiring 25% affordable housing, but I understand this project has been grandfathered into that.
- Question #11 (Amos) - Have you approached Supervisor Kim regarding affordable housing?
- Question #12 (Paul) - Will the underground parking entrance be in the alley or on O'Farrell Street?
- Question #13 (Joanie) - How much space will there be between the proposed development and the Balilla Apartments?

Community Meeting #2 – March 22, 2017

The second community meeting for 450 O'Farrell went well and was attended by a handful of seniors, Balilla Apartment residents (565 Geary Street), Serrano Hotel representatives and Supervisor Jane Kim's legislative aide. We received good feedback, collected five letters of support and three comment cards which can be found in Appendix E.

Concerns expressed by Balilla residents revolved around construction noise, blockage of views and natural light, noise associated with trash collection and general air quality impacts. Additionally, there was a gentleman carrying a clipboard who clearly opposed the project.

Additional input was gathered after the meeting in one-on-one conversations. Supervisor Jane Kim's legislative aide suggested a construction mitigation fund to provide signs and sandwich boards to merchants whose businesses may be impacted during construction. She also stated to the concerned area residents that the Supervisor's office will not get involved unless there is a communication breakdown between the project team and area residents, and clearly the lines of communication are in place at this time. Residents of the Balilla apartments said they would contact the team to possibly arrange a meeting with their building tenants.

Lastly, a representative from the Serrano Hotel asked that a line of communication be kept open during construction and expressed that they are supportive but want to know they can come to us if issues, primarily impacts related to construction, arise. They noted that they have airline pilots that stay with them regularly and getting the required sleep to go back to work is important.

The following is a list of questions and comments we received. Questions were addressed in real-time by the team in the order received.

Questions and Comments

- Comment: View point from Shannon alley would be over 80 ft.
Response: We are not sure if they take the height limit off Shannon Alley, so this is something we can look into.
- Question: Do you have a conditional use permit?
Response: This project does require a conditional use permit however we are not seeking a height exception within the conditional use permit which allows to build certain parts of the project beyond certain dimensions. There's very technical dimensions in the planning code about what you're allowed to build and we're proposing very common exceptions.
- Comment: When they replaced the Bellevue Hotel 15-20 years ago, they were demolishing on Sunday and it was very noisy. We went to the planning commission to get them to stop. They also put in a ventilating system that was above the city's noise allowance so nine tenants sued them to stop it and received money. I don't think this project is going to be a good deal for those of us that live here. It's already too crowded and noisy as it is.
- Question: In relation to vents, how can you ensure they won't be noisy?
Response: We have not yet developed enough designs to know exactly where vents will be or how noisy they will get, but we plan on following all the relevant city codes to ensure that we are not exceeding noise levels in any way.
- Question: How can we trust you to follow the hours of construction?

Response: The city has strict working hour rules that are generally from 7am – 7pm, Monday through Friday. There are some exceptions on weekends for foundation pours. You can only pour concrete once for a foundation. I don't know what other developers are doing so I can't comment on whether some of them are breaking the rules or not, but we have a commitment of our own.

- Comment: I represent Serrano Hotel on Taylor, we have people sleeping so we are concerned about noise levels. We like the project and could be supportive of it as long as noise levels don't affect our hotel guests.
Response: Usually one of the noisiest things that happens on a construction site is pile driving, however we will not be having any pile driving.
- Question: What's going to happen to other residential hotels in the area such as Pacific Bay Inn, I also heard about the Shalimar?
Response: The Pacific Bay Inn will stay as that is not part of our property. Shalimar is a part of the project, so it would be demolished, and part of the project would be built there.
- Question: Are any tenants going to be displaced from the Shalimar?
Response: We don't currently own the Shalimar building, so we are still learning about what's going on in the building. We understand the sensitivity to any residents that could be on site.
- Question: Are there windows in the back of the old church façade building?
Response: Yes, there will be a courtyard. We will bring rendering of the back to the next meeting.
- Comment: We live in the back of the Balilla which faces the back of your building. We are going to lose all our light, be 20 ft. from your building, two years of construction, anybody living in Balilla is going to be profoundly affected. There's no way I could support a project like this. Additionally, the church talks about how important it is for them to remain in the neighborhood but if you want a Christian Science reading room you can just walk to Polk Street. It seems like the church is a failed project as it is for the community.
- Question: Where is the trash going to be collected?
Response: The trash management plan has not been developed yet but dumpsters will be serviced multiple times a week.
- Question: The air quality is already poor in the area and it was my understanding that we couldn't build a whole lot. Did you somehow get around that?
Response: We have not heard of a restriction of that type before, but we can look into that.
- Question: How did you determine there would be 16 BMR units and will it be subject to change, it seems lower than the 25% requirement?
Response: The 25% requirement was passed last year. There are provisions in the law that allow projects that have already been in the works for many years to be below that but above where they started to find a middle compromise.
- Question: Do you anticipate blocking any lanes on O'Farrell Street?
Response: It's possible, but we will try to minimize the extent to which we block sidewalks or streets. We are going to try to utilize just-in-time delivery for construction sourcing where materials don't arrive until the day they are needed so we don't have to store anything on sidewalks or streets.
- Question: What is the unit mix?
Response: The unit mix is diverse and will include studios, one, two and possibly three bedrooms.
- Question: How many parking spots are designated for the building?
Response: We have 41 spaces, but we are continuing to determine the exact number of spaces.

- Question: What is the planned square footage for retail space and what type of tenant are you looking for?
Response: 6,200 square feet total between two – three different spaces. We'd like to do something neighborhood serving with the retail spaces.
- Question: Would you consider volunteering a later start hour for construction time?
Response: We will look into that, however the hours quoted before are standard and set by the City.

Community Meeting #3 – April 26, 2018

The project team presented a third community meeting held at the SF Downtown Senior Center. Fourteen members of the public attended including SF Fire Department, Union Square Hilton, local land owners and residents. The attendees were largely in support of the project.

The following is a list of questions asked that were addressed in real-time by the team.

Questions

- What were the make-up of units and monthly rental rates?
- Where will CS Church relocate to during construction?
- What type of security before/after project?
- How has working in the area and with the City of SF been, do you support the Pit Stop concept (mobile toilet/dog waste disposal/needle disposal)?

9.0 OUTREACH SUMMARY

The project team has performed a wide variety of outreach activities and will continue to work with the community to solicit and respond to input. We will continue to provide project updates as the project progresses and inform community members of the Planning Commission hearing tentatively scheduled for June 28, 2018. We will also provide communications throughout construction, so neighbors are aware of upcoming activities and implement appropriate mitigation measures. 450 O'Farrell Partners, LLC anticipates construction will begin in 2019.

10.0 FURTHER OUTREACH

Presented below is a list of area property owners and tenants, community and faith-based organizations, and other interested stakeholders that the project team has committed to providing ongoing outreach to as the project progresses.

Apartment Buildings	
Unnamed Apartments	585 Geary St.
Unnamed Apartments	415 Jones St.
Unnamed Apartments	424 Jones St.
Abbey	450 Jones St.
Hereford Court	555 Jones St.
Unnamed Apartments	513 O'Farrell St.
The Beverley Apartments	515 O'Farrell St.
Unnamed Apartments	525 O'Farrell St.
Atherstone Apartments	545 O'Farrell St.
The Hamilton Building	631 O'Farrell St.
SROs	
Riviera Hotel	420 Jones St.
Aldrich	439 Jones St.
Pacific Bay Inn	520 Jones St.
Pierre Hotel	540 Jones St.
Nazareth Hotel	556 Jones St.
GEDC Family Housing	125 Mason St.
Mason St. Studios	149 Mason St.
Gateway Inn	438 O'Farrell St.
Winton Hotel	445 O'Farrell St.
O'Farrell Towers	477 O'Farrell St.
The Crosby Hotel	516 O'Farrell St.
Sonny Hotel	579 O'Farrell St.

Hotels/Tourism

- Jasper Restaurant
- Union Square Improvement Business District
- San Francisco Tourism Bureau

Community Organizations

- Roger and Maite Huand, City Impact Founders and Directors
- Michael Nulty, Alliance for a Better D6
- Hastings College
- Sam Dennison, MSMC Chair and member organizations

Local Churches

The project team has established a key relationship with the San Francisco Interfaith Council which is strongly supportive of the project along with other local churches, we will continue to provide them with updates and work with the individuals those listed below.

- Theon L. Johnson - Glide Reverends

- Michael Pappas, Interfaith Council Executive Director
- Individual Interfaith Council Church members

MSMC Good Neighbor Agreement

As part of our outreach efforts, the project team will continue to work with MSMC to prepare and agree upon a Good Neighbor Agreement which will address MSMC's six requirements: 1) Engagement with MSMC 2) Engagement with the neighbors affected by the proposed project 3) Neighborhood employment goals 4) Inclusionary Housing 5) Commercial space meets community needs 6) Good Neighbor Agreement. We understand the role that MSMC, and their member organizations hold in the Tenderloin and the importance of their work. It is our intention to finalize a good neighbor agreement with MSMC in the near term.

11.0 PROJECT SUPPORT LETTERS

To date, seventy-eight (78) verifiable letters of support, with physical addresses and/or other contact information, have been received. See list below for details.

450 O'Farrell - Letter of Support List			
Contact Name, Info	Organization	Title or Function	Purpose/Inquiry and Outcome/Resolution
Business Support			
Ismail Aitali; 295 Eddy St. 415-757-0926	Casbah Market	Manager	Signed LOS
Owner, 511 Jones St. 925-570-9553	Chutney	See LOS	Signed LOS
669 Geary St. 415-474-2126	City Super Market	See LOS	Signed LOS
Wally Herzallah; 345 Eddy St.	Dollar & Cents	Manager	Signed LOS
Hector Chan; 491 O'Farrell St.; 415-872-9231	El Rincon Yucateco	Manager	Signed LOS
Bora Peang; 399 Eddy St.	Empire Market	TBD	Spoke with Bora; Signed LOS
Waleed Mashal; 498 O'Farrell St.; 415-932-6987	Express Market	Manager	Signed LOS
Orla O'Malley Daly; 415.474.7432; irishcastle@sbcglobal.net; 537 Geary St.	Irish Castle Shop	Owner	Signed LOS; Only concern is another Irish business in developed storefronts.
Kristen Leonardini; 415 Taylor St.	Napa Valley Winery Exchange	Staff	Signed LOS
Deepak Ri Sharma; 405 O'Farrell St.	O'Farrell Liquor Store		Signed LOS
Owner, 604 Geary St. 415-474-0359	Salama Halal Meat Butcher Shop	See LOS	Signed LOS
Owner 689 Geary St	Star Market	See LOS	Signed LOS
Ahmed Malbarak; 402 Ellis St.	Starlight Market	Owner	Signed LOS
Paul Robertson; 517 O'Farrell St. 415-529-1415	The TL Café and Laundromat	Owner	Signed LOS
Alejandra Perez; 335 Jones St; 415-674-1769	Un Cafecito	Owner	Signed LOS
Gyeonghua Yun; 398 Ellis St.	Young Ellis Market	Owner	Signed LOS
Church Support			

Ronald Kobata; 1881 Pine St.	Buddhist Church of SF	Resident Minister	Signed LOS
Arturo Albano; 1111 Gough St.	Cathedral of Saint Mary	Father	Signed LOS
Rita R. Semel; 2 Lake St.	Congregation Emanuel-el		Signed LOS
Rev. Dr. Christopher L. Zacharias; 2159 Golden Gate Ave	First A.M.E. Zion Church	Pastor	Signed LOS
Gladys Salra; 67 Manzanita Ave; gladysalta@gmail.com	First Church Boston		Signed LOS
Kerry E. Parker; 1187 Franklin St.	First Unitarian Universalist Church & Center	Center Facilities Director	Signed LOS
Barry Brown; 308A 3 rd Street, Sausalito, CA 94965; BARRYDEBROWN@comcast.net ; 415-516-418	First Church of Christ Scientist		Signed LOS
Michael G. Pappas; 130 Fisher Loop; (415) 474-1321; mgpappas@sfinterfaithcouncil.org	Interfaith Council	Executive Director	Signed LOS
Nancy L. Nielsen; 191 Golden Gate Ave.	Lutheran Social Services	Deputy Director	Signed LOS
G.L Hodge; 1601 McKinnon Ave.	Providence Baptist Church		Signed LOS
Franklin Fong; 133 Golden Gate Ave.	St. Boniface Church		Signed LOS
Cathe Cornello; 1290 5th Ave.	St. John of God		Signed LOS
John S. Anders; 25 Lake St.	St. John's Presbyterian		Signed LOS
Jane Borg; 1111 O'Farrell St.	St. Mark's Lutheran Church	Staff	Signed LOS
Anna Z. Sylvester; 2325 Union St.	St. Mary the Virgin Episcopal Church		Signed LOS
Martha Arbouex; 2320 Green St.	St. Vincent de Paul of SF		Signed LOS
Carolyn Hazel Scott; 950 Gilman Ave.	Urban Missions/True Hope Church		Signed LOS
Organizations			
Robert T. Phillips; rtp1844@gmail.com	Nonprofit Learning Institute	Director	Signed LOS
Del Seymour	The Gubbio Project	Director	Signed LOS
Del Seymour	Coder Tenderloin	Founder	Signed LOS

Victoria Westbrook; 144 Taylor St. Victoriawestbrook1@gmail.com 510-717-1733	Code Tenderloin	Director	Signed LOS
David Gruber; 540 O'Farrell St. dgruber@ggprop.com; 415-661-7222	Gruber & Gruber	Managing Member	Signed LOS
Richard Chapman; 445 O'Farrell St; Jo188@live.com; 415-573-2942	RBC Chapman	CEO	Signed LOS
Jack Gruber; 1233 4 th Ave; jgruber@ggprop.com	Gruber & Gruber	Property and Investment Manager	Signed LOS
Nico Nagel; 95 Brady Street, (415) 541-9001; nico@sfhac.org	San Francisco Housing Action Coalition	Development Associate	Project Review Report Card
Individual Support			
Kathy Holly; 255 Red Rock Way; (415) 269-8699		Resident	Signed LOS
William Campbell; 2675 Pacific Ave.; (415) 922-5312		Resident	Signed LOS
Emma T. White; 151 Beaumont Ave.; emwhite45@yahoo.com		Resident	Signed LOS
*Margaret Pears; 30 Quickstep Ln #3		Resident	Signed LOS
Monica Chinchilla; 324 Connecticut St.; monichinchilla@gmail.com		Resident	Signed LOS
David Andridle; 840 California St. #34; (832) 350-0530; davidandridle1982@gmail.com		Resident	Signed LOS
Linda Krauskopf; 312 Richland Ave.		Resident	Signed LOS
Robert T. Phillips; 1730 O'Farrell St.; rtp1844@gmail.com	SFIC	Representative	Signed LOS
Daniel Kohanski; 230 Grattan St. #35F		Resident	Signed LOS
John Dellar; 1923 Pierce St.		Resident	Signed LOS
Harold J. Gonzales; 737 Post St. #435; (415) 500-1437; harold_gonzales@hotmail.com		Resident	Signed LOS
Adris Breslauer; 2111 Hyde St.; abreslau@pacbell.com		Resident	Signed LOS
Bradley Wiedmaier; Bradley_Wiedmaier@yahoo.com		Resident	Signed LOS

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Deborah James; (415) 685-6875; djntspirit@hotmail.com		Resident	Signed LOS
Ernest G. Lira; 935 Geary St., #305; (415) 760-2940		Resident	Signed LOS
Kwai Ying Seeto; 477 O'Farrell St., #1201		Resident	Signed LOS
Joseph Brown; 445 O'Farrell St.		Resident	Signed LOS
Xiu Lian Zhu; 477 O'Farrell St., #991		Resident	Signed LOS
Lina Kwan; 477 O'Farrell St., #208		Resident	Signed LOS
Dwight Washaborgh; 445 Wawona St. #333; dwight46@gmail.com		Resident	Signed LOS
Luke Stewart; 754 Post St. #504; (415) 218-0755 lukewho@gmail.com		Resident	Signed LOS
Tom Cacciotti; 631 O'Farrell St. #1704; tcatch58@gmail.com		Resident	Signed LOS
Ellen Macdonald; escmacdonald@gmail.com		Resident	Signed LOS
Steven M. Sass		Resident	Signed LOS
Rachel McClintick; 2568 Nordell Ave, Castro Valley, CA 94546; rachelannamclintick@gmail.com		Christian Science Nurse	Signed LOS
Mark A. McClintick; 2568 Nordell Ave, Castro Valley, CA 94546; Mark.a.mcclintick@gmail.com		Christian Science Nurse	Signed LOS
Mary Ann Cahill; 445 Wawona Street, #305, S.F. CA. 94116; (415) 342-4963; maryann- maryann@att.net		Arden Wood Resident/Church Member	Signed LOS
Marilyn Riniker; P.O. Box 832, marincamp@aol.com		Resident	Signed LOS
Laurel Howard Mason; 5452 Dalrymple Crescent, N.W. Calgary, Alberta, Canada T3A 1R3		Former Church Member	Signed LOS
Stephan Quincy Reese 415.574.1088		Resident	Signed LOS
Berk Korustan; 790 Sanchez St. Apt 3, San Francisco, CA 94114		Resident	Signed LOS
Connor Sweetland; 3478 Scott Street, San Francisco, CA 94123		Resident	Signed LOS

Rae Lloyd-Lever; 1190 Mission St., Apt #2118, San Francisco, CA 94103		Resident	Signed LOS
Amanda Marinac; 3825 Scott Street Apt. 303, San Francisco CA 94123		Resident	Signed LOS
Jeffrey Scott Breudecheck		Resident	Signed LOS
Carl N. Vanos; 1604A Grove Street San Francisco, CA 94117		Resident	Signed LOS
Hotel Support			
Michael Pace; 495 Geary St.	Clift Hotel	Area General Manager	Signed LOS
Chuck Custer	Crosby Hotel	Owner	Signed LOS

12.0 PRIOR OUTREACH

In 2014/2015, a separate outreach effort was conducted to promote project understanding and support. Signatures gathered in support of the project are provided in Appendix I.

TAB C

MEMORANDUM

To: Tyler Evje, Thompson | Dorfman Partners, LLC
From: James Musbach, Michael Nimon, and Claire Desser
Subject: 450 O'Farrell Street Development Feasibility Review and Evaluation Addendum; EPS #161164
Date: August 30, 2018

The Economics of Land Use



This memorandum is an addendum to the previously completed Development Feasibility Review and Evaluation dated June 26, 2018 for development of the 450 O'Farrell Street Project (Project) and the Alternative Preservation Proposals analyzed in the Environmental Impact Report. It is prepared by Economic & Planning Systems, Inc. (EPS) for 450 O'Farrell Partners, LLC as part of the response to public comments received during the Planning Commission Hearing on June 28, 2018.

Background

The Project consists of three sites and is located on the block bounded by O'Farrell Street, Geary Boulevard, Taylor Street, and Jones Street in San Francisco's Downtown/Civic Center neighborhood. The proposed project envisions substantial demolition of the existing Fifth Church of Christ Scientist building, and the full demolition of the vacant retail building along O'Farrell Street and the restaurant building along Jones Street.

The new building (as studied in the original EPS report dated June 26, 2018) would be 13 stories tall (130 feet) with 176 dwelling units (187,640 square feet), restaurant/retail space (6,200 square feet), a replacement church (13,595 square feet) incorporated into the ground level, and 8,398 square feet of open space. Of the 176 dwelling units, 28 units would be Below Market Rate (BMR) with 5 of these replacing rent-controlled units.

The buildings comprising the Project are designated as contributing resources to the Uptown Tenderloin Historic District, which is listed on the National Register of Historic Places (NRHP). All three lots are zoned RC-4/North of Market Residential SUD No. 1 and are within an 80-T-130-T height and bulk district.

In its development feasibility analysis, dated June 26, 2018, EPS concluded that the Full Preservation and Partial Preservation Project alternatives generate insufficient returns. The additional density

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reflected in the Developer's Proposed Project improves development feasibility and brings the developer returns closer to an acceptable range. Specifically, the funding gaps for the Full Preservation and Partial Preservation alternatives were estimated at \$52 million and \$41 million, respectively, while the Proposed Project has a reduced funding gap of \$24 million.

During the public comment period at the Planning Commission Hearing held on June 28, 2018, several financing mechanisms were referenced that could potentially improve development feasibility. The alternatives were presented as a way of increasing the feasibility of any potential project while simultaneously preserving more of the existing church building (Full Preservation or Partial Preservation alternatives in the EIR). These mechanisms include:

1. Mills Act
2. Historic Preservation Tax Credits
3. New Market Tax Credit, and
4. Transferable Development Rights

This addendum builds on the original development feasibility analysis and examines each of these financing mechanisms, including their applicability, procedural requirements, risks, and potential implications on development economics of the Project.

Key Findings

1. All four of the evaluated financing mechanisms are designed to enhance operational economics and/or improve the feasibility of existing assets.

However, all four are designed for different circumstances than the Preferred Project and have a range of goals and objectives, different eligibility requirements and risks, and unique administration requirements in San Francisco. This analysis considers each of these financing mechanisms' program-specific criteria in the context of the Project, the alternatives, and ability to preserve the existing church.

2. Preservation of the existing church is not feasible under current market conditions even with the potential use of one or more of the four financing mechanisms examined in this analysis.

While the Mills Act and/or Transferable Development Rights could generate revenue for the Project, Historic Preservation Tax Credits and New Market Tax Credits are not expected to result in any meaningful reduction of the funding gap or improve the feasibility of preserving more of the church. EPS's assessment of the economic effects of each of the examined financing mechanisms is briefly outlined below based on the review of the enabling statutes and economics of the Project. Following the key findings, each financing mechanism is further described in this document.

a. Mills Act: While the Project may qualify for the property tax reduction and re-assessment, the savings are uncertain and would not be significant enough to eliminate the estimated funding gap and economically justify church preservation costs.

b. Historic Preservation Tax Credits: While these credits require competitive eligibility based on a set of qualification requirements aimed at rehabilitation spending, it is designed to bridge a gap where historic preservation is contemplated and meets preservation standards determined by State and Federal Agencies. However, given the significant funding gap estimated for the 450 O'Farrell Preservation alternatives, any

rehabilitation spending is not likely to be feasible. In addition, only the full preservation alternative could potentially qualify.

- c. New Market Tax Credit:** While nonresidential portions of the Project may qualify for New Market Tax Credit funding, if competitively awarded over other applicants, this mechanism is not tied to historic preservation of the existing church. On the contrary, this financing vehicle incentivizes new investment into a disadvantaged area, which is maximized under the Proposed Project alternative.
- d. Transferable Development Rights:** These revenues would require a rezoning of the site, designation of the church building as a local historic resource, and downsizing of the Project to below the level supportable in the current market and would limit the Project's ability to create positive value from higher density. Even if this financing vehicle is considered, TDR value would not be significant enough to eliminate the estimated funding gap and economically justify church preservation efforts.

Mills Act

Background

The Mills Act is a State Law that provides an incentive to preserve and rehabilitate historic properties through a property tax reduction. Implemented in 1972, the Mills Act enables the City and County of San Francisco to enter into 10-year contracts with the owners of historic structures in order to rehabilitate, restore, and preserve qualifying historic buildings. Reduction of property taxes is granted if the property owner agrees to adequately preserve the historical integrity of the property with property reassessment occurring annually. According to the California Office of Historic Preservation, Mills Act participants may experience property tax savings of between 40 percent and 60 percent off of their usual tax bill.

Procedures and Qualifying Criteria

To qualify, a property must be listed on the National Register, California Register, or Article 10 or 11 of the San Francisco Planning Code. San Francisco City Staff indicate that most projects require substantial rehabilitation (such as seismic retrofitting, reroofing, etc.) in order to be granted final approval by the Board of Supervisors for property tax deductions, thus making this program somewhat competitive. Using a formula in the Mills Act and Revenue Taxation Code, property taxes are recalculated based upon the "Income Approach to Value" rather than by the standard "Market Approach to Value." The property owner divides the income (or rents) by the capitalization rate to determine the assessed value of the property.

Within the Project, the Fifth Church of Christ Scientist, along with the retail, basement, and residential space, are listed on the National Register of Historic Places within the Uptown Tenderloin Historic District. This suggests that all existing structures at 450 O'Farrell may qualify for potential property tax reduction under the Mills Act; however, all preservation alternatives contemplate demolition of the 474 O'Farrell and 532 Jones Street buildings. Moreover, the Church portion is already exempt from property taxes due to its designation as a religious institution and a 501(c)(3). Consequentially, it would not incur any additional property tax reduction benefit under the Mills Act application.

The degree to which other portions of the Project will qualify is uncertain given the Mills Act incentives and eligibility requirements. For example, redevelopment of income-producing properties would reduce the Project's eligibility for Mills Act. Specifically, priority is granted to properties that meet the following criteria:

- Structure is a unique building, in danger of deterioration, and needs substantial rehabilitation.
- The residential or commercial building will receive additional private investment (other than routine maintenance).
- The project meets Housing and Urban Development (HUD) affordability requirements, potentially exceeding the requirements.
- The retail will primarily supply goods or services to residents qualifying under HUD low- and moderate-income areas, or provide employment to low- and moderate-income persons.

Even if the Project qualifies for the Mills Act, the degree to which property tax basis will be reduced is uncertain and will change annually over the 10-year contract period.¹

Historic Preservation Tax Credits

Background

Historic Preservation Tax Credits (HTC) is a Federal Program that provides an incentive to preserve and rehabilitate historic properties. Enacted in 1981, HTC is a federal income tax credit that promotes the rehabilitation of income-producing historic properties. In 2017, the HTC was updated to contain two separate tax credits. First, the Preservation Tax Incentive is a 20 percent tax credit awarded to private investment in rehabilitating historic properties on the National Register of Historic Places (NRHP). Second, there is a 10 percent credit for the rehabilitation for nonresidential, non-historic buildings built before 1936.² In both cases, the credit allows a claim for expenses against a federal tax liability of property owners or equity funding offered to third party investors.

¹ EPS estimated the Full Preservation alternative to result in a funding gap of \$51.6 million based on an estimated net operating income (NOI) of \$3.1 million a year (after property taxes). Based on the Income Approach under the Mills Act and using a cap rate range of between 4 and 6 percent as assumed in the June 26, 2018 EPS development feasibility analysis, the Project's assessed value would be estimated at \$73.8 million. This suggests a potential assessed value basis reduction of about 23 percent, resulting in the same proportion of property tax reduction from the Project. This reduction results in about \$3.3 million in savings over a 10-year period before factoring in inflation, which is significantly less than the \$52 million funding gap estimated by EPS.

² Eligibility is limited to a property tax assessment valuation of less than \$3.0 million, while nonresidential buildings are limited to \$5.0 million. A property tax assessment exemption requires a qualified historic preservation consultant to prepare a Historic Structures Requirement (HSR) or a Conditions Assessment that demonstrates the building is an exceptional example of architectural style or in danger of deterioration or demolition without rehabilitation.

Procedures and Qualifying Criteria

Developers typically weigh the advantages and disadvantages of the participation in the HTC program. Benefits include the potential to obtain tax credits of 20 percent of rehabilitation costs (upon a final approval of the rehabilitation work meeting the necessary standards). On the cost side, participation results in the additional time and cost of effort associated with the HTC application process, which includes obtaining review from the State Historic Preservation Office (SHPO) and the Federal Secretary of the Interior and making necessary adjustments or investments as required. The current plan of relocating the stained glass, bronze doors and some other historic features of the church would likely prevent the Project from qualifying for the tax credits.

In order to qualify, the following requirements must be met:

- Be listed in the National Register of Historic Places
- Meet the substantial rehabilitation test – cost of rehabilitation must exceed the pre-rehabilitation cost of the building
- Ensure historic character of the building, including its interior features, following the Secretary of the Interior's Standards for Rehabilitation as determined by the SHPO and the Secretary of the Interior
- Be used for income-producing purposes for a minimum of five years

The 450 O'Farrell Project (or portions thereof) could potentially qualify for the HTC program. However, this program only applies to additional rehabilitation spending rather than existing operation of the Project. As such, and given the substantial funding gap of the Preservation scenario identified above, no additional spending for preservation of the buildings is anticipated. Moreover, any rehabilitation of the church building for an income producing use would likely require substantial alterations to the building interior and Shannon Street elevation that may not be consistent with the Secretary of the Interior's standards, thereby diminishing the Project's eligibility for HTC. In addition, the proposal to remove many of the existing building's character-defining elements, including stained glass windows, an oculus, and bronze exterior doors for reinstallation in the new church structure, would likely diminish the existing building's historic character and eligibility for HTC. As a result, HTC is not expected to result in significant reduction of the funding gap or feasibility improvements for the Project.

New Markets Tax Credit

Background

The New Market Tax Credit (NMTC) Program, authorized in the Community Renewal Tax Relief Act of 2000, offers a tax credit against the federal income tax for private investors deploying Qualified Equity Investments in low-income communities. This program is a part of the Community Development Financial Institutions (CDFI) Fund. It enables investments through specialized financial intermediaries, called Community Development Entities (CDEs), to receive a credit of 39 percent of the original investment amount, claimed over a seven-year period.³ The

³ The credit rate is 5% of the original investment amount in each of the first three years and 6% of the original investment amount in the final four years.

program expired in 2014, but Congress extended the program retroactively to 2015 through the PATH Act. Although there are bills seeking a permanent extension, the program is currently set to expire in 2019 and its future is uncertain.

Procedures and Qualifying Criteria

In order to qualify as a low-income community in an urbanized area, the Project location must meet at least one of the following requirements: (1) have a poverty rate of at least 20 percent or (2) contain a median family income less than or equal to 80 percent of the area median family income. The Project location qualifies under both conditions with a poverty rate of 43 percent and a median income of 22 percent.⁴

Residential rental properties do not qualify for NMTC investment if 80 percent of the income comes from rental activity. In all three alternatives for the Project, at least 90 percent of the revenue is generated by residential rents. However, mixed-use real estate buildings and retail do qualify. The degree to which portions of the Project will qualify is uncertain, as is the likelihood of a tax credit given that NMTC incentives are competitive. Collectively, there have been 3,481 NMTC allocation applications requesting \$314.6 billion in CDFI Funds. However, only 1,032 awards have been allocated, totaling \$50.5 billion in tax credit—hence 30 percent of the applicants were awarded tax credit benefits since 2000.

While nonresidential portions of the Project may qualify for NMTC funding, this financing mechanism is not tied to historic preservation of the existing church. On the contrary, this financing vehicle incentivizes new investment, which is maximized under the Proposed Project alternative. Given these dynamics, NMTC is not likely to result in any meaningful reduction of the funding gap or feasibility improvements for the church retention within the Project.

Transferable Development Rights

Background

Many jurisdictions, including San Francisco, allow a trade of development rights between property owners. Development rights are the maximum amount of floor area permitted within local zoning guidelines. The floor area has an economic value that may be sold by public authorities, similar to a cap and trade approach. In particular, metropolitan areas implement transferable development rights (TDR) systems to allow for more flexibility of the zoning in dense, urbanized areas. If a developer chooses to build less floor area than the maximum allowable, he or she may trade the excess density to developers of other sites that would in effect pay for the ability to increase the floor area above the applicable height and bulk controls.

Since the mid-1980s, San Francisco's Planning Department has administered a TDR program that enabled owners of historic properties in C-3 zoning districts to sell development rights to owners, developers, and investors. The excess TDR units may be bought by the new development and the proceeds must be used to preserve the historic property that sold its TDR rights. In the past, TDR pricing has tracked with the overall real estate market for land. Since 2010, TDR prices

⁴ According to the CDFI Fund Mapping Tool, the Project site is listed as a partially qualified low-income community: https://www.cims.cdfifund.gov/preparation/?config=config_bea.xml

have ranged from \$5.51 to \$37.50 per square foot, with most costing between \$18 and \$25 per square foot.

Procedures and Qualifying Criteria

The Project is zoned RC-4/North of Market Residential SUD No. 1 (Residential-Commercial, High Density) and is within an 80-T/130-T Height and Bulk District. This zoning results in no TDR value unless the site is rezoned to a C-District as stipulated by the Planning Code according to the Project sponsor as further outlined in the **Appendix**.

In San Francisco, a certain number of gross floor area units are permissible to be constructed within the C-3 Zoning District. Unused units may be transferred to development lots exceeding the basic floor area ratio limitations. Even if all parcels are rezoned to C-3-G with the church preserved, and if the church is designated as a Category I, II, III or IV eligible for TDR transfer, the upzoning is not certain and would result in a potential TDR value of between \$1.2 million and \$1.4 million, according to the Project sponsor. However, the rezoning and transfer of TDR from the church would only allow for development capacity of about 64 residential units on the other two parcels, which would make the Project infeasible given the funding gap of both preservation options. Were more units than 64 proposed, the TDRs from the church building would need to be used on-site to increase the development potential of the other two parcels, resulting in elimination of the TDR value and requiring a height limit increase for those two parcels.

APPENDIX

450 O'Farrell Street: Rezoning/TDR Options preserving 450 O'Farrell and constructing 176 units and new church facility on 474 O'Farrell and 532 Jones lots

Currently, all three lots are zoned RC-4/North of Market Residential SUD No. 1 and are within an 80-T-130-T height and bulk district.

Option 1: Rezone all three parcels C-3-G and designate 450 O'Farrell as a Category I, II, III or IV building eligible to transfer TDR.

1. Base FAR limit is 6:1, and TDR may be transferred from 450 O'Farrell only if there is unused FAR.
2. A 6:1 FAR would yield 132,636 square feet of gross floor area (22,106 total land area x 6). 450 O'Farrell would consume 26,904 sf of that (the existing building), leaving 105,732 gsf for the residential gsf,¹ yielding about 107 units and no excess FAR transferrable as TDRs. The residential building would exceed the 130-foot height limit by about 70 feet.
3. Within 130-foot height limit, unit yield drops from 176 units to 64 units (4 to 7 units per floor on floors 4-13), consuming 66,000 gsf, leaving about 40,000 TDR, worth approximately \$1.2 million (\$30/TDR).
4. To achieve 176 units, height limit on 474 O'Farrell would need to increase from 130 feet to 300 feet, yielding an FAR of approximately 9:1 and 66,000 TDR would need to be purchased to exceed 6:1 base FAR (costing project \$1.98 million). There would be no TDR to sell.

Option 2: Rezone 450 O'Farrell C-3-G and designate it as a Category I, II, III or IV building eligible to transfer TDR; retain 474 O'Farrell and 532 Jones in RC-4/North of Market Residential SUD zoning.

1. 450 O'Farrell is 12,209.6 sf x 6:1 FAR = 73,258 gsf, producing 46,354 TDR (73,258 less 26,904 existing church), worth approximately \$1.39 million
2. RC-4 density limit is one unit per 125 sf of lot area. 474 O'Farrell and 532 Jones total 9,896 sf/125 = 79 units maximum permitted. 64 units is maximum allowed within 130-foot height limit.
3. To achieve 176 units, height limit on 474 O'Farrell would need to increase from 130 feet to about 300 feet and a special use district would need to be created to increase the allowable density well above 1:125 sf.

¹ Assumes 23,548 sf of church facility and ground floor circulation is exempt from FAR.

TAB D

450

O'FARRELL



450

O'FARRELL

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Cover

AP1.00



Urban Location

NTS



Neighborhood Location

NTS

Sheet List

AP1.00	-	Cover
AP1.01	-	Location Maps and Sheet List
AP1.02	-	Material Palette
AP1.03	-	Survey
AP1.04	-	Site Plan (Existing)
AP1.05	-	Site Plan (Proposed)
AP1.06	-	Site Aerial Photo
AP1.07	-	Streetscape Plan
AP1.08	-	Context Photos
AP1.09	-	Project Data
AP1.10	-	Typical Units
AP1.11	-	Bike Parking Access
<hr/>		
AP2.00	-	Floor Plan - Level P1
AP2.01	-	Floor Plan - Level 1
AP2.02	-	Floor Plan - Level 2
AP2.03	-	Floor Plan - Level 3
AP2.04	-	Floor Plan - Level 4
AP2.05	-	Floor Plan - Level 5
AP2.06	-	Floor Plan - Level 6
AP2.07	-	Floor Plan - Level 7-9
AP2.10	-	Floor Plan - Level 10
AP2.11	-	Floor Plan - Levels 11-13
AP2.14	-	Roof Plan
<hr/>		
AP3.01	-	Elevation - O'Farrell Street
AP3.02	-	Elevation - Shannon Street
AP3.03	-	Elevation - Jones Street
<hr/>		
AP3.11	-	Building Section - Transverse
AP3.12	-	Building Section - Longitudinal
<hr/>		
AP4.01	-	Building Detail - Precast
AP4.02	-	Building Detail - Window Wall and Balconies
<hr/>		
AP5.01	-	View - O'Farrell from East
AP5.02	-	View - O'Farrell and Shannon
AP5.03	-	View - O'Farrell and Shannon
AP5.04	-	View - O'Farrell and Jones
AP5.05	-	View - Jones Street
<hr/>		
AP6.01	-	Axonometric - from Southeast
AP6.02	-	Axonometric - from Southwest
<hr/>		
AP7.01	-	Rendering - O'Farrell Street from West (Day) - Closeup
AP7.02	-	Rendering - O'Farrell Street from West (Day)
AP7.03	-	Rendering - O'Farrell Street from East (Day) - Closeup
AP7.04	-	Rendering - O'Farrell Street from East (Day)
AP7.05	-	Rendering - O'Farrell Street from East (Night) - Closeup
AP7.06	-	Rendering - O'Farrell Street from East (Night)

Notes:

- 1 - Parking in the basement is unbundled per SF Planning Code Section 167
- 2 - Bird safe glazing per SF Planning Code Section 139 is not required on this project.

450 O'FARRELL

Project Sponsors:

450 O'Farrell Partners LLC
39 Forrest Street
Suite 201
Mill Valley, CA 94941
Contact: Tyler Evje
Tel: 415 569 4554
Email: TE@thompsondorffman.com

Fifth Church of Christ, Scientist
450 O'Farrell Street
San Francisco, CA 94102
Contact: Ela Strong
Tel: 510 579 4179
Email: ela@elastrong.com

Architect:

DLR Group|KwanHenmi
456 Montgomery Street
Suite 200
San Francisco, CA 94104
Contact: Dan Spotswood-Moberly
Tel: 415 901 7230
Fax: 415 777 5102
Email: dspotswood-moberly@dlrgroup.com

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Location Maps
and Sheet List

AP1.01

Precast Concrete
White

Precast Concrete
Simulated Stone

Glazed Window Wall
Spandrel

Glazed Window Wall
Clear

Metal Panel
Charcoal Grey

Cement Plaster
Charcoal Grey

Material Palette

Precast Concrete

- White
- Simulated Stone

Glazed Window Wall

- Clear
- Spandrel

Metal Panel

- Charcoal Grey

Cement Plaster

- Charcoal Grey

450
O'FARRELL

28 JUNE 2018

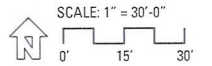
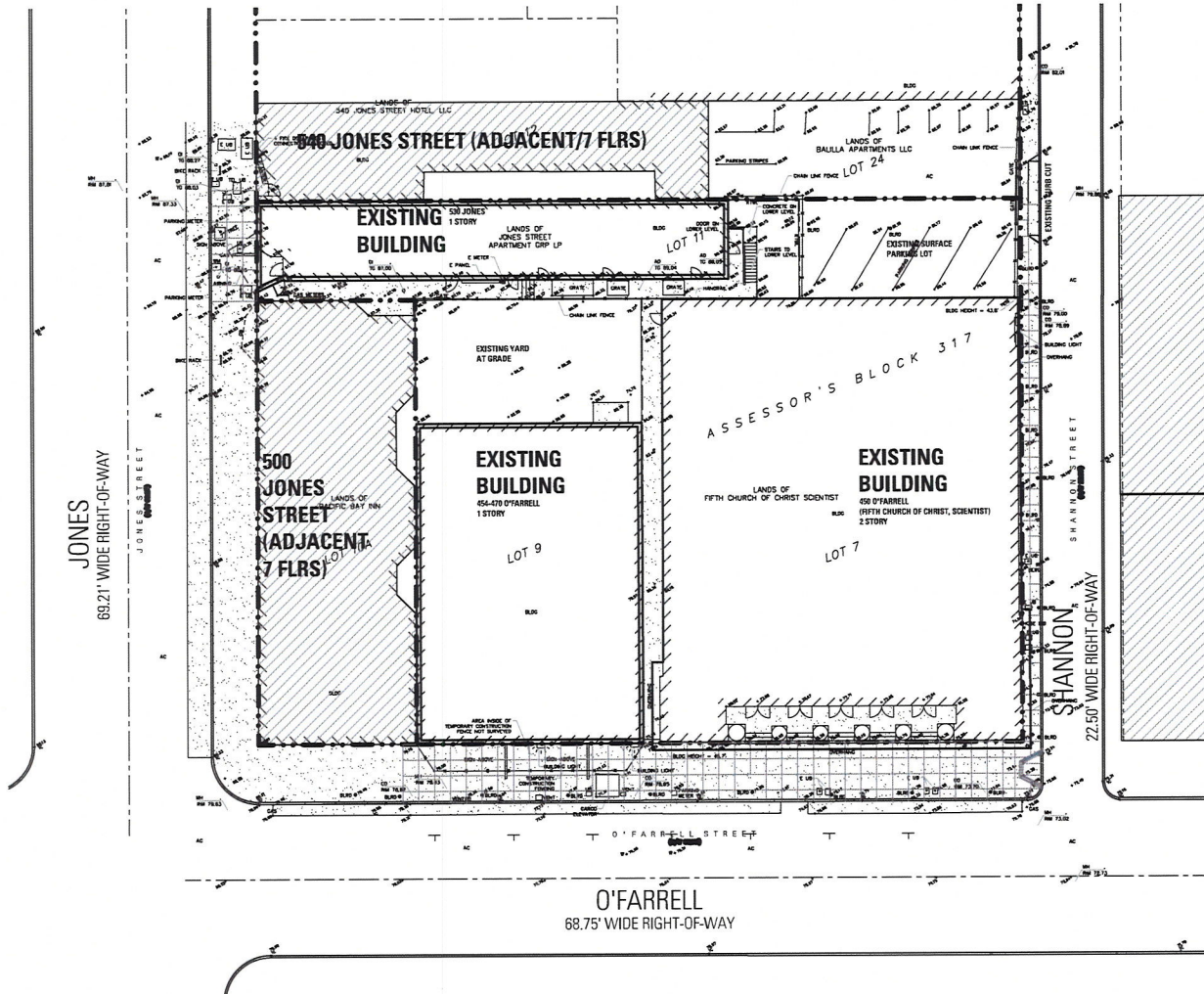
 DLR Group | **KwanHenmi**

Material Palette

AP1.02

Site Plan

450 O'FARRELL



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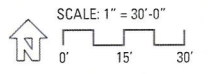
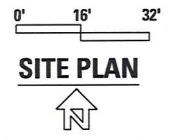
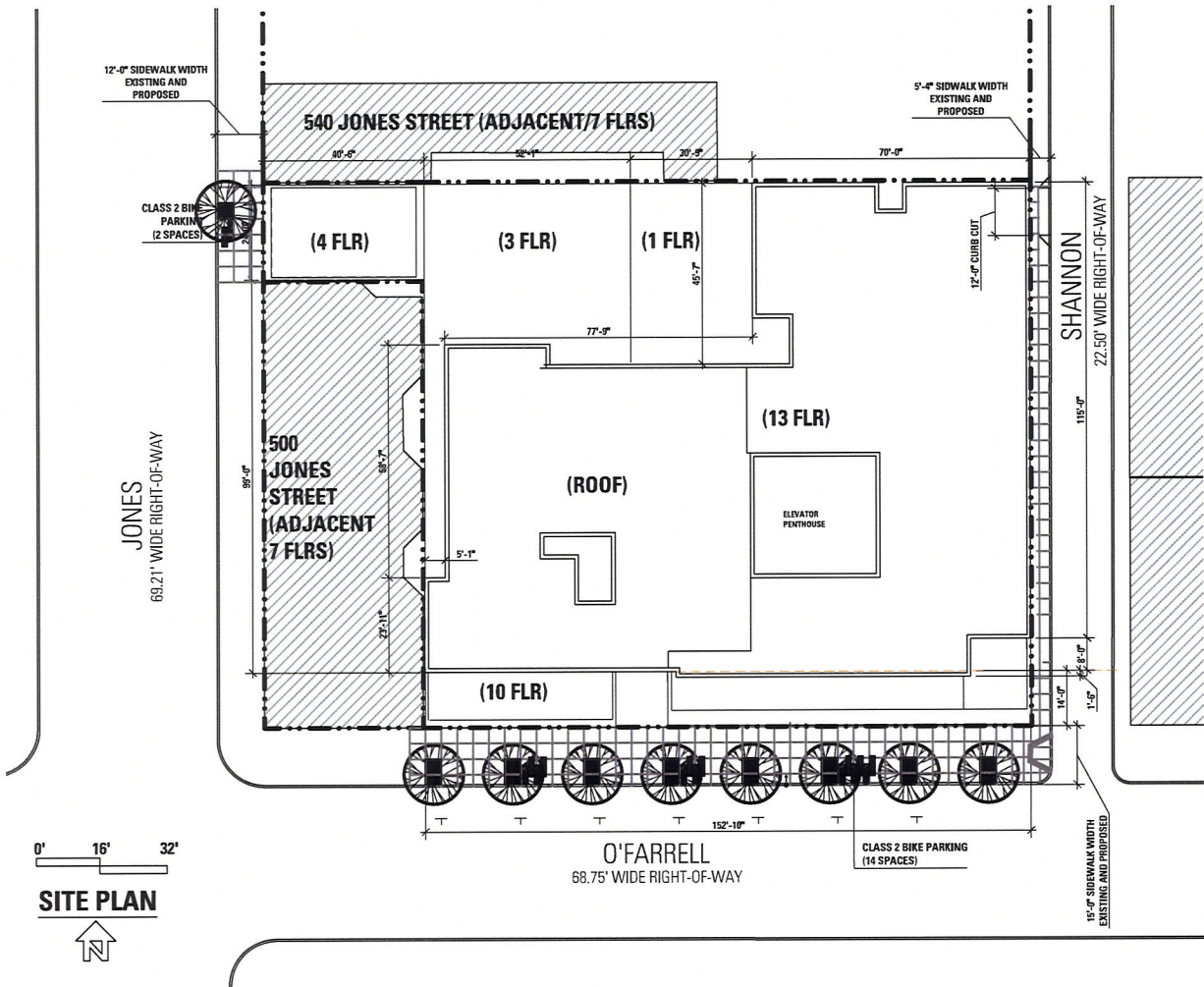
DLR Group | KwanHenmi

Site Plan (Existing)

AP1.04

1 SITE PLAN (EXISTING)

450 O'FARRELL



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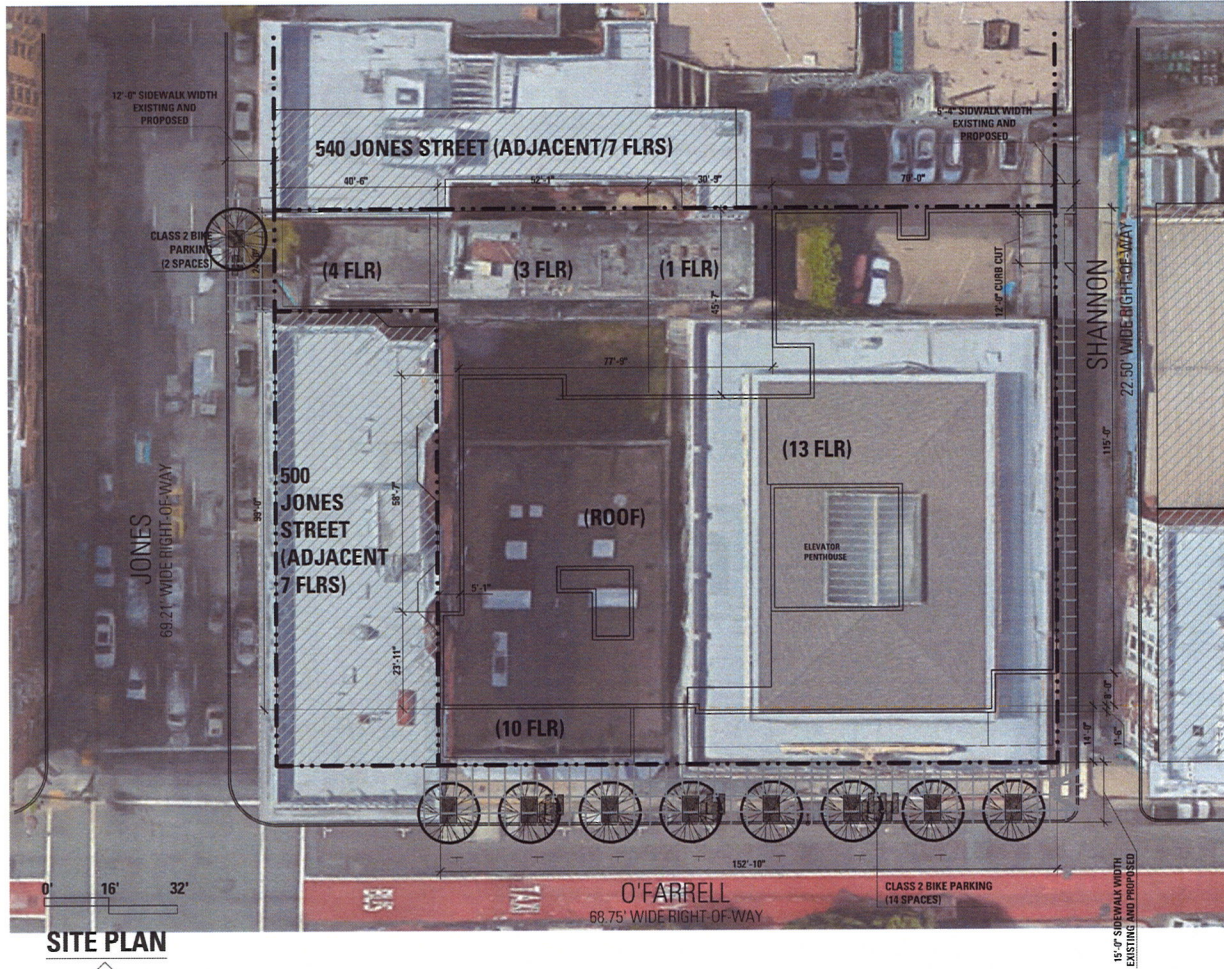
DLR Group | KwanHenmi

Site Plan (Proposed)

AP1.05

1 SITE PLAN (PROPOSED)

450 O'FARRELL



SITE PLAN



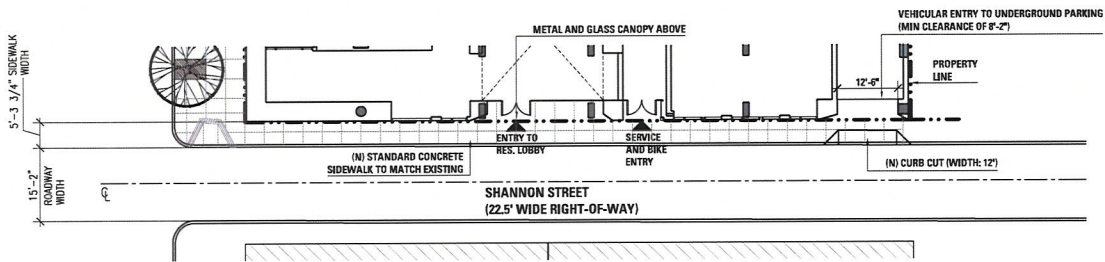
1 SITE AERIAL PHOTO

DLR Group | KwanHenmi

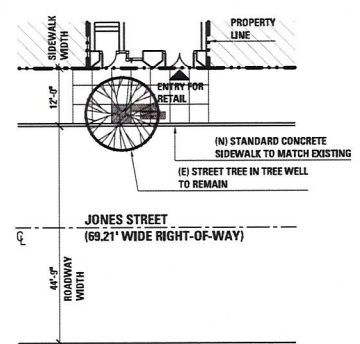
Site Aerial Photo

AP1.06

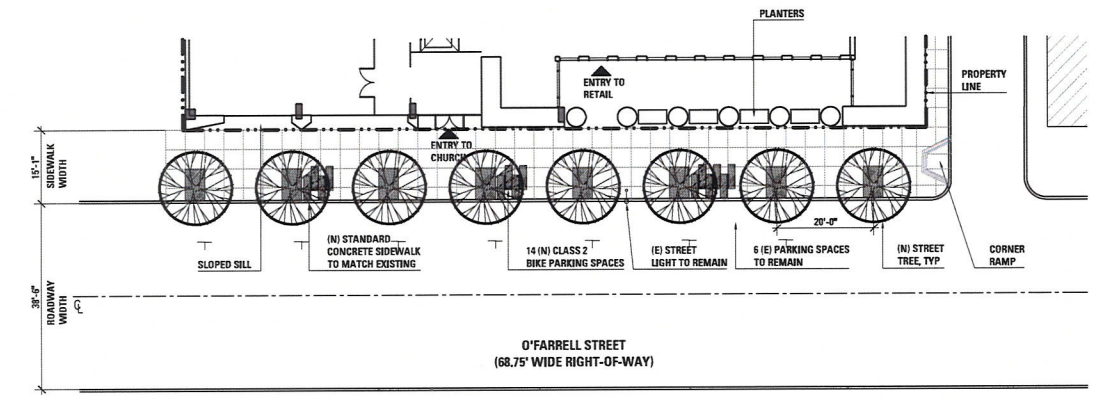
450 O'FARRELL



2 STREETScape - SHANNON



3 STREETScape - JONES



1 STREETScape - O'FARRELL

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Streetscape Plan

AP1.07

450

O'FARRELL



3



4



5



1



2

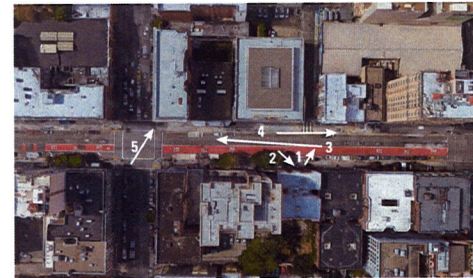


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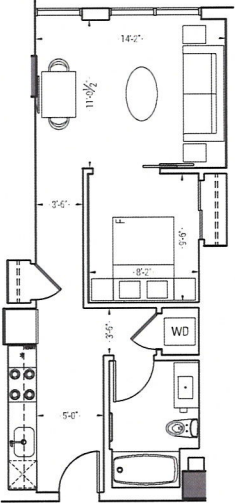
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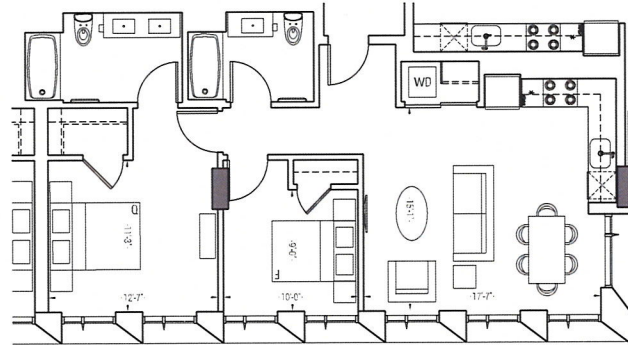
Context Photos

AP1.08

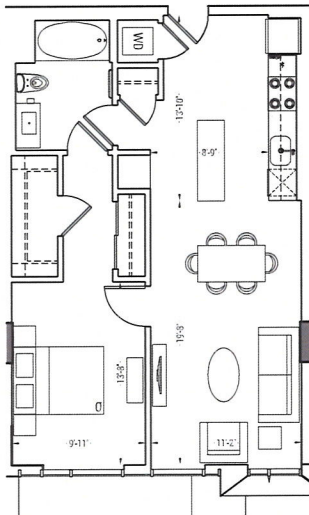
Typical Units



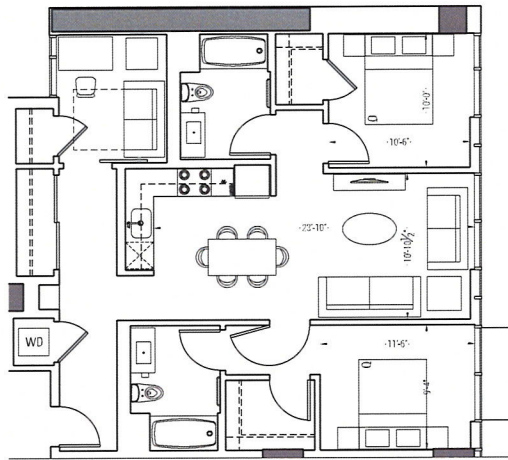
Unit Type S1 (Jr 1 Bed)



Unit Type B3 (2 Bed)



Unit Type A3 (1 Bed)



Unit Type B1 (2 Bed)

450

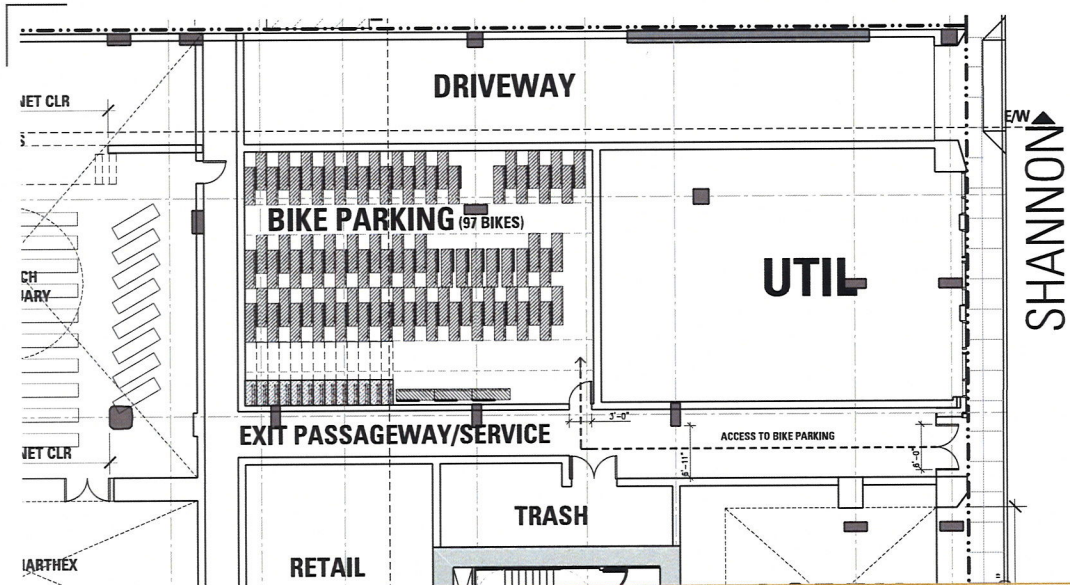
O'FARRELL

28 JUNE 2018

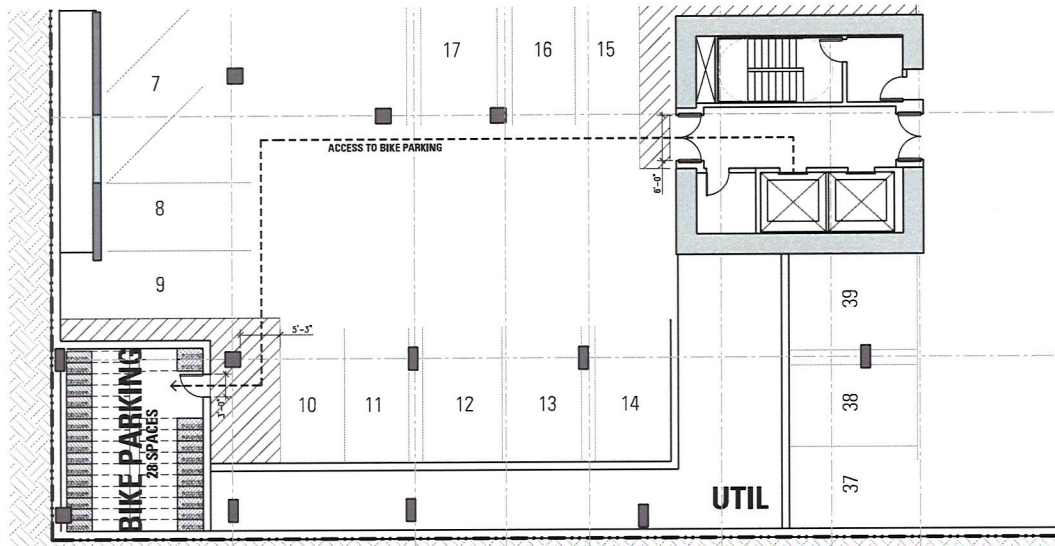
DLR Group | KwanHenmi

Typical Units

AP1.10



BIKE PARKING ACCESS PATH - LEVEL 1



BIKE PARKING ACCESS PATH - LEVEL P1

450

O'FARRELL

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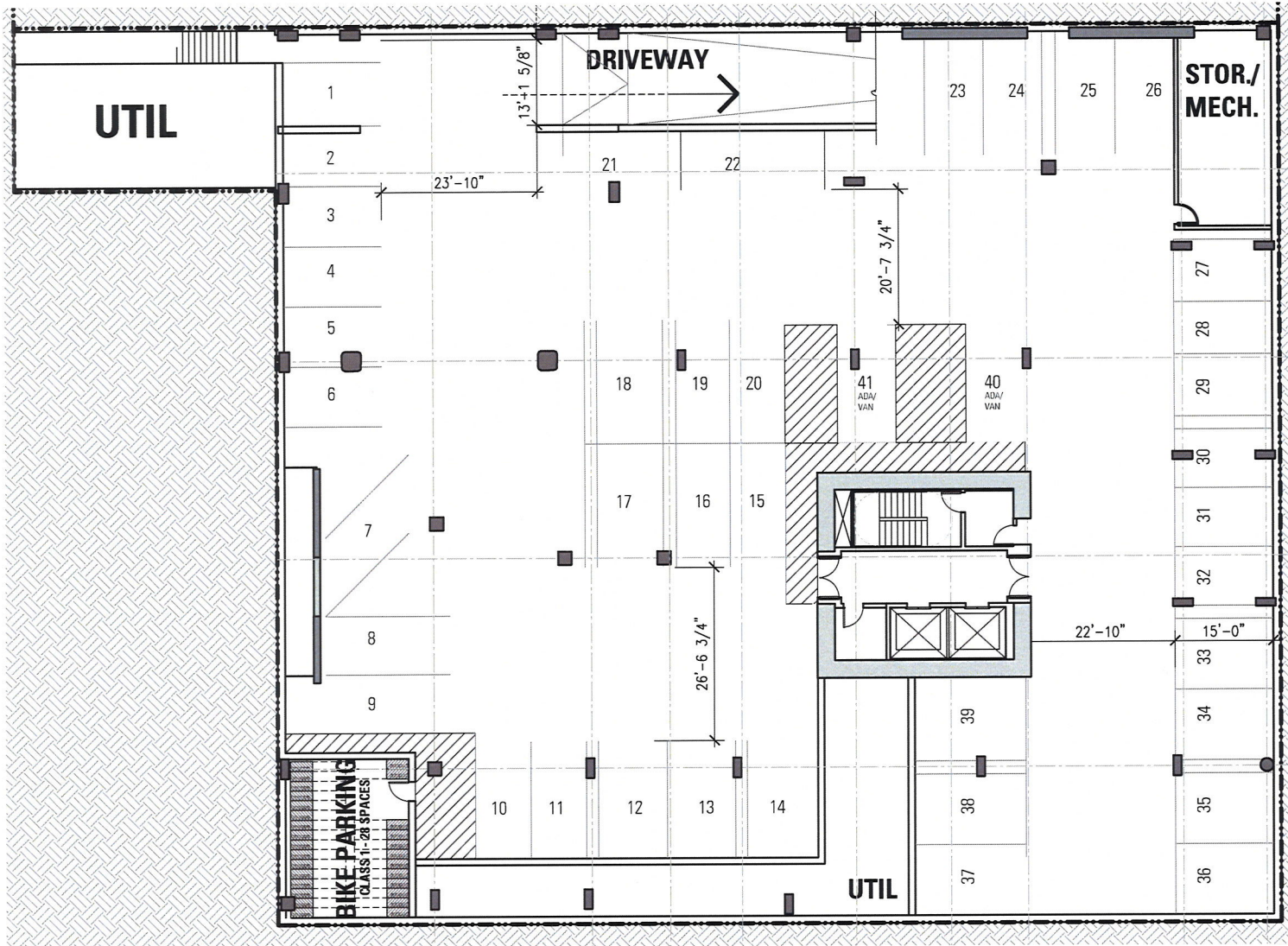
DLR Group | KwanHenmi

Bike Parking Access

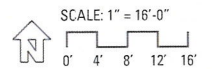
AP1.11

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



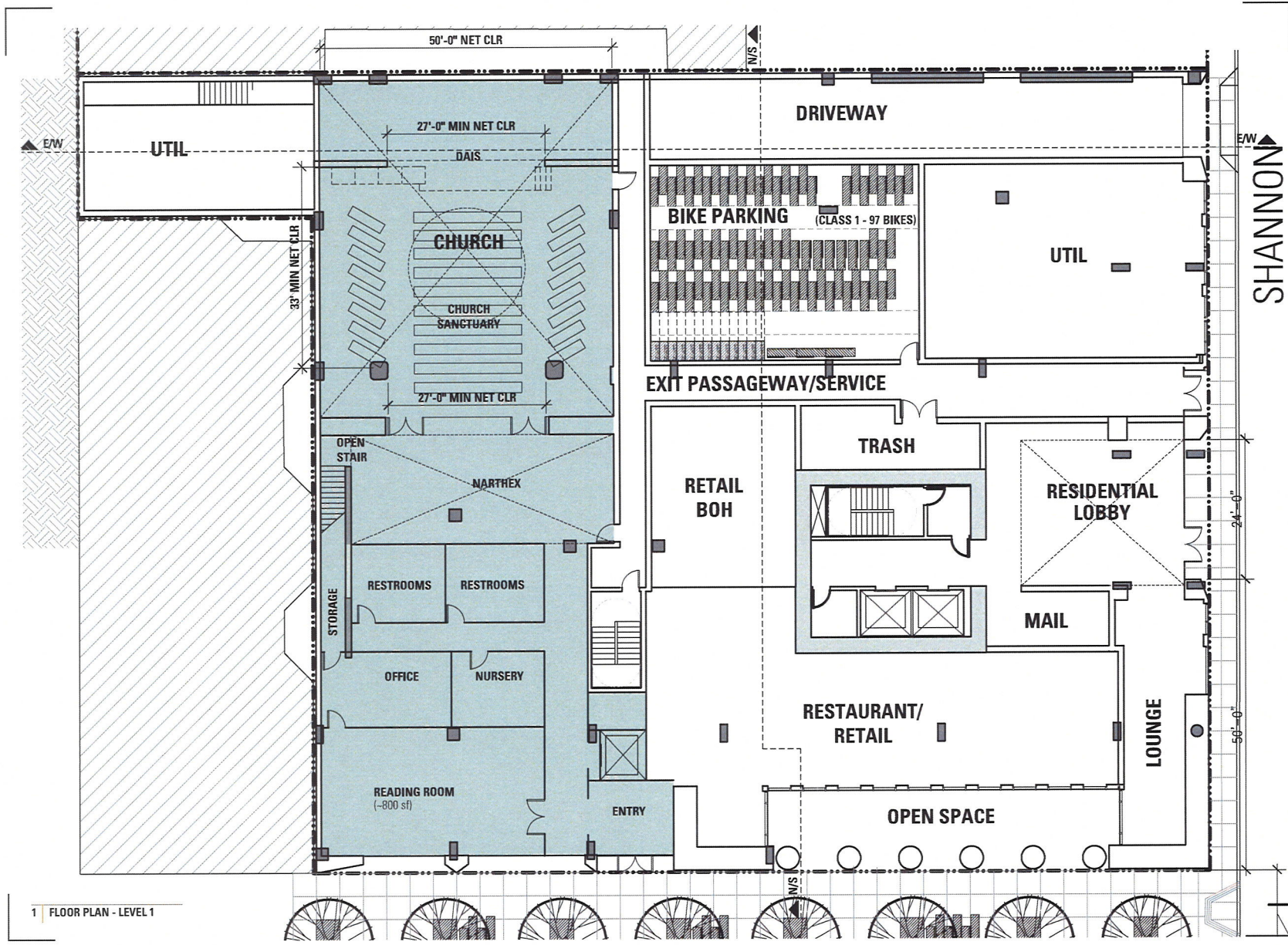
28 JUNE 2018

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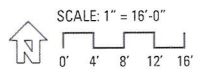
Floor Plan
 - Level P1

AP2.00

450 O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



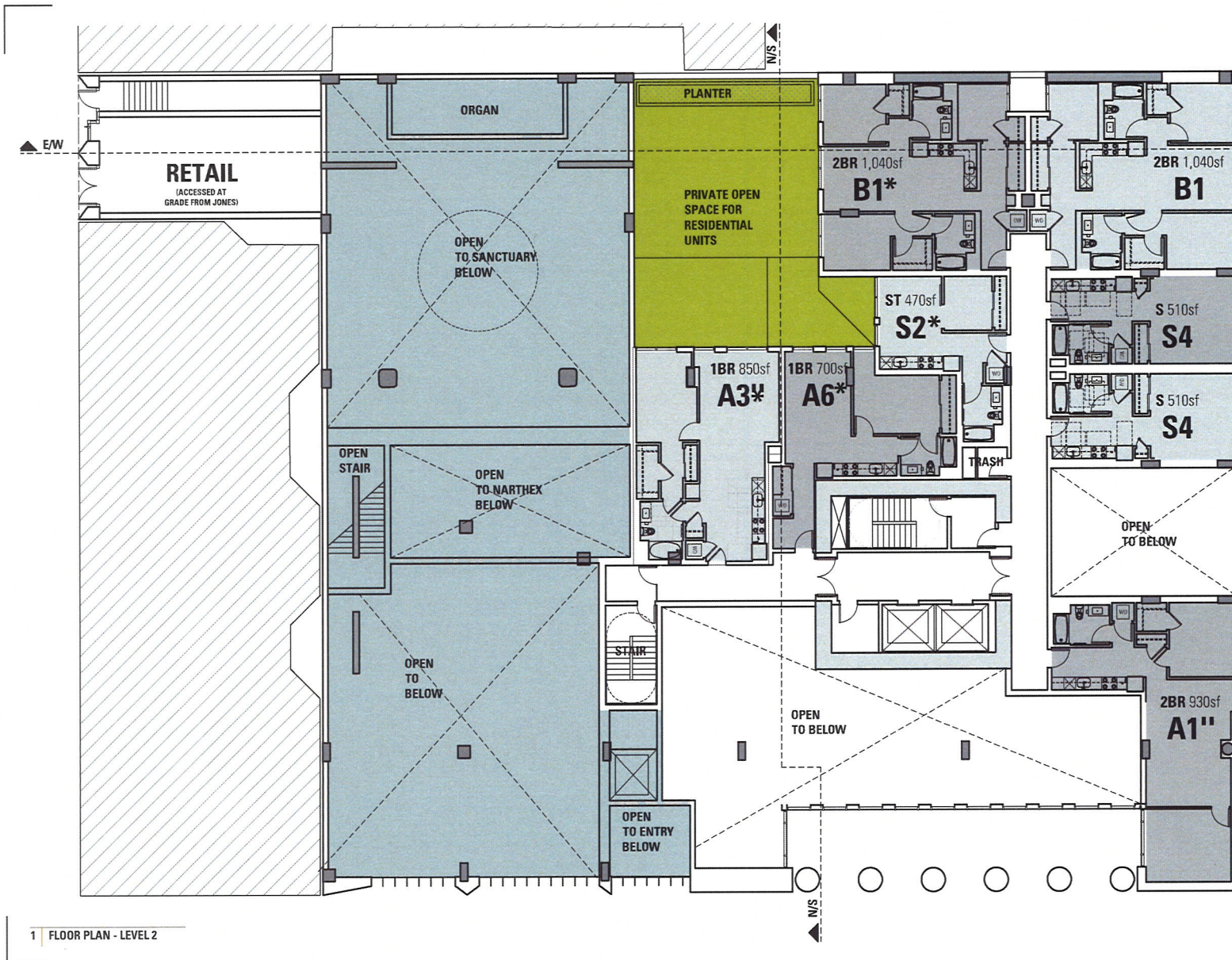
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DLR Group | KwanHenmi

Floor Plan
- Level 1

AP2.01

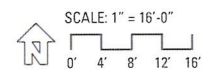
1 FLOOR PLAN - LEVEL 1



450

O'FARRELL

NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



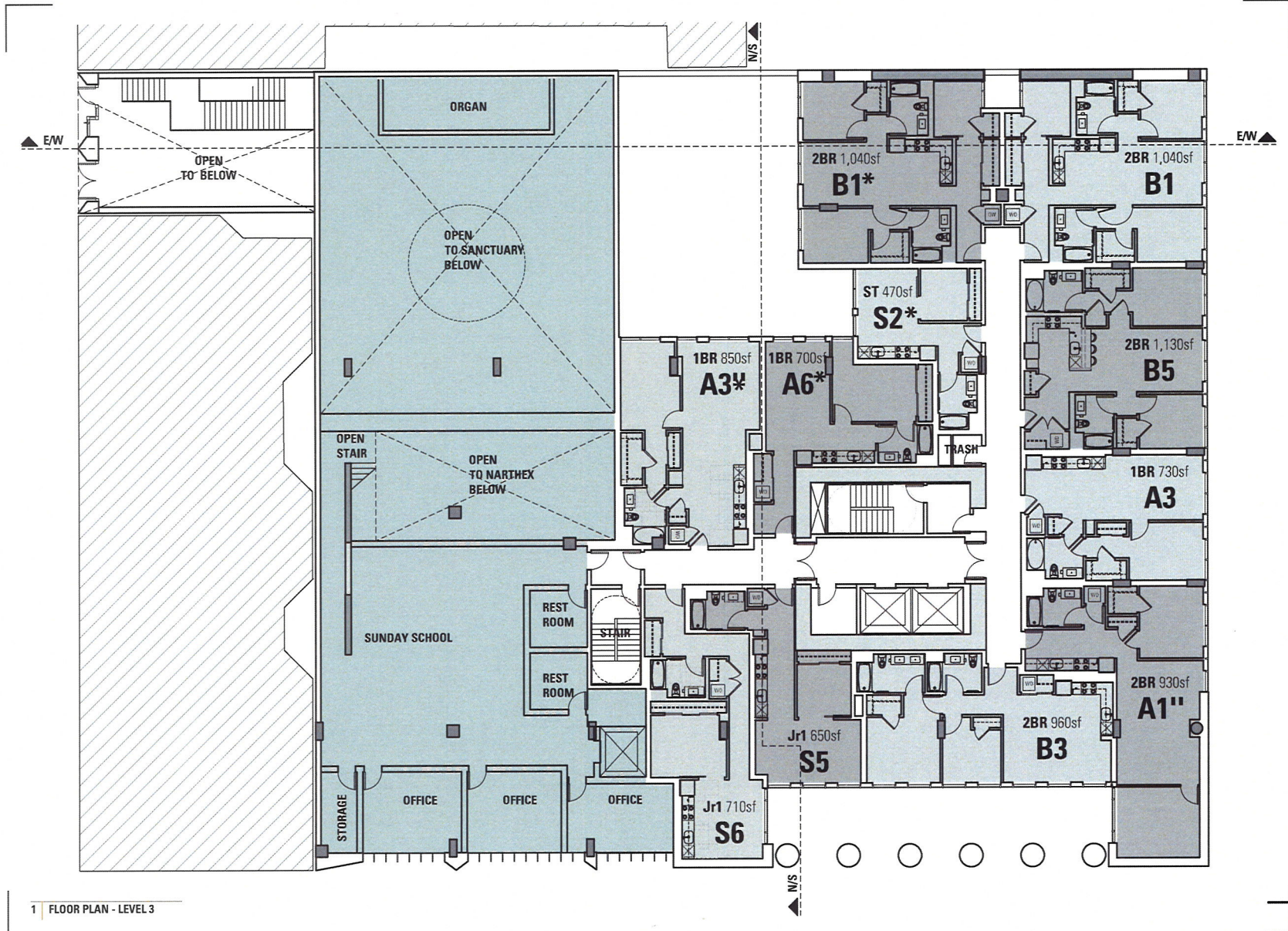
28 JUNE 2018

DLR Group | KwanHenmi

Floor Plan
- Level 2

AP2.02

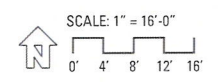
1 FLOOR PLAN - LEVEL 2



450

O'FARRELL

NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



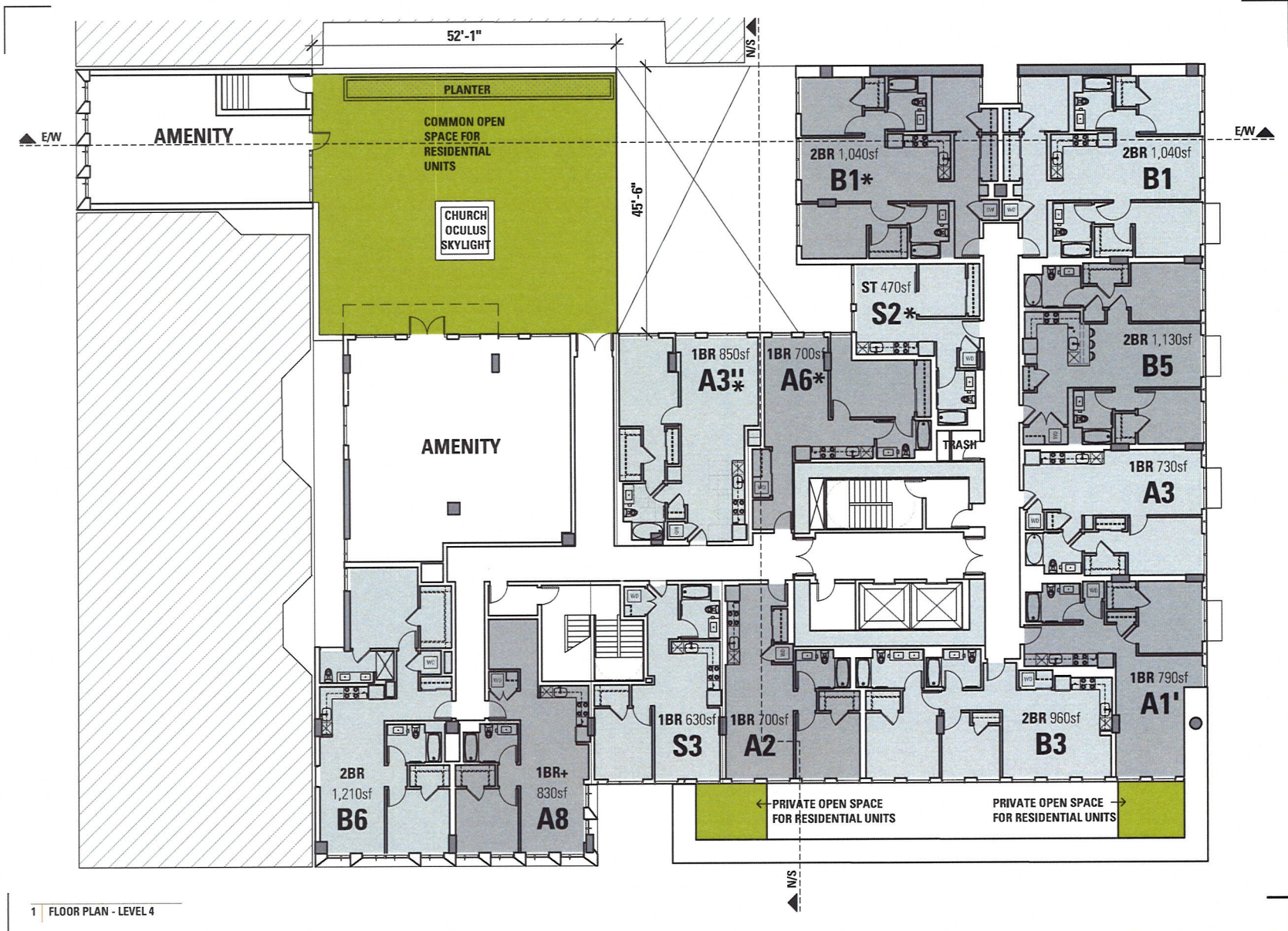
28 JUNE 2018

DLR Group | KwanHenmi

Floor Plan
- Level 3

AP2.03

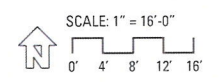
1 FLOOR PLAN - LEVEL 3



450

O'FARRELL

NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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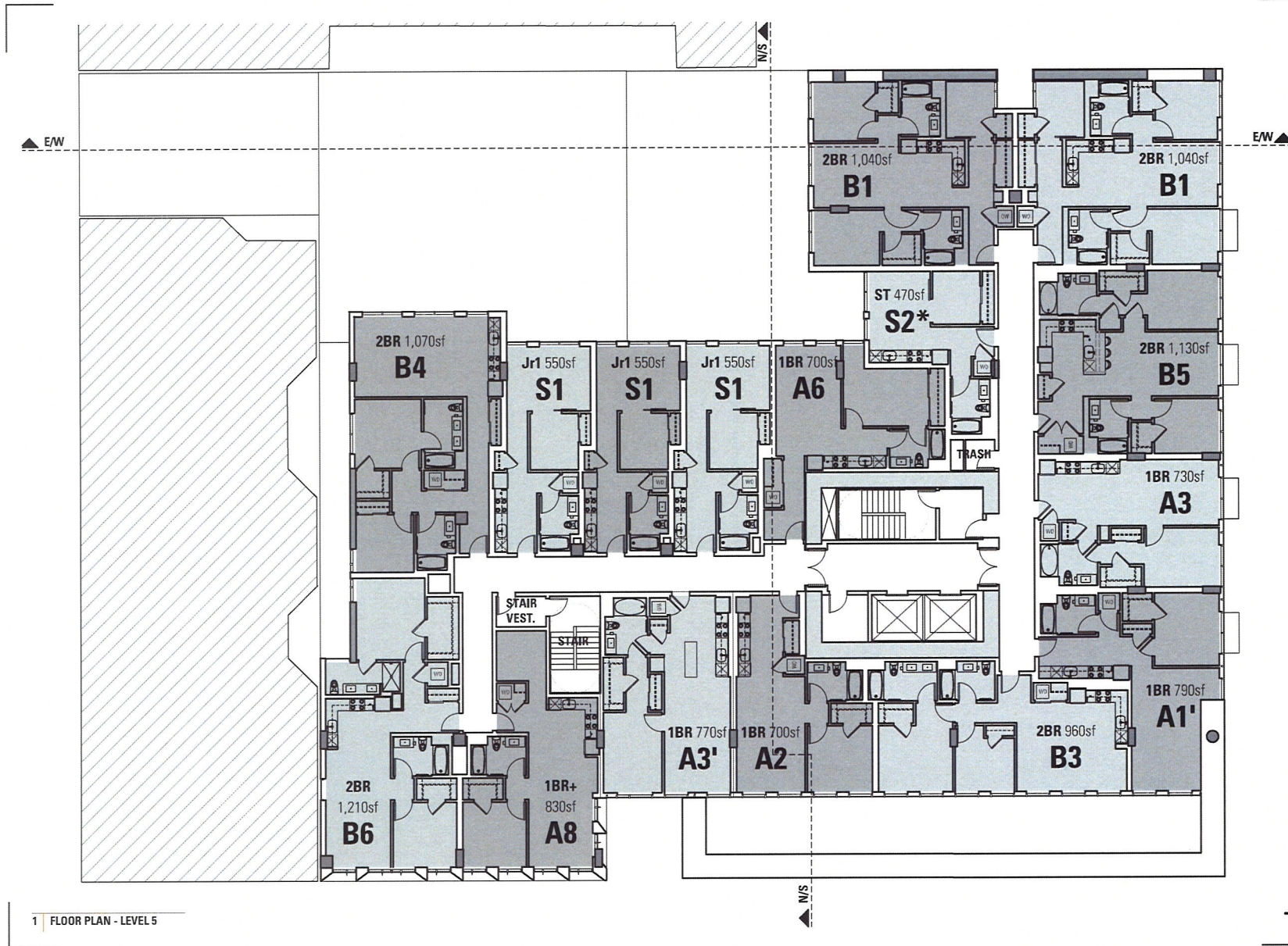
Floor Plan
- Level 4

AP2.04

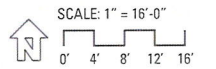
1 FLOOR PLAN - LEVEL 4

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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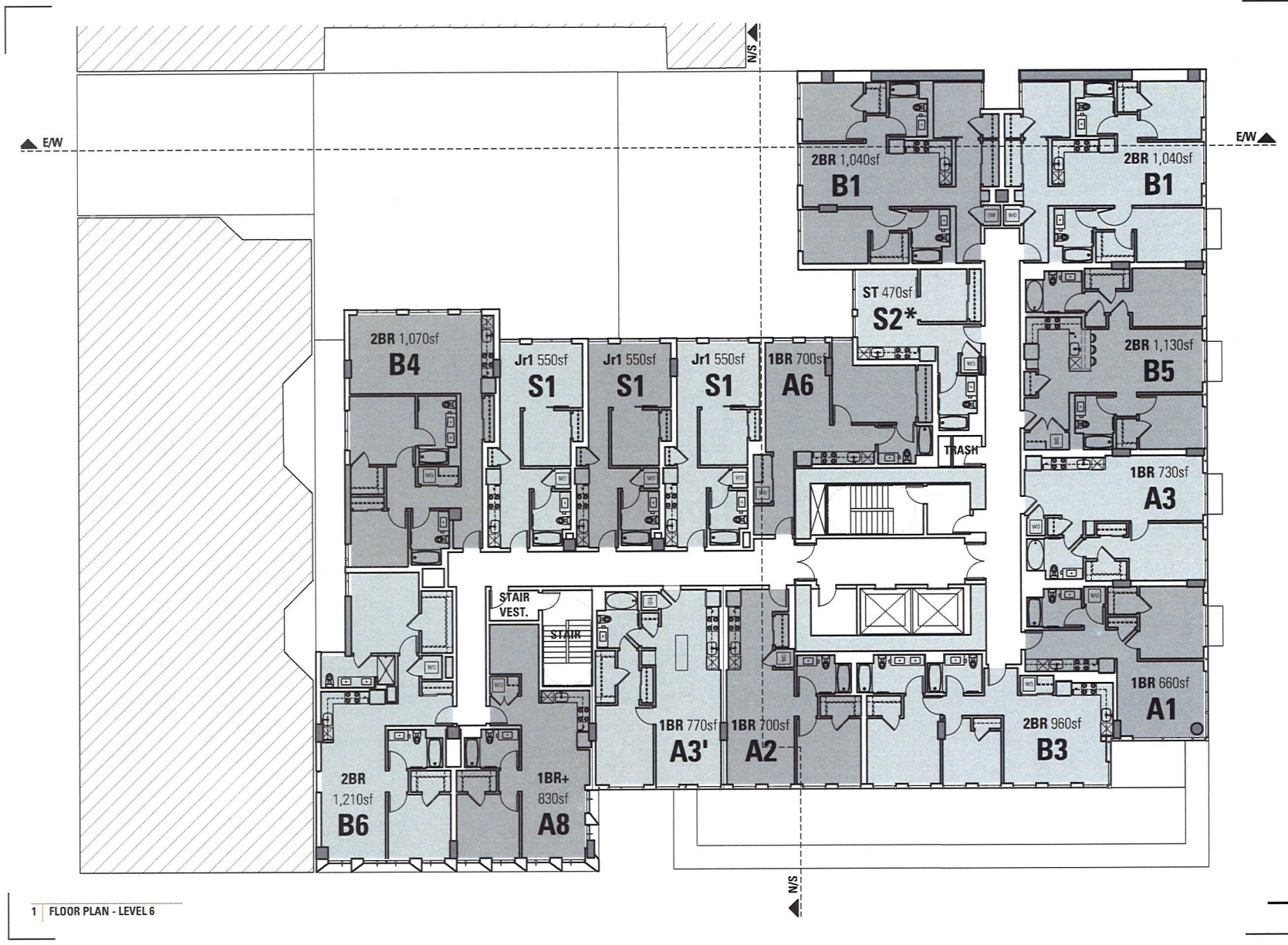
Floor Plan
- Level 5

AP2.05

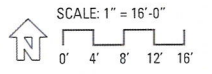
FLOOR PLAN - LEVEL 5

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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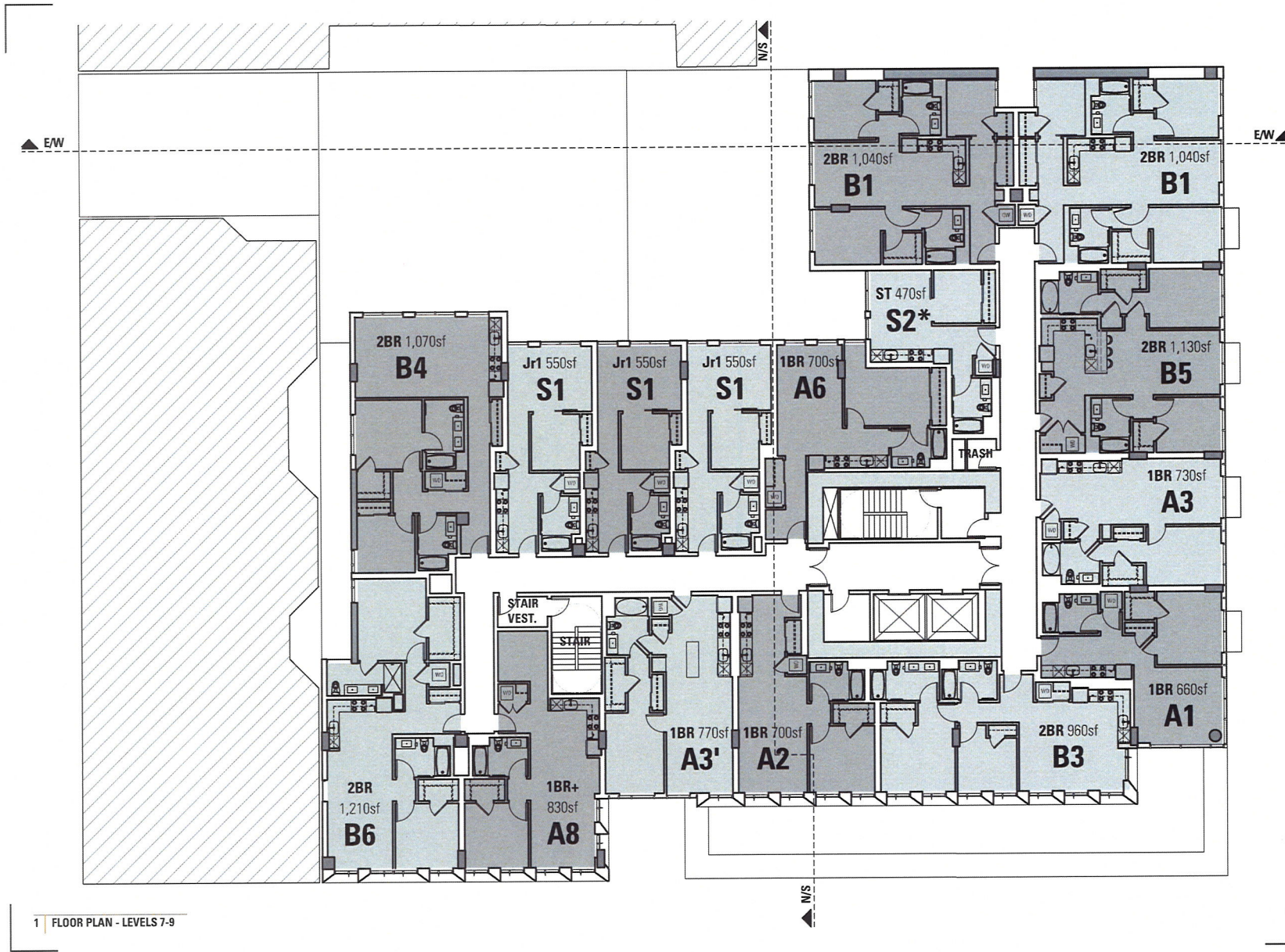
DLR Group | KwanHenmi

Floor Plan
- Level 6

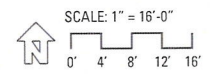
AP2.06

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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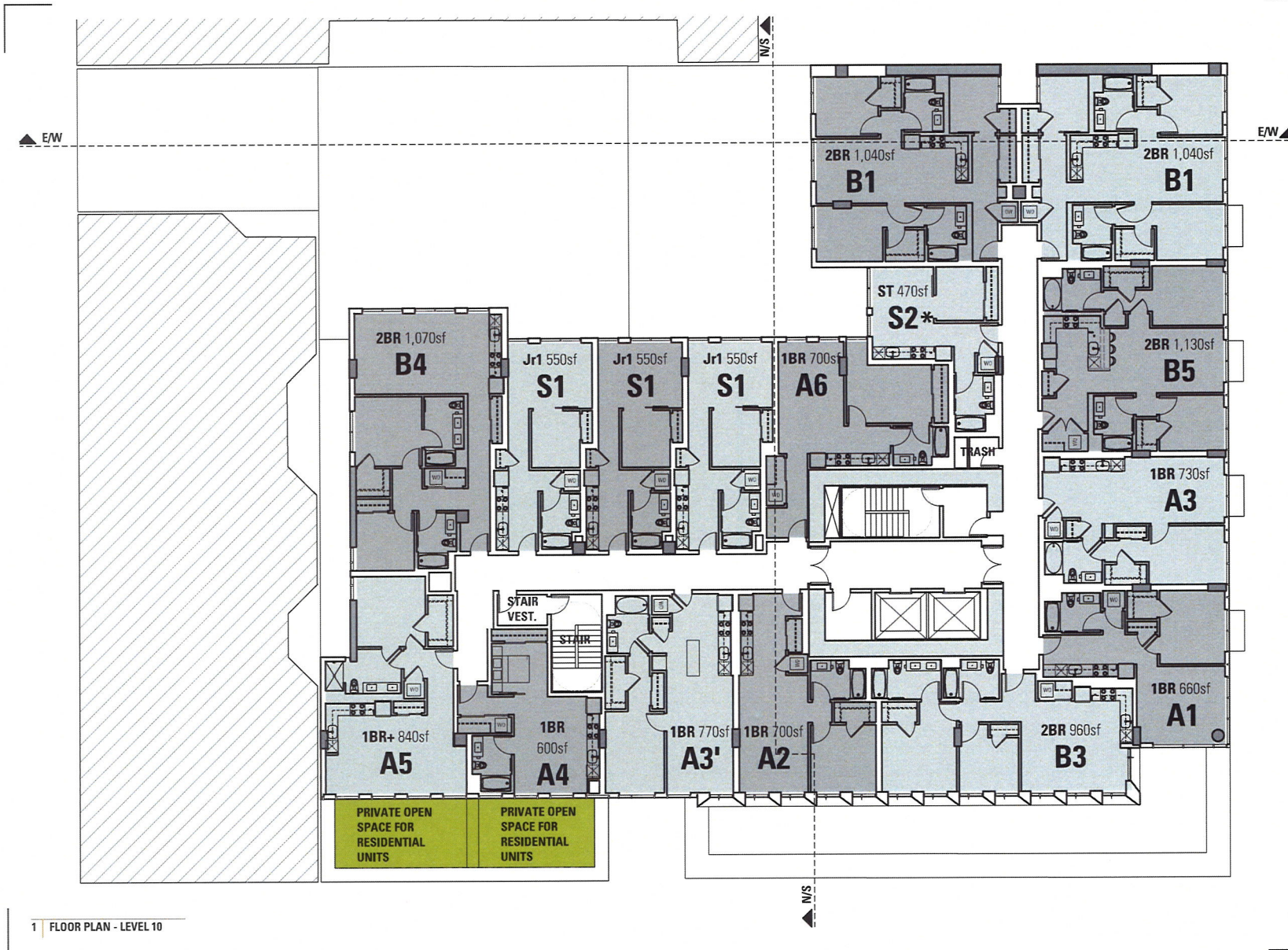
DLR Group | KwanHenmi

Floor Plan
- Levels 7-9

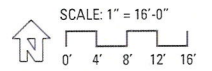
AP2.07

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



28 JUNE 2018

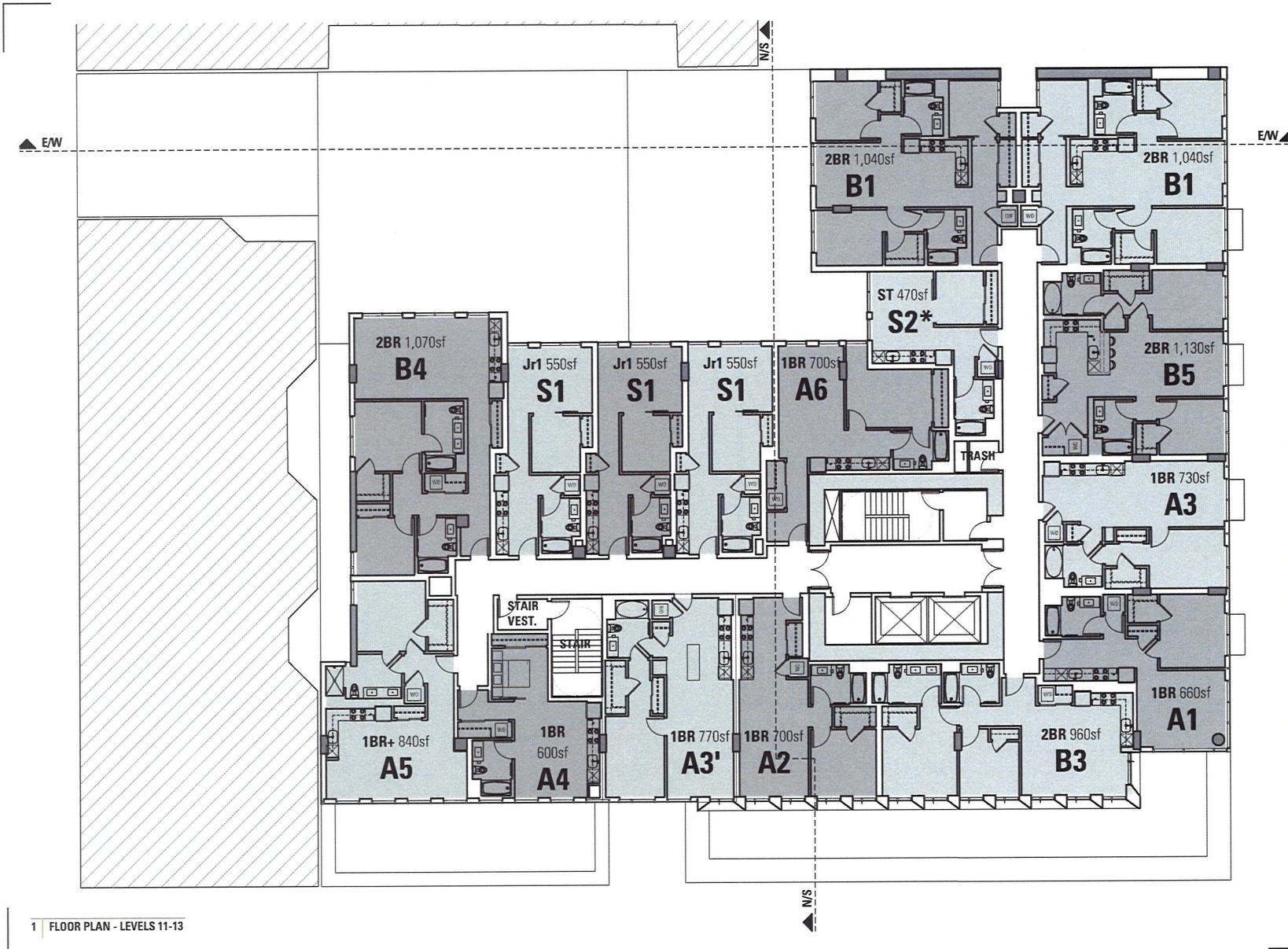
DLR Group | KwanHenmi

Floor Plan
- Level 10

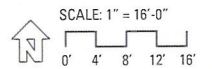
AP2.10

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



28 JUNE 2018

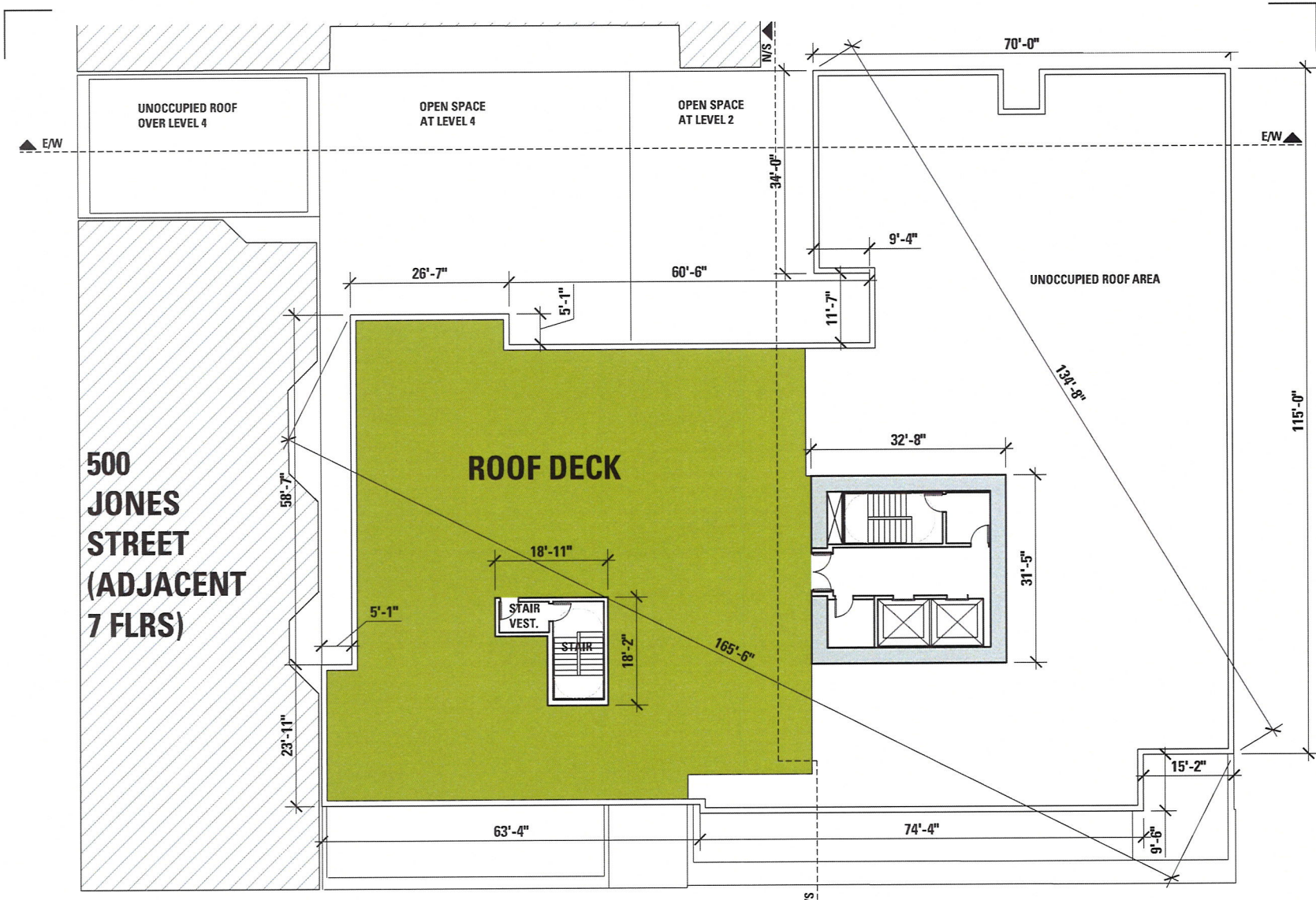
DLR Group | KwanHenmi

Floor Plan
- Levels 11-13

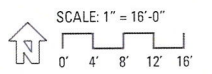
AP2.11

450

O'FARRELL



NOTE: Units designated with the * symbol require an exception to section 140 of the SF Planning Code



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DLR Group | KwanHenmi

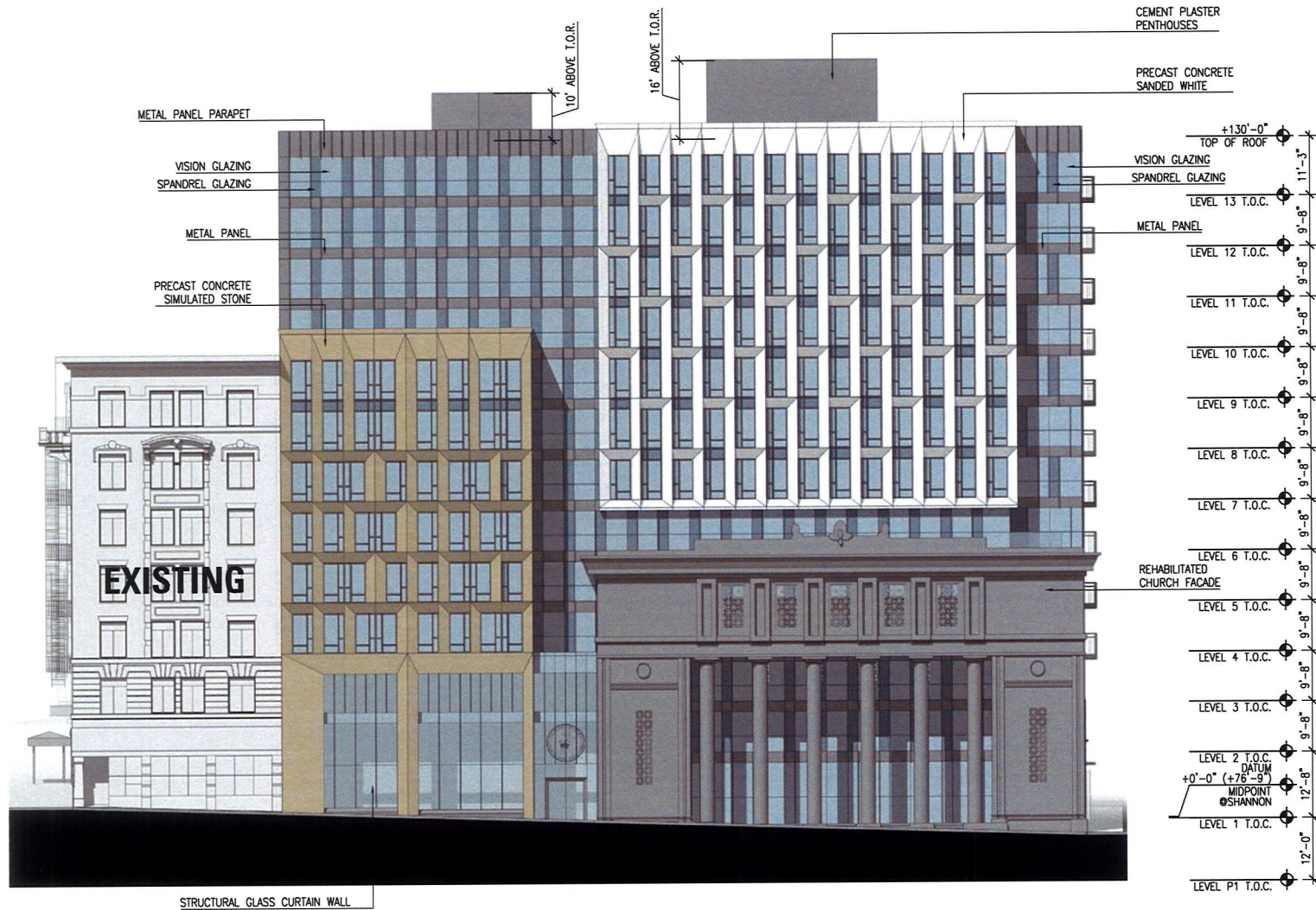
Roof Plan

AP2.14

1 ROOF PLAN

NOTE: RAILINGS AT THE ROOF SHALL COMPLY WITH THE BIRD-SAFE BUILDING STANDARD

450 O'FARRELL



SCALE: 1" = 20'-0"
0' 5' 10' 15' 20'

28 JUNE 2018

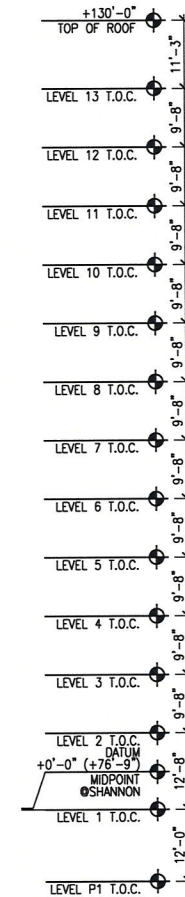
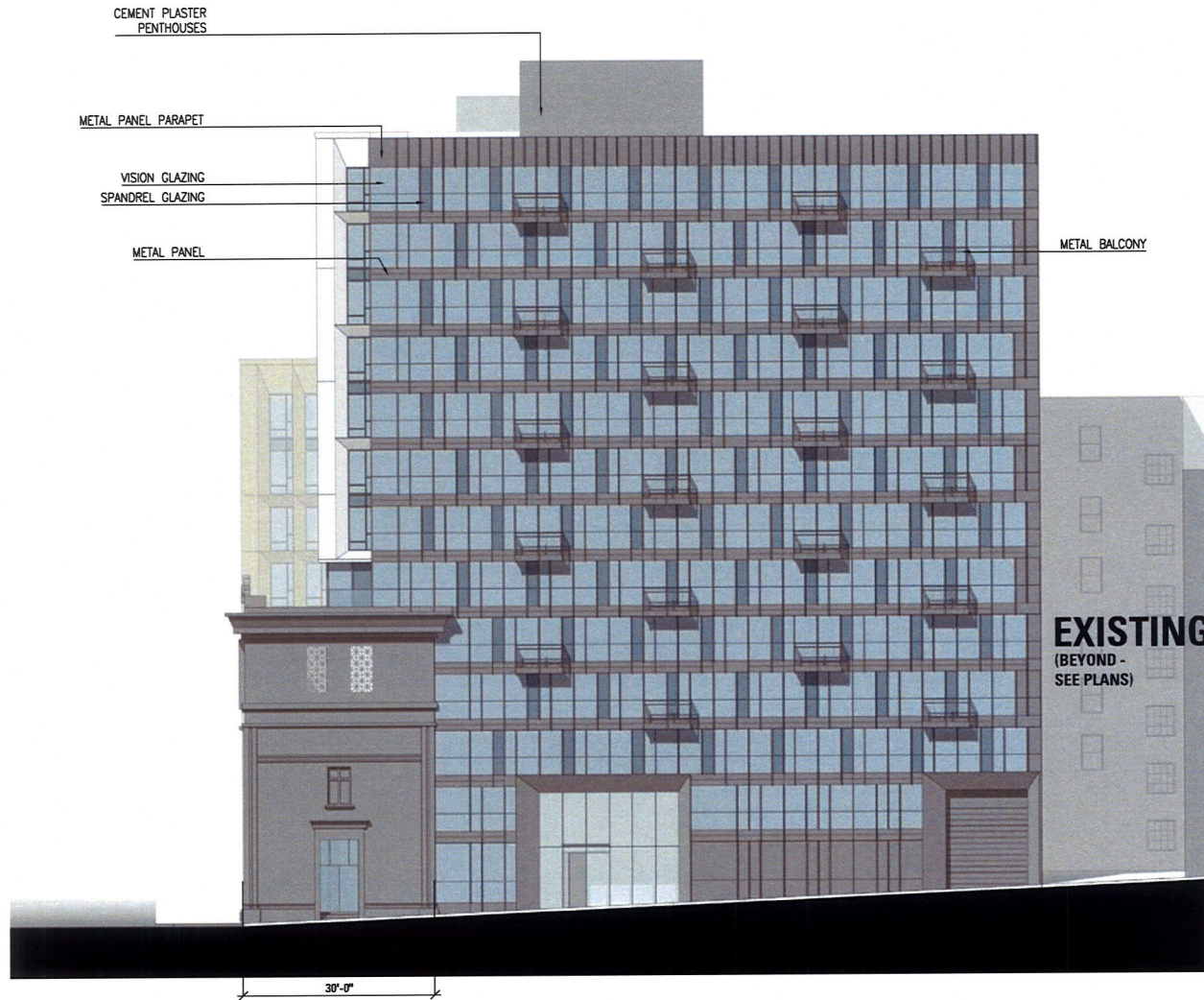
DLR Group | KwanHenmi

Elevation
- O'Farrell Street

AP3.01

450

O'FARRELL



SCALE: 1" = 20'-0"
 0' 5' 10' 15' 20'

28 JUNE 2018

DLR Group | KwanHenmi

Elevation
 - Shannon Street

AP3.02

1 BUILDING ELEVATION - SHANNON

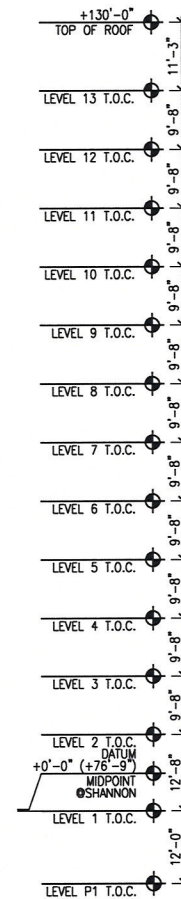
450

O'FARRELL



PRECAST CONCRETE SANDED WHITE

VISION GLAZING



SCALE: 1" = 20'-0"
 0' 5' 10' 15' 20'

28 JUNE 2018

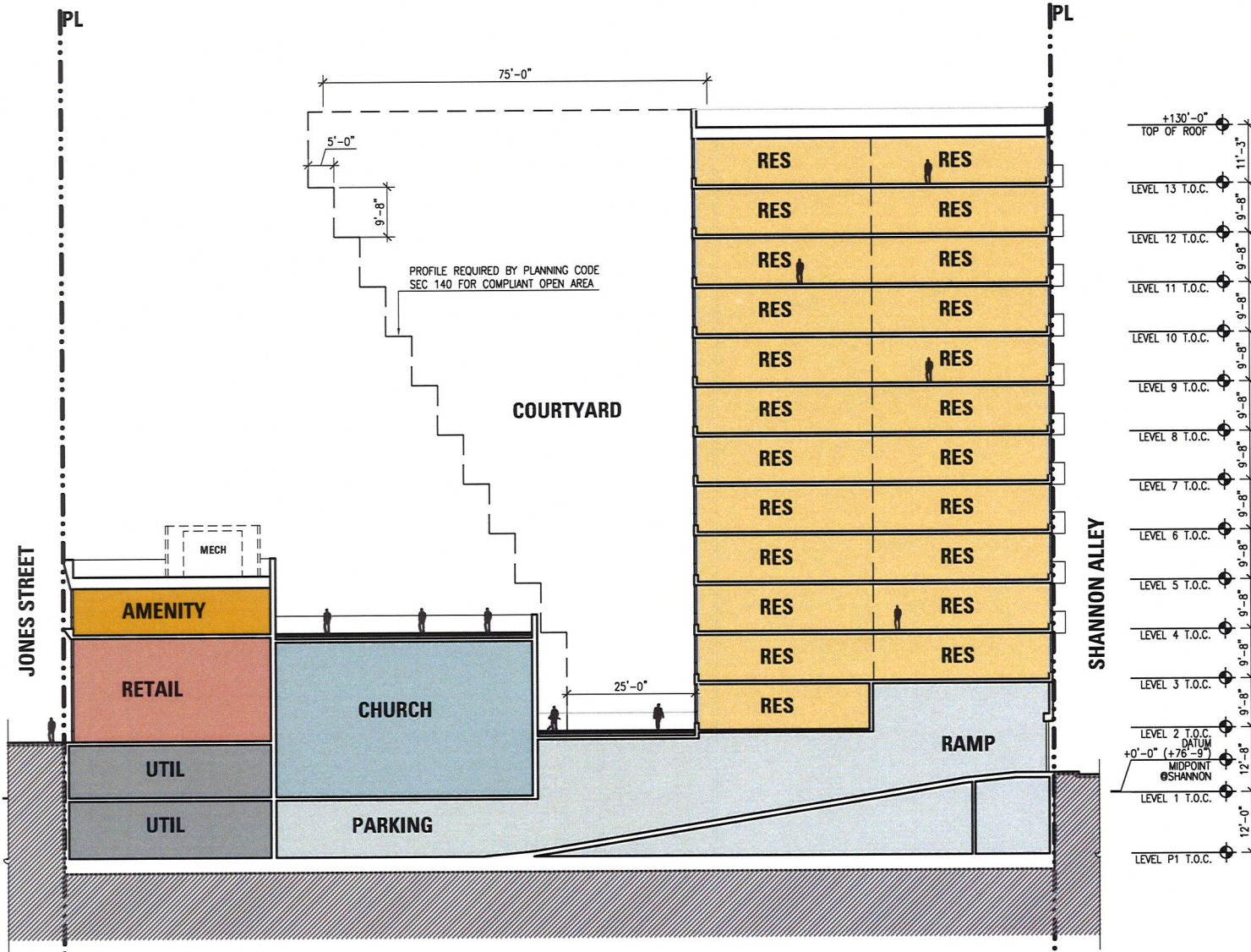
DLR Group | KwanHenmi

Elevation
 - Jones Street

AP3.03

1 BUILDING ELEVATION - JONES

450 O'FARRELL



1 BUILDING SECTION - LONGITUDINAL

28 JUNE 2018

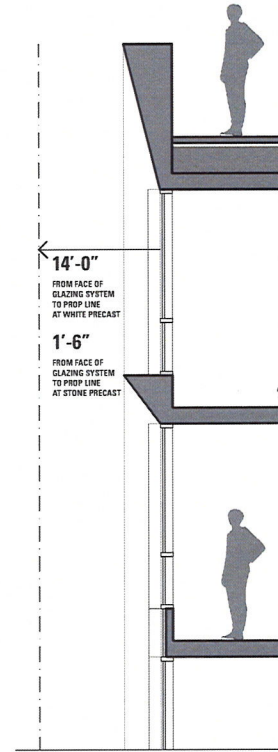
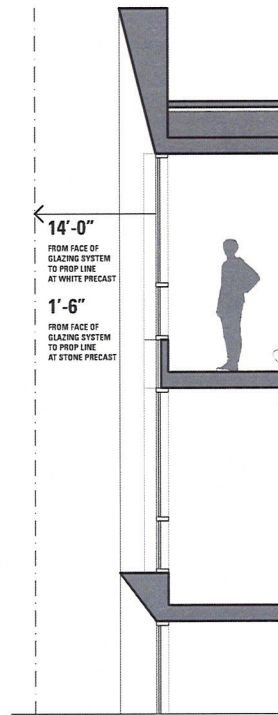
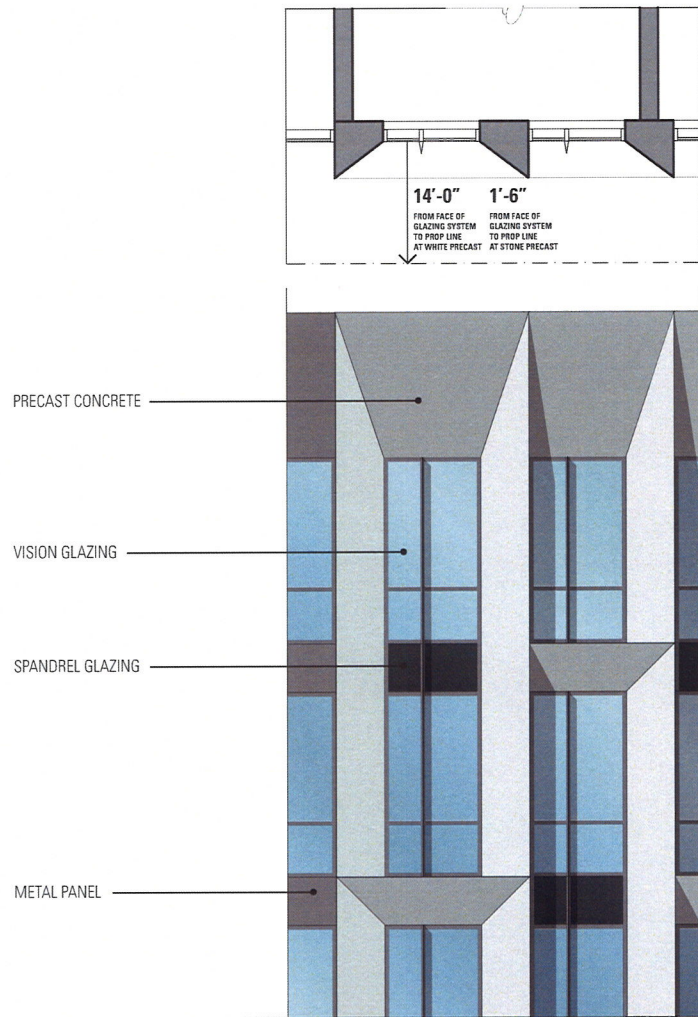
DLR Group | KwanHenmi

Building Section
- Longitudinal

AP3.12

450

O'FARRELL



28 JUNE 2018

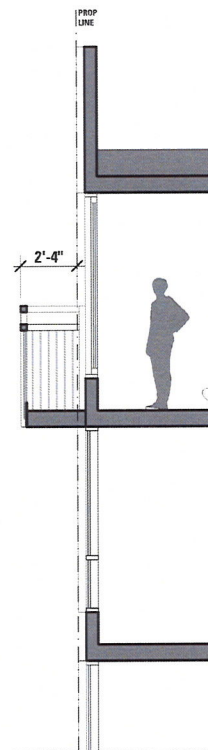
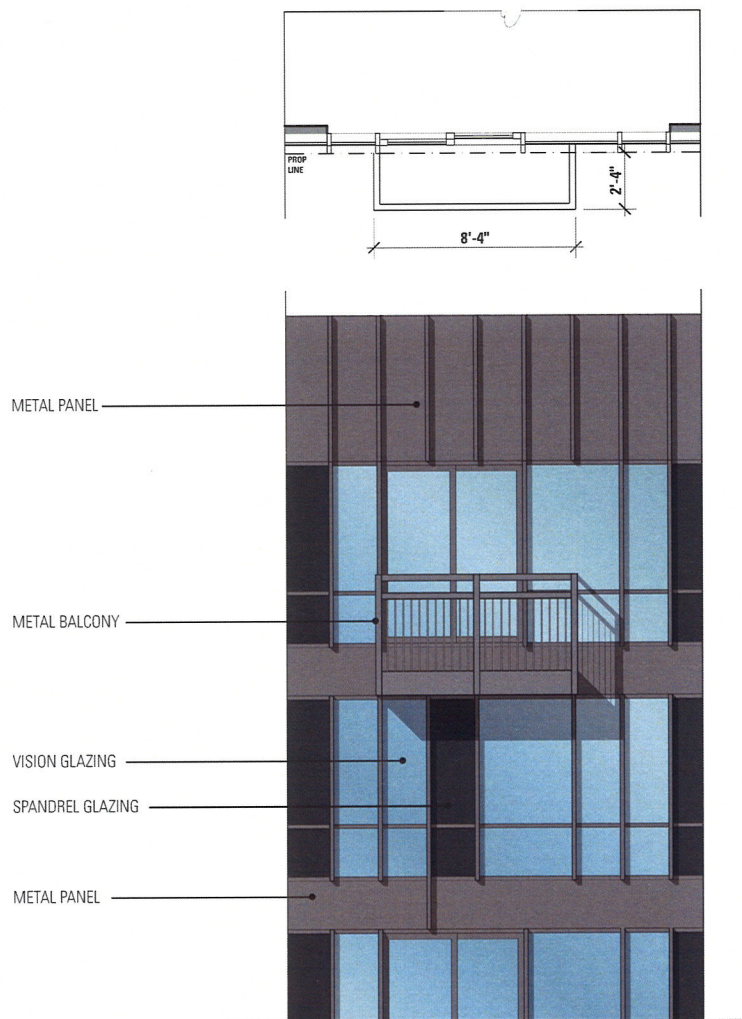
DLR Group | KwanHenmi

Building Detail
- Precast

AP4.01

450

O'FARRELL



1 BUILDING DETAIL - WINDOW WALL

28 JUNE 2018

 DLR Group | KwanHenmi

Building Detail
- Window Wall + Balconies

AP4.02



450

O'FARRELL

28 JUNE 2018

 DLR Group | KwanHenmi

View
- O'Farrell from East

AP5.01

PREFERRED PROJECT

FACADE SETBACK 14'
FROM O'FARRELL

THIS BUILDING NOT
PART OF PROJECT



450

O'FARRELL

28 JUNE 2018

 DLR Group | KwanHenmi

View
- O'Farrell and Shannon

AP5.02



450

O'FARRELL

28 JUNE 2018

DLR Group | KwanHenmi

View
- O'Farrell and Shannon

AP5.03



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

View
- O'Farrell and Jones

AP5.04



450

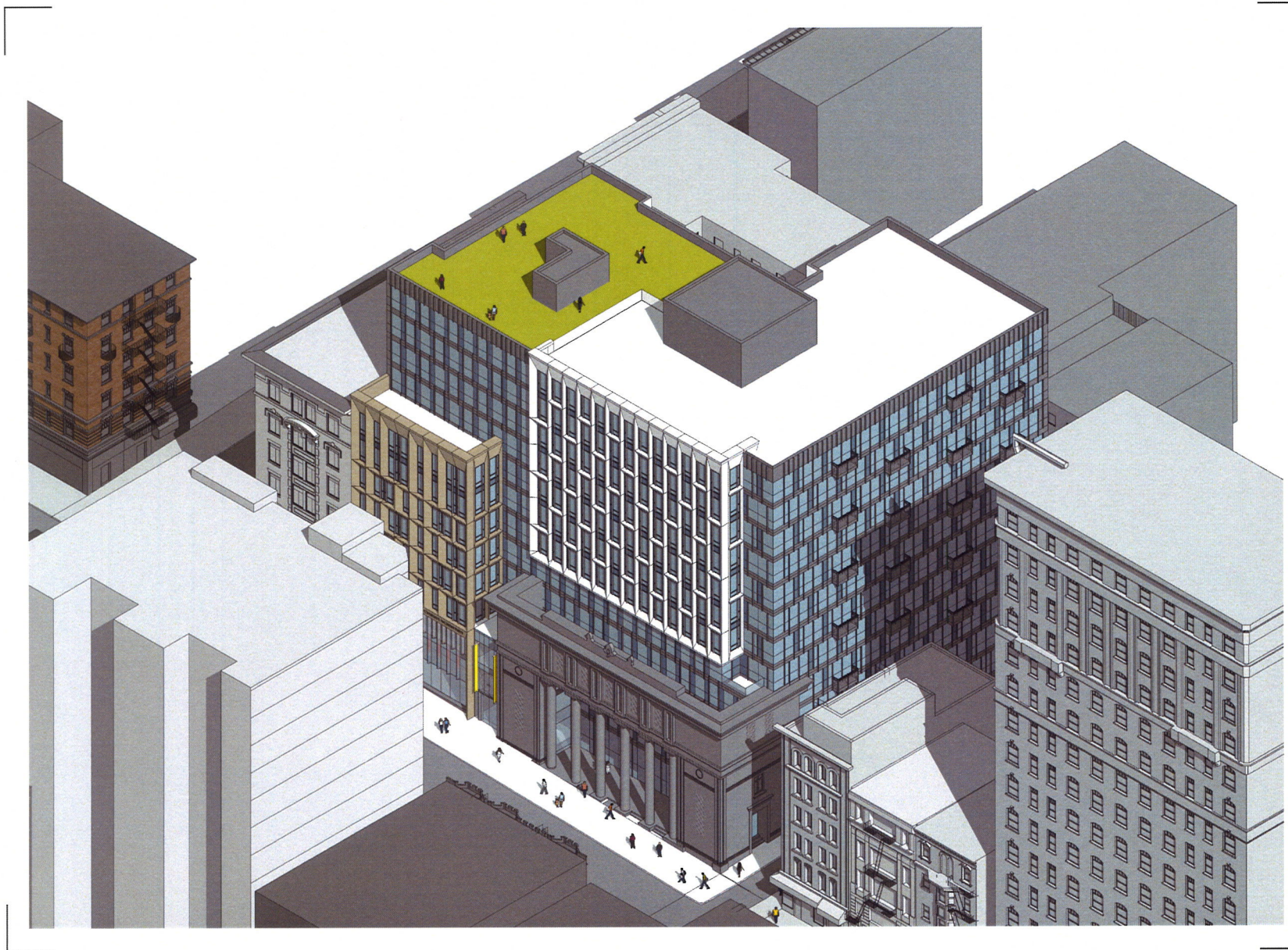
O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

View
- Jones Street

AP5.05



450

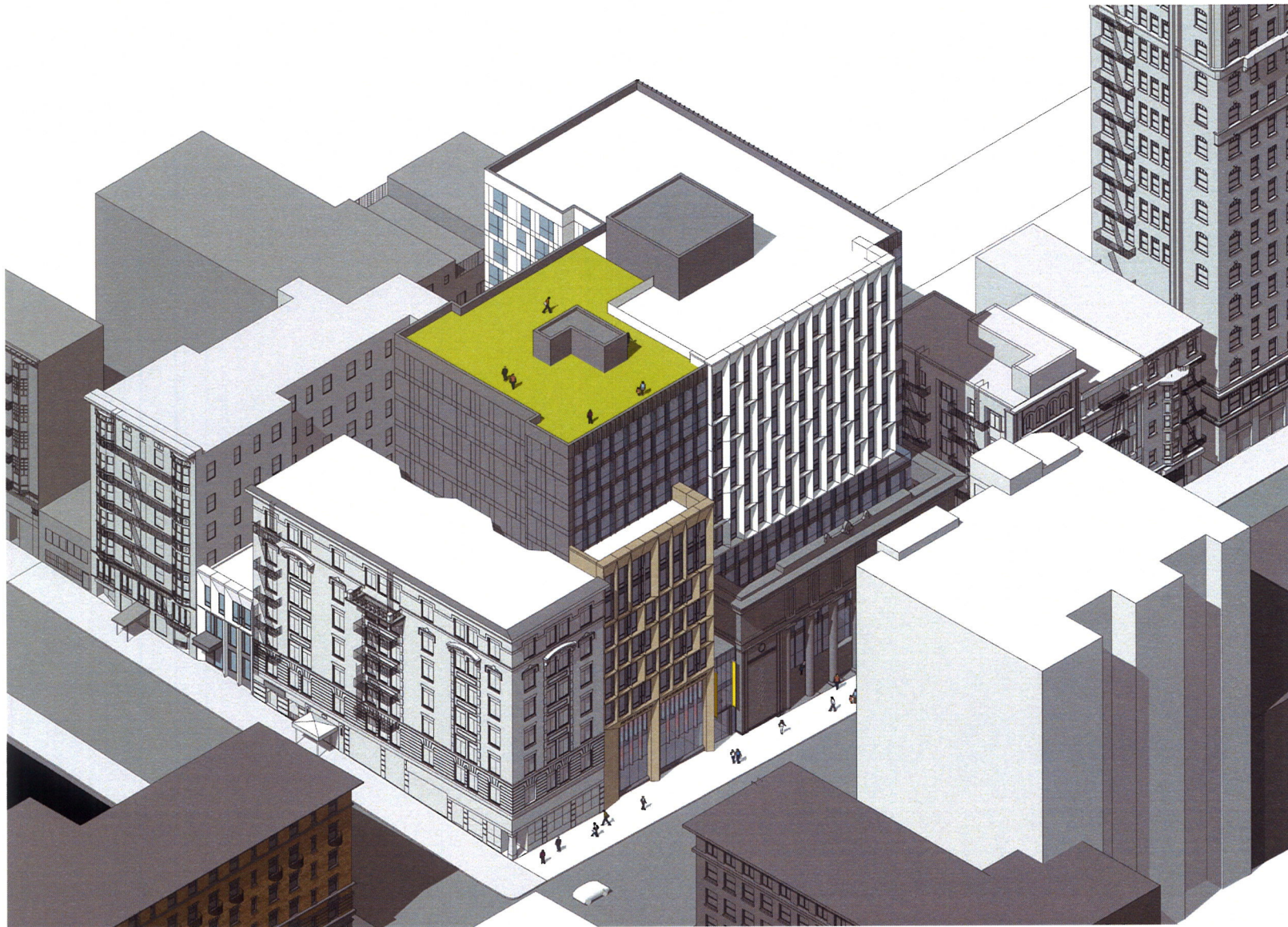
O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

Axonometric
- from Southeast

AP6.01



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

Axonometric
- from Southwest

AP6.02



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

Rendering (Closeup)
- O'Farrell from West (Day)

AP7.01

450

O'FARRELL



28 JUNE 2018

 DLR Group | KwanHenmi

Rendering
- O'Farrell from West (Day)

AP7.02



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

Rendering (Closeup)
- O'Farrell from East (Day)

AP7.03



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

Rendering
- O'Farrell from East (Day)

AP7.04



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

Rendering (Closeup)
- O'Farrell from East (Night)

AP7.05



450

O'FARRELL

28 JUNE 2018

 DLR Group |  KwanHenmi

Rendering
- O'Farrell from East (Night)

AP7.06

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

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco will hold a public hearing to consider the following appeals and said public hearings will be held as follows, at which time all interested parties may attend and be heard:

Date: Tuesday, November 13, 2018


Time: 3:00 p.m.

Location: Legislative Chamber, City Hall, Room 250
1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102

Subject: **File No. 180993.** Hearing of persons interested in or objecting to the certification of a Final Environmental Impact Report for a proposed project at 450-474 O'Farrell Street and 532 Jones Street, identified in Planning Case No. 2013-1535ENV, issued by the Planning Commission through Motion No. 20279, dated September 13, 2018; to demolish the existing commercial building (474 O'Farrell Street), existing commercial and residential building (532 Jones Street), and existing religious building (450 O'Farrell Street); and construct a 13-story mixed-use building containing up to 176 residential units, and approximately 3,827 square feet of ground floor retail, 9,555 square feet new religious (church) use, and below-grade parking for up to 46 vehicles. (District 6) (Appellants: Sarah M. K. Hoffman of Zacks, Freedman & Patterson, on behalf of 540 Jones Street Hotel, LLC., and Mike Buhler, on behalf of San Francisco Heritage) (Filed October 15, 2018)

File No. 180997. Hearing of persons interested in or objecting to the certification of a Conditional Use Authorization pursuant to Planning Code, Section 303, for a planned unit development pursuant to Planning Code, Section 304, with modifications for rear yard (Planning Code, Section 134(G)), dwelling unit exposure (Planning Code, Section 140); off street loading (Planning Code, Section 152) and permitted obstructions (Planning Code, Section 136(c)); for demolition of five existing dwelling units (Planning Code, Section 317); exceeding height of 50 feet with street frontage greater than 40 feet (Planning Code, Section 253); height greater than 80 feet in North of Market Residential Special Use District No. 1 (Planning Code, Sections 249.5/263.7); bulk exceedance (Planning Code, Section 270); and establishment of new Religious Institution Use (Section 303), for a proposed project at 450-474 O'Farrell Street and 532 Jones Street, Assessor's Parcel Block No. 0317, Lot Nos. 007, 009, and 011, identified in Planning Case No. 2013.1535ENV/CUA, issued by the Planning Commission by Motion No. 20281, dated September 13, 2018, to permit demolition of the existing commercial building (474 O'Farrell Street), existing commercial and residential building (532 Jones Street), and existing religious building (450 O'Farrell Street), and construct a 13-story mixed-use building containing up to 176 residential units, and approximately 3,827 square feet ground floor retail, 9,555 square feet new religious (church) use, and below-grade parking for up to 46 vehicles, within the RC-4 (Residential-Commercial, High Density), North of Market Residential Special Use District No. 1, and 80-T-130-T Height and Bulk District. (District 6) (Appellant: Mike Buhler, on behalf of San Francisco Heritage) (Filed October 15, 2018)

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. 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, November 9, 2018.


for Angela Calvillo
Clerk of the Board

Wong, Jocelyn (BOS)

From: Cynthia Zamboukos <czamboukos.sfic@gmail.com>
Sent: Friday, November 9, 2018 10:45 AM
To: Cynthia Zamboukos (cynthiaz@sfinterfaithcouncil.org)
Cc: Michael G. Pappas
Subject: File No. 180993 and No. 180997 (450 O'Farrell Street Church and Housing Project)
Attachments: Board of Supervisors Letter 11-9-2018.pdf

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear President Cohen and Supervisors,

Attached please find the San Francisco Interfaith Council's letter in support of the 450 O'Farrell Street Church and Housing Project - Fifth Church of Christ, Scientist referenced in the subject line above.

Sincerely,

Michael G. Pappas, M.Div.

Executive Director



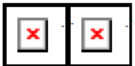
P.O. Box 29055, San Francisco, CA 94129

mgpappas@sfinterfaithcouncil.org

415-474-1321 (Office)

415-425-9631 (Cell)

Website: <http://www.sfinterfaithcouncil.org/>





San Francisco Interfaith Council

*Celebrating our diverse faiths & spiritual traditions
Bringing people together to build understanding
Serving our community*

P.O. Box 29055
San Francisco, CA 94129
Phone: 415.474.1321

mgpappas@sinterfaithcouncil.org
www.sinterfaithcouncil.org

Michael G. Pappas, M.Div.
Executive Director

Board of Directors:

Kaushik Roy, Chair
The Shanti Project

Mario Paz, Vice Chair
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Resource Center*

Rabbi Larry Raphael, Treasurer
Congregation Sherith Israel

Nancy Nielsen, Secretary
Lutheran Social Services

Fr. Arturo Albano
St. Mary's Cathedral

Fatih Ates
Pacifica Institute

Wilma Batiste
Neighborhood Baptist Church

P.J. Cherrin
Mission Minyan

The Rev. Ellen Clark-King
Grace Cathedral

Sensei Elaine Donlin
Buddhist Church of SF

Rev. Norman Fong
*Chinatown Community
Development Center*

Richard H. Harris, Jr.
Church of Jesus Christ LDS

Hala K. Hijazi, Commissioner
SF Human Rights Commission

John McKnight
Fleet Week

Rev. Monique Ortiz
*Saint Mary and Saint Martha
Lutheran Church*

Robert T. Phillips
The Baha'i Faith in San Francisco

Rev. Vanessa Rush Southern
*First Unitarian Universalist
Society of San Francisco*

Rita R.Semel, Past Chair
Congregation Emanu-El

Rev. Floyd Trammell
*First Friendship Institutional Baptist
Church*

Swami Vedananda
Vedanta Society

Dr. Mary Wardell
University of San Francisco

Dr. Sally Wei
Buddhist Tzu Chi Foundation

November 9, 2018

The Honorable Malia Cohen, President
and Members of the San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102-4689

RE: File No. 180993 and No. 180997 (450 O'Farrell Street Church and Housing Project)

Dear President Cohen and Supervisors:

We are writing today on an item that is of vital importance to our communities of faith and to the achievement of San Francisco's housing goals.

The San Francisco Interfaith Council supports the work of religious institutions to better serve their communities and we support the building of new housing on their underutilized properties. The project of Fifth Church of Christ, Scientist, thoughtfully achieves both goals, and 172 units of housing would be created, where none exist now.

For the past 35 years, Fifth Church has rigorously followed all of the processes established by the City. Then, after the Fifth Church project received the final Planning Commission approval, SF Heritage demanded a payment of \$1.5 million. Not receiving this amount, SF Heritage filed an appeal with the Board of Supervisors, to enforce their demand.

Is this the process envisioned by CEQA? Is this a process of which the great City of San Francisco can be proud? Are houses of worship just bricks, just material structures? Or can there be an appreciation – like right now – of their abilities to love in the presence of hate, of their encouragement to love one another, of their role in shining the light to move forward, together, in a progressive way?

The City has been encouraging religious institutions to repurpose their underutilized property for housing. But it's difficult to encourage houses of worship to engage in this process and create housing that is so desperately needed if they are going to be constantly met with obstacles and roadblocks at every stage of the process. The San Francisco Interfaith Council stands ready to work with you to make the City process function in a fair, common sense, and efficient way.

A critical issue at this point is that the legal civil rights of houses of worship in San Francisco, including Fifth Church, have been systematically and intentionally disregarded throughout the City processes for communities of faith and their housing



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Serving our community*

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Executive Director

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Mario Paz, Vice Chair
*Good Samaritan Family
Resource Center*

Rabbi Larry Raphael, Treasurer
Congregation Sherith Israel

Nancy Nielsen, Secretary
Lutheran Social Services

Fr. Arturo Albano
St. Mary's Cathedral

Fatih Ates
Pacifica Institute

Wilma Batiste
Neighborhood Baptist Church

P.J. Cherrin
Mission Minyan

The Rev. Ellen Clark-King
Grace Cathedral

Sensei Elaine Donlin
Buddhist Church of SF

Rev. Norman Fong
*Chinatown Community
Development Center*

Richard H. Harris, Jr.
Church of Jesus Christ LDS

Hala K. Hijazi, Commissioner
SF Human Rights Commission

John McKnight
Fleet Week

Rev. Monique Ortiz
*Saint Mary and Saint Martha
Lutheran Church*

Robert T. Phillips
The Baha'i Faith in San Francisco

Rev. Vanessa Rush Southern
*First Unitarian Universalist
Society of San Francisco*

Rita R.Semel, Past Chair
Congregation Emanu-El

Rev. Floyd Trammell
*First Friendship Institutional Baptist
Church*

Swami Vedananda
Vedanta Society

Dr. Mary Wardell
University of San Francisco

Dr. Sally Wei
Buddhist Tzu Chi Foundation

projects. Civil rights under the Religious Land Use and Institutionalized Persons Act have not been respected.

With regard to your present consideration of the SF Heritage appeal, we respectfully call your attention to the legal opinion in your packet - written by Storzer and Associates, a well-regarded religious-liberty law firm - which says in part that: "Requiring the Church to pay \$1.5 million as a mitigation would greatly jeopardize the Church's ability to rebuild in accordance with its religious needs. ... Courts have found that municipalities can substantially burden religious exercise by acting in a manner that creates significant 'delay, uncertainty, and expense' for a church." If the Board of Supervisors grants the SF Heritage appeal and imposes their financial demand, "...the Board of Supervisors and the City and County of San Francisco would violate the Church's civil rights as protected by the federal Religious Land Use and Institutionalized Persons Act of 2000, 42 U.S.C. s.s. 2000cc *et seq.*, and the Free Exercise Clause of the United States Constitution."

We stand with Fifth Church in demonstration of our civil rights as communities of faith. We stand together with our Brothers and Sisters at Fifth Church of Christ, Scientist.

We urge you to reject the SF Heritage appeal and their financial demand and delays, and to restore a sense of trust and fairness to the City process.

Respectfully,

Michael Pappas, M.Div.
Executive Director of the San Francisco Interfaith Council

FIRST CHURCH OF CHRIST, SCIENTIST

1700 Franklin Street
San Francisco, CA 94109

phone: 415.673.3544 • email: firstchurchofcs@sbcglobal.net

BOS-11

C pages

File No 180997

November 3, 2018

Hand Delivered

Honorable Malia Cohen, President
and Members of the San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102-4689

Dear President Cohen and Members of the Board of Supervisors:

The purpose of this letter is to urge you to deny the appeal by San Francisco Heritage of Planning Commission approval of the proposed 450 O'Farrell redevelopment proposal.

As indicated throughout the lengthy City approval process, including CEQA historic resources analysis, this redevelopment proposal will significantly benefit the Tenderloin community.

Please expeditiously deny this last minute appeal and allow the developer to proceed. This proposal has had years of community review, and the developer has been responsive to community input.

Sincerely,

Katherine C. Agnew

Katherine C. Agnew
President

107
2018 NOV -2 AM 11:11
RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

From: [BOS Legislation, \(BOS\)](#)
To: sarah@zfplaw.com; Mike Buhler; dc5@jmbm.com; svettel@fbm.com; pick@storzerlaw.com
Cc: [GIVNER, JON \(CAT\)](#); [STACY, KATE \(CAT\)](#); [JENSEN, KRISTEN \(CAT\)](#); [Rahaim, John \(CPC\)](#); [Sanchez, Scott \(CPC\)](#); [Gibson, Lisa \(CPC\)](#); [Jain, Devyani \(CPC\)](#); [Navarrete, Joy \(CPC\)](#); [Lynch, Laura \(CPC\)](#); [Sider, Dan \(CPC\)](#); [Rodgers, AnMarie \(CPC\)](#); [Starr, Aaron \(CPC\)](#); [Boudreaux, Marcelle \(CPC\)](#); [Fordham, Chelsea \(CPC\)](#); [Ionin, Jonas \(CPC\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#); tt1@jmbm.com; [BOS Legislation, \(BOS\)](#)
Subject: APPEAL RESPONSE: Appeal of Conditional Use Authorization - Proposed 450-474 O'Farrell Street and 532 Jones Street Project - Appeal Hearing on November 13, 2018
Date: Monday, November 5, 2018 4:57:10 PM
Attachments: [image001.png](#)

Good afternoon

Please find linked below an appeal response received by the Office of the Clerk of the Board from the Planning Department, regarding the Conditional Use Authorization Appeal for the proposed project at 450-474 O'Farrell Street and 532 Jones Street.

[Planning Department Appeal Response - November 5, 2018](#)

The hearing for this matter is scheduled for a 3:00 p.m. special order before the Board on November 13, 2018.

I invite you to review the entire matter on our [Legislative Research Center](#) by following the link below:

[Board of Supervisors File No. 180997](#)

Regards,

Brent Jalipa

Legislative Clerk

Board of Supervisors - Clerk's Office

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

(415) 554-7712 | Fax: (415) 554-5163

brent.jalipa@sfgov.org | www.sfbos.org



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From: [BOS Legislation, \(BOS\)](#)
To: sarah@zfplaw.com; Mike Buhler; dc5@jmbm.com; svettel@fbm.com; pick@storzerlaw.com
Cc: [GIVNER, JON \(CAT\)](#); [STACY, KATE \(CAT\)](#); [JENSEN, KRISTEN \(CAT\)](#); [Rahaim, John \(CPC\)](#); [Sanchez, Scott \(CPC\)](#); [Gibson, Lisa \(CPC\)](#); [Jain, Devyani \(CPC\)](#); [Navarrete, Joy \(CPC\)](#); [Lynch, Laura \(CPC\)](#); [Sider, Dan \(CPC\)](#); [Rodgers, AnMarie \(CPC\)](#); [Starr, Aaron \(CPC\)](#); [Boudreaux, Marcelle \(CPC\)](#); [Fordham, Chelsea \(CPC\)](#); [Ionin, Jonas \(CPC\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Calvillo, Angela \(BOS\)](#); [BOS Legislation, \(BOS\)](#); [Somera, Alisa \(BOS\)](#); tt1@jmbm.com
Subject: PROJECT SPONSOR OPPOSITION BRIEF: Appeal of CEQA Certification of Final Environmental Impact Report and Conditional Use Authorization - Proposed 450-474 O'Farrell Street and 532 Jones Street Project - Appeal Hearing on November 13, 2018
Date: Monday, November 5, 2018 4:04:02 PM
Attachments: [image001.png](#)

Good afternoon

Please find linked below an opposition brief received by the Office of the Clerk of the Board from Robin Pick of Storzer & Associates, PC, on behalf of the Project Sponsor, regarding the Final Environmental Impact Report and Conditional User Authorization Appeal for the proposed project at 450-474 O'Farrell Street and 532 Jones Street.

[Project Sponsor Appeal Response Letter - November 5, 2018](#)

The hearing for this matter is scheduled for a 3:00 p.m. special order before the Board on November 13, 2018.

I invite you to review the entire matter on our [Legislative Research Center](#) by following the link below:

[Board of Supervisors File No. 180993](#)

[Board of Supervisors File No. 180997](#)

Regards,

Brent Jalipa

Legislative Clerk

Board of Supervisors - Clerk's Office

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

(415) 554-7712 | Fax: (415) 554-5163

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To: sarah@zfplaw.com; Mike Buhler; dc5@jmbm.com
Cc: [GIVNER, JON \(CAT\)](#); [STACY, KATE \(CAT\)](#); [JENSEN, KRISTEN \(CAT\)](#); [Rahaim, John \(CPC\)](#); [Sanchez, Scott \(CPC\)](#); [Gibson, Lisa \(CPC\)](#); [Jain, Devyani \(CPC\)](#); [Navarrete, Joy \(CPC\)](#); [Lynch, Laura \(CPC\)](#); [Sider, Dan \(CPC\)](#); [Rodgers, AnMarie \(CPC\)](#); [Starr, Aaron \(CPC\)](#); [Boudreaux, Marcelle \(CPC\)](#); [Fordham, Chelsea \(CPC\)](#); [Ionin, Jonas \(CPC\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#); tt1@jmbm.com; [BOS Legislation. \(BOS\)](#)
Subject: PROJECT SPONSOR APPEAL RESPONSE: Appeal of CEQA Certification of Final Environmental Impact Report and Conditional Use Authorization - Proposed 450-474 O'Farrell Street and 532 Jones Street Project - Appeal Hearing on November 13, 2018
Date: Friday, November 2, 2018 3:00:54 PM
Attachments: [image001.png](#)

Good afternoon

Please find linked below a letter received by the Office of the Clerk of the Board from Steven L. Vettel of Farella Braun & Martel, LLP, representing the Project Sponsor, regarding the Final Environmental Impact Report and Conditional User Authorization Appeal for the proposed project at 450-474 O'Farrell Street and 532 Jones Street.

[Project Sponsor Appeal Response Letter - November 2, 2018](#)

The hearing for this matter is scheduled for a 3:00 p.m. special order before the Board on November 13, 2018.

I invite you to review the entire matter on our [Legislative Research Center](#) by following the link below:

[Board of Supervisors File No. 180993](#)

[Board of Supervisors File No. 180997](#)

Regards,

Brent Jalipa

Legislative Clerk

Board of Supervisors - Clerk's Office

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

(415) 554-7712 | Fax: (415) 554-5163

brent.jalipa@sfgov.org | www.sfbos.org



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public may inspect or copy.

From: [BOS Legislation, \(BOS\)](#)
To: sarah@zfplaw.com; [Mike Buhler](#); dc5@jmbm.com
Cc: [GIVNER, JON \(CAT\)](#); [STACY, KATE \(CAT\)](#); [JENSEN, KRISTEN \(CAT\)](#); [Rahaim, John \(CPC\)](#); [Sanchez, Scott \(CPC\)](#); [Gibson, Lisa \(CPC\)](#); [Jain, Devyani \(CPC\)](#); [Navarrete, Joy \(CPC\)](#); [Lynch, Laura \(CPC\)](#); [Sider, Dan \(CPC\)](#); [Rodgers, AnMarie \(CPC\)](#); [Starr, Aaron \(CPC\)](#); [Boudreaux, Marcelle \(CPC\)](#); [Fordham, Chelsea \(CPC\)](#); [Lonin, Jonas \(CPC\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#); tt1@jmbm.com; [BOS Legislation, \(BOS\)](#)
Subject: HEARING NOTICE: Appeal of CEQA Certification of Final Environmental Impact Report and Conditional Use Authorization - Proposed 450-474 O'Farrell Street and 532 Jones Street Project - Appeal Hearing on November 13, 2018
Date: Tuesday, October 30, 2018 9:36:36 AM
Attachments: [image001.png](#)

Good morning,

The Office of the Clerk of the Board has scheduled a hearing for Special Order before the Board of Supervisors on **November 13, 2018, at 3:00 p.m.**, to hear the appeal of both the certification of the Final Environmental Impact Report under CEQA and Conditional Use Authorization for the proposed project at 450-474 O'Farrell Street and 532 Jones Street.

Please find the following link to the hearing notice for the matter.

[Public Hearing Notice - October 30, 2018](#)

I invite you to review the entire matter on our [Legislative Research Center](#) by following the links below:

[Board of Supervisors File No. 180993](#)

[Board of Supervisors File No. 180997](#)

Regards,

Brent Jalipa

Legislative Clerk

Board of Supervisors - Clerk's Office

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

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***Disclosures:** Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors' website or in other public documents that members of the public may inspect or copy.*

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

PROOF OF MAILING

Legislative File No. 180993 and 180997

Description of Items: Public Hearing Notices - Hearing - Appeals of Final Environmental Impact Report Certification and Conditional Use Authorization - Proposed Project at 450-474 O'Farrell Street and 532 Jones Street - 108 Notices Mailed

I, Brent Jalipa, 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: October 30, 2018

Time: 9:15 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: 

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

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October 23, 2018

File Nos. 180993-180996, and 180997-181000
Planning Case No. 2013-1535ENV/CUA

Received from the Board of Supervisors Clerk's Office three checks, in the amount of Six Hundred Seventeen Dollars (\$617) each, representing the filing fee paid by the following for the appeal of the certification of the Final Environmental Impact Report under CEQA, and Conditional Use Authorization for the proposed 450-474 O'Farrell Street and 532 Jones Street Project:

- Zacks, Freedman & Patterson, on behalf of 540 Jones Street Hotel, LLC.
- Mike Buhler for San Francisco Heritage (two checks)

Planning Department

By:

Tony Young
Print Name

[Signature] 10/24/18
Signature and Date

From: [BOS Legislation, \(BOS\)](#)
To: sarah@zfplaw.com; [Mike Buhler](#); dc5@jmbm.com
Cc: [GIVNER, JON \(CAT\)](#); [STACY, KATE \(CAT\)](#); [JENSEN, KRISTEN \(CAT\)](#); [Rahaim, John \(CPC\)](#); [Sanchez, Scott \(CPC\)](#); [Gibson, Lisa \(CPC\)](#); [Jain, Devyani \(CPC\)](#); [Navarrete, Joy \(CPC\)](#); [Lynch, Laura \(CPC\)](#); [Sider, Dan \(CPC\)](#); [Rodgers, AnMarie \(CPC\)](#); [Starr, Aaron \(CPC\)](#); [Boudreaux, Marcelle \(CPC\)](#); [Fordham, Chelsea \(CPC\)](#); [Ionin, Jonas \(CPC\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#); [BOS Legislation, \(BOS\)](#); tt1@jmbm.com
Subject: Appeal of CEQA Certification of Final Environmental Impact Report and Conditional Use Authorization - Proposed 450-474 O'Farrell Street and 532 Jones Street Project - Appeal Hearing on November 13, 2018
Date: Tuesday, October 23, 2018 3:23:09 PM
Attachments: [image001.png](#)

Good afternoon,

The Office of the Clerk of the Board has scheduled a hearing for Special Order before the Board of Supervisors on **November 13, 2018, at 3:00 p.m.** Please find linked below letters of appeal filed against the proposed project at 450-474 O'Farrell Street and 532 Jones Street, as well as direct links to the Planning Department's determination of timeliness for the appeal, and an informational letter from the Clerk of the Board.

[Environmental Impact Appeal Letter - 540 Jones Street LLC - October 15, 2018](#)

[Environmental Impact Appeal Letter - San Francisco Heritage - October 15, 2018](#)

[Conditional Use Authorization Appeal Letter - San Francisco Heritage - October 15, 2018](#)

[Planning Department Memo - October 23, 2018](#)

[Clerk of the Board Letter - October 23, 2018](#)

I invite you to review the entire matter on our [Legislative Research Center](#) by following the link below:

[Board of Supervisors File No. 180993](#)

[Board of Supervisors File No. 180997](#)

Please note that the hearing date is swiftly approaching. Our office must notice this appeal hearing on Tuesday, October 30, 2018. If you have any special recipients for the hearing notice, kindly provide the list of addresses for interested parties in spreadsheet format to us by 12:00pm, Friday, October 26.

Thank you,

Brent Jalipa

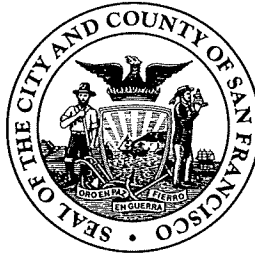
Board of Supervisors - Clerk's Office
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October 23, 2018

Sarah M. K. Hoffman
Zacks, Freedman & Patterson, PC
235 Montgomery Street, Suite 400
San Francisco, CA 94104

Mike Buhler
San Francisco Heritage
2007 Franklin Street
San Francisco, CA 94109

Subject: File Nos. 180993 and 180997 - Appeals of CEQA Final Environmental Impact Report and Conditional Use Authorization - 450-474 O'Farrell Street and 532 Jones Street Project

Dear Ms. Hoffman and Mr. Buhler:

The Office of the Clerk of the Board is in receipt of a memorandum dated October 23, 2018, from the Planning Department regarding their determination on the timely filing of appeal of the CEQA Final Environmental Impact Report for the proposed project at 450-474 O'Farrell Street and 532 Jones Street.

The Planning Department has determined that the appeal was filed in a timely manner (copy attached).

The conditional use appeal was filed with the subscription of five members of the Board of Supervisors, and therefore meets the filing requirements of Planning Code, Section 308.1.

Pursuant to Administrative Code, Section 31.16, and Planning Code, Section 308.1, a hearing date has been scheduled for **Tuesday, November 13, 2018, at 3:00 p.m.**, at the Board of Supervisors meeting to be held in City Hall, 1 Dr. Carlton B. Goodlett Place, Legislative Chamber, Room 250, San Francisco, CA 94102.

Please provide to the Clerk's Office by noon:

20 days prior to the hearing: names and addresses of interested parties to be notified of the hearing, in spreadsheet format; and

11 days prior to the hearing: any documentation which you may want available to the Board members prior to the hearing.

For the above, the Clerk's office requests one electronic file (sent to bos.legislation@sfgov.org) and two copies of the documentation for distribution.

NOTE: If electronic versions of the documentation are not available, please submit 18 hard copies of the materials to the Clerk's Office for distribution. If you are unable to make the deadlines prescribed above, it is your responsibility to ensure that all parties receive copies of the materials.

If you have any questions, please feel free to contact Legislative Clerks Brent Jalipa at (415) 554 7712, Lisa Lew at (415) 554-7718, or Jocelyn Wong at (415) 554-7702.

Very truly yours,


Angela Calvillo
Clerk of the Board

- c: David Cincotta, Jeffer Mangels Butler & Mitchell, LLP
- Jon Givner, Deputy City Attorney
- Kate Stacy, Deputy City Attorney
- Kristen Jensen, Deputy City Attorney
- Scott Sanchez, Zoning Administrator, Planning Department
- Lisa Gibson, Environmental Review Officer, Planning Department
- Devyani Jain, Deputy Environmental Review Officer, Planning Department
- Joy Navarrete, Environmental Planning, Planning Department
- Laura Lynch, Environmental Planning, Planning Department
- Dan Sider, Director of Executive Programs
- AnMarie Rodgers, Director of Citywide Planning, Planning Department
- Aaron Starr, Manager of Legislative Affairs, Planning Department
- Marcelle Boudreaux, Staff Contact, Planning Department
- Chelsea Fordham, Staff Contact, Planning Department
- Jonas Ionin, Director of Commission Affairs, Planning Department

From: [BOS Legislation, \(BOS\)](#)
To: [GIVNER, JON \(CAT\)](#); [STACY, KATE \(CAT\)](#); [JENSEN, KRISTEN \(CAT\)](#); [Rahaim, John \(CPC\)](#); [Sanchez, Scott \(CPC\)](#); [Gibson, Lisa \(CPC\)](#); [Jain, Devyani \(CPC\)](#); [Navarrete, Joy \(CPC\)](#); [Lynch, Laura \(CPC\)](#); [Sider, Dan \(CPC\)](#); [Rodgers, AnMarie \(CPC\)](#); [Starr, Aaron \(CPC\)](#); [Boudreaux, Marcelle \(CPC\)](#); [Fordham, Chelsea \(CPC\)](#); [Ionin, Jonas \(CPC\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#)
Cc: [BOS Legislation, \(BOS\)](#)
Subject: Appeal of Conditional Use Authorization - 450-474 O'Farrell Street and 532 Jones Street
Date: Monday, October 22, 2018 9:51:18 AM
Attachments: [Appeal Ltr 101518.pdf](#)

Good morning,

The Office of the Clerk of the Board is in receipt of an appeal of the Conditional Use Authorization for the proposed project at 450-474 O'Farrell Street and 532 Jones Street (attached). The appeal was filed by Mike Buhler, on behalf of San Francisco Heritage, on October 15, 2018, with the subscription of five supervisors, pursuant to Planning Code, Section 308.1(b)(ii).

Please note, we are currently awaiting the determination of timeliness regarding the two filings of appeal of the Final Environmental Impact Report for the same project, and will likely consolidate and schedule both the CU and EIR appeals for hearing on November 13, 2018, to be compliant with both Planning Code, Section 308.1(c) and Administrative Code, Section 31.16(b)(4), upon receipt of said determination.

Regards,

Brent Jalipa

Legislative Clerk

Board of Supervisors - Clerk's Office

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

(415) 554-7712 | Fax: (415) 554-5163

brent.jalipa@sfgov.org | www.sfbos.org

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Topic submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Clerk of the Board

Subject:

Hearing - Appeal of Conditional Use Authorization - Proposed Project at 450-474 O'Farrell Street and 532 Jones Street

The text is listed:

Hearing of persons interested in or objecting to the certification of a Conditional Use Authorization pursuant to Planning Code, Section 303, for a planned unit development pursuant to Planning Code, Section 304, with modifications for rear yard (Planning Code, Section 134(G)), dwelling unit exposure (Planning Code, Section 140); off street loading (Planning Code, Section 152) and permitted obstructions (Planning Code, Section 136(c)); for demolition of five existing dwelling units (Planning Code, Section 317); exceeding height of 50 feet with street frontage greater than 40 feet (Planning Code, Section 253); height greater than 80 feet in North of Market Residential Special Use District No. 1 (Planning Code, Sections 249.5/263.7); bulk exceedance (Planning Code, Section 270); and establishment of new Religious Institution Use (Section 303), for a proposed project at 450-474 O'Farrell Street and 532 Jones Street, Assessor's Parcel Block No. 0317, Lot Nos. 007, 009, and 011, identified in Planning Case No. 2013.1535ENV/CUA, issued by the Planning Commission by Motion No. 20281, dated September 13, 2018, to permit demolition of the existing commercial building (474 O'Farrell Street), existing commercial and residential building (532 Jones Street), and existing religious building (450 O'Farrell Street), and construct a 13-story mixed-use

building containing up to 176 residential units, and approximately 3,827 square feet ground floor retail, 9,555 square feet new religious (church) use, and below-grade parking for up to 46 vehicles, within the RC-4 (Residential-Commercial, High Density), North of Market Residential Special Use District No. 1, and 80-T-130-T Height and Bulk District. (District 6) (Appellant: Mike Buhler, on behalf of San Francisco Heritage) (Filed October 15, 2018)

Signature of Sponsoring Supervisor:



For Clerk's Use Only

for
180997