# **Planning Commission Motion No. 20771**

**HEARING DATE: JULY 30, 2020** 

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*Record No.:* **2020-006152GPR** 

Project: Redevelopment Plan Amendments to the Mission Bay

South Redevelopment Plan for the Development of Block 1

Zoning: Mission Bay Redevelopment South Redevelopment Project Area

Block/Lot: Lot 008, Block 8715
Project Sponsor: SOMA Hotel, LLC

433 California Street, 7th Floor

San Francisco, CA

Property Owner: SOMA Hotel, LLC

433 California Street, 7th Floor

San Francisco, CA

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ADOPTING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND WITH THE GENERAL PLAN PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 FOR THE PROPOSED REDEVELOPMENT PLAN AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE MISSION BAY SOUTH REDEVELOPMENT PROJECT TO ALLOW FOR THE RECONFIGURATION OF HOTEL ROOMS IN THE SOMA HOTEL PROJECT LOCATED ON MISSION BAY BLOCK 1, BY INCREASING THE NUMBER OF HOTEL ROOMS ALLOWED ON BLOCK 1 BY 50 ROOMS AND ADOPTING ENVIRONMENTAL FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

# **PREAMBLE**

Section 4.105 of the City Charter and 2A.53 of Administrative Code require General Plan referrals to the Planning Commission (hereinafter "Commission") for certain matters, including changes to redevelopment project plans within the City and County of San Francisco, to determine conformity of the proposed redevelopment plan with the General Plan prior to consideration by the Board of Supervisors.

On June 23, 2020, SoMa Hotel, LLC, ("Project Sponsor") submitted a General Plan Referral application for the Redevelopment Plan Amendment for the Redevelopment Plan for the Mission Bay South Redevelopment Project (the "Project" or "Redevelopment Plan Amendment") for Block 1 (known as the site of the SOMA Hotel) and the intersection of Third and Channel Streets.

The proposed project is part of the Mission Bay South Redevelopment Plan Project ("Mission Bay Project") for which the former Redevelopment Agency Commission by Resolution No. 182-98 and the Commission by Resolution No. 14696 certified the Mission Bay Final Supplemental Environmental Impact Report ("Mission Bay FSEIR" or "FSEIR") on September 17, 1998. The Board of Supervisors affirmed the

certification of the FSEIR by Motion No. 98-132, and in Resolution No. 854-98 adopted CEQA findings, including a statement of overriding considerations and a Mission Bay mitigation monitoring and reporting program in support of various approval actions for the Mission Bay Project.

The Office of Community Investment and Infrastructure (hereinafter "OCII"), the Lead Agency, in its staff report to the Commission on Community Investment and Infrastructure (hereinafter "CCII") for the July 21, 2020 CCII approval hearing regarding the subject Block 1 SOMA Hotel Project made the following CEQA-related findings:

- The Project is within the scope of density and consistent with the designated uses for Block 1 as described and analyzed in the FSEIR and would represent a minor change in hotel occupancy;
- The Project would not result in any new or substantially more severe impacts than were identified in the FSEIR.
- Since the Mission Bay FSEIR was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require revisions to the FSEIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts;
- There is no new information of substantial importance that would change the conclusions set forth in the FSEIR. Therefore, no further CEQA evaluation is necessary;
- The analyses conducted and the conclusions reached in the Mission Bay FSEIR remain valid and that no supplemental environmental review is required;
- The proposed Project was analyzed in the Mission Bay FSEIR and would neither cause new significant impacts nor result in the substantial increase in the severity of previously identified significant impacts; and
- No new mitigation measures would be necessary to reduce significant impacts.

These findings were included in CCII Resolution Nos. 17-2020 and 18-2020 adopted on July 21, 2020 and on file with the Planning Commission Secretary.

#### **FINDINGS**

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

- 1. The above recitals are accurate and constitute findings of the Commission.
- 2. **Background.** The Mission Bay South Redevelopment Project Area is one of two Redevelopment Project Areas that make up the Mission Bay development, which together, covers 303 acres of land between the San Francisco Bay and Interstate-280; the two Redevelopment Project Areas (and respective Development Plans) were established in 1998 and enable the development of up to 6,514 housing units (approximately 29% affordable), 5 million square feet of commercial space (office/lab

uses and the 18,000 seat Event Center), the new UCSF research campus, the 550 bed UCSF medical center, 560,000 square feet of retail, and 41 acres of new public open space.

As Redevelopment Plan Areas established under California Community Redevelopment Law, development is controlled by the respective Redevelopment Plans and their associated Design for Development documents, rather than the Planning Code. Similarly, land use and entitlement decisions are generally made by the Office of Community Investment and Infrastructure ("OCII"), the successor agency to the Redevelopment Agency, or the Commission on Community Investment and Infrastructure ("CCII"), and not by the Planning Department or Planning Commission.

3. **Project Description.** The proposal is to amend the Mission Bay South Redevelopment Plan ("South Redevelopment Plan") to enable the reconfiguration of hotel rooms within the SoMa Hotel Project ("Hotel Project"),located at 100 Channel Street (Assessor's Block 8715, Lot 008), also referred to as Mission Bay South Block 1. The Hotel Project was originally approved in 2014 and was part of a larger project that, in turn, included up to 350 residential units and an up to 250-room hotel with up to 50,000 square feet of retail uses. Accordingly, the Project Sponsor has obtained all required approvals to construct the SOMA Mission Bay Hotel on the Hotel Parcel. Construction of the hotel is underway and is anticipated to be complete early in the first quarter of 2021. The previously approved SOMA Mission Bay Hotel is a 160-foot-tall, 250-room hotel at the intersection of Channel and Third Street that would encompass approximately 216,500 gross square feet. Parking is provided in a multi-use podium that links the hotel with the other structures planned for Block 1.

The Project Sponsor has recently applied to OCII to modify the original approval. The Hotel Project now involves, wholly within the existing building envelope of the SOMA Mission Bay Hotel, increasing the number of hotel rooms from 250 to 299 (with up to 300 to be permitted). This room increase will be achieved through the conversion of some two-bedroom suites and one-bedroom suites, all with living rooms, on floors 5 through 16 into separate, one-room hotel rooms. The Project will not increase the hotel's floor area, will not increase or change the building envelope, nor will it necessitate any additional improvements or parking. The approved internal infrastructure plan allows this change to be made without further construction. However, because the Project increases the number of permitted rooms, the Project requires amendments to the Major Phase and Basic Concept / Schematic Design for Block 1, the Mission Bay South Redevelopment Plan, and the Mission Bay South Owner Participation Agreement to permit up to 300 rooms. It also requires consent from the master developer, FOCIL-MB LLC.

The following South Redevelopment Plan amendments are required to enable the above Hotel Project: (1) allowing 50 more hotel rooms on Block 1.

4. **Public Outreach and Comments.** As of July 23, 2020, the Planning Department has not received any communication about the proposal. The proposed project and actions were presented to the Mission Bay Citizens Advisory Committee in January 2020 and all actions passed by a majority.

SOMA Hotel also discussed its proposal to divide suites into individual rooms during its latest construction-related community meeting. There were no questions or comments from the community regarding the suite conversion.

OCII received two letters of support from the project, one from the Carpenters Local Union 22 and another from a resident of One Mission Bay, which is the 350-unit residential development on Block 1 that sits adjacent to the SOMA Hotel Project.

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

## COMMERCE AND INDUSTRY ELEMENT

## **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.

## Policy 6.10

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

By drawing numerous hotel guests to the Mission Bay area, the Project would increase demand for both Cityserving and neighborhood-serving retail and increase patronage of the existing neighborhood-serving retail located within Mission Bay and adjacent neighborhoods.

## **OBJECTIVE 8**

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL CENTER FOR CONVENTIONS AND VISITOR TRADE.

#### Policy 8.1

Guide the location of additional tourist related activities to minimize their adverse impacts on existing residential, commercial, and industrial activities.

#### Policy 8.3

Assure that areas of particular visitor attraction are provided with adequate public services for both residents and visitors.

The allowance of additional hotel rooms on Mission Bay South Block 1 would enable a complementary of surrounding office, residential and open space features, and create synergies with them. The hotel use including the additional rooms would be located in close proximity to generous new parks and open space and the City's major transit lines. The new hotel use would be appropriately located while contributing to the mix of uses surrounding it.

#### **ENVIRONMENTAL PROTECTION ELEMENT**

### **OBJECTIVE 15**

INCREASE THE ENERGY EFFICIENCY OF TRANSPORTATION AND ENCOURAGE LAND USE PATTERNS AND METHODS OF TRANSPORTATION WHICH USE LESS ENERGY.

#### Policy 15.3

Encourage an urban design pattern that will minimize travel requirements among working, shopping, recreation, school and childcare areas.

The Project site is in a mixed-use neighborhood within walking distance of Muni light rail and bus stations. Development of the site promotes further infill development in Mission Bay South, allowing hotel guests to be close proximity to the City's employment centers and allowing hotel guests to rely more heavily on the City and region's public transportation network. Moreover, given the presence of both City-serving and neighborhood-serving retail in the vicinity of the Project and throughout Mission Bay North and South, visitors would be able to satisfy convenience needs without frequent use of a private automobile.

#### **AIR QUALITY ELEMENT**

## **OBJECTIVE 3**

DECREASE THE AIR QUALITY IMPACTS OF DEVELOPMENT BY COORDINATION OF LAND USE AND TRANSPORTATION DECISIONS.

## Policy 3.1

Take advantage of the high density development in San Francisco to improve the transit infrastructure and also encourage high density and compact development where an extensive transportation infrastructure exists.

## Policy 3.2

Encourage mixed land use development near transit lines and provide retail and other types of service oriented uses within walking distance to minimize automobile dependent development.

By promoting dense infill development near existing transit, the Project would promote walking and the use of public transportation for daily commuting, entertainment/recreation and convenience needs. By facilitating modes of transportation other than private automobile, the Project's air quality impacts would be reduced.

## PROPOSITION M FINDINGS – PLANNING CODE SECTION 101.1

Planning Code Section 101.1 establishes Eight Priority Policies and requires review of discretionary approvals and permits for consistency with said policies. The Project, Redevelopment Plan Amendments to Mission Bay South Redevelopment Plan, is found to be consistent with the Eight Priority Policies as set forth in Planning Code Section 101.1 for the following reasons:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced.

The building is under construction as previously approved and was designed to ensure this policy is met. The proposed project, which consists solely of the reconfiguration of hotel rooms within the existing building envelope to create up to 50 additional rooms, will have no impact on existing neighborhood-serving retail. Further, the planned 4,000 square feet of neighborhood-serving retail is maintained, creating opportunities for resident employment and ownership.

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

The building is under construction as previously approved and was designed to ensure this policy is met. The proposed project, which consists solely of the reconfiguration of hotel rooms within the existing building envelope to create up to 50 additional rooms, will have no impact on housing and neighborhood character.

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

The building is under construction as previously approved and was designed to ensure this policy is met. The proposed project, which consists solely of the reconfiguration of hotel rooms within the existing building envelope to create up to 50 additional rooms, will have no impact on affordable housing.

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

Commuter traffic generated by new residents and visitors of the proposed Project would not impede Muni transit service or overburden City streets or parking. The proposed Project would be constructed within walking distance of Muni light rail and bus stations. OCII issued a Note-To-File Determination as part of it material to the CCII that the changes would not result in any new or substantially more severe impacts than were identified in the Mission Bay FSEIR.

5. 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 consists entirely of hotel and neighborhood-serving retail, and there will be no impact on industrial and service sectors.

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

The building is under construction as previously approved and was designed to ensure this policy is met. The proposed project, which consists solely of the reconfiguration of hotel rooms within the existing building envelope to create up to 50 additional rooms, will have no impact on the building's earthquake safety.

7. That landmarks and historic buildings be preserved.

The building is under construction as previously approved and was designed to ensure this policy is met. The proposed project, which consists solely of the reconfiguration of hotel rooms within the existing building envelope to create up to 50 additional rooms, will have no impact on landmark or historic buildings.

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

## RECORD NO. 2020-006152GPR Mission Bay Block 1

The building is under construction as previously approved and was designed to ensure this policy is met. The proposed project, which consists solely of the reconfiguration of hotel rooms within the existing building envelope to create up to 50 additional rooms, will have no impact on parks and open spaces, nor access to sunlight and vistas.

NOW THEREFORE BE IT MOVED, that the Commission, acting as a Responsible Agency under CEQA has reviewed and considered the CEQA Findings and statement of overriding considerations that the former Redevelopment Agency Commission previously adopted in Resolution No.182-98, and No. 183-98, by CCII in its Resolution No. 17-2020 and 18-2020, and by this Commission in Resolution No. 14696 and hereby adopts these CEQA Findings as its own. The Commission additionally finds based on the CEQA findings in CCII Resolution Nos. 17-2020 and 18-2020 that: (A) implementation of the Project does not require major revisions to the FSEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (B) no substantial changes have occurred with respect to the circumstances under which the "Mission Bay Project" analyzed in the FSEIR will be undertaken that would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR; and (C) no new information of substantial importance to the project analyzed in the FSEIR has become available which would indicate that (i) the Project will have significant effects not discussed in the FSEIR; (ii) significant environmental effects will be substantially more severe; (iii) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (iv) mitigation measures or alternatives which are considerably different from those in the FSEIR will substantially reduce one or more significant effects on the environment; and be it,

<u>FURTHER MOVED</u>, that the Commission hereby finds the proposed amendment to the Mission Bay South Redevelopment Plan, as described above, to be consistent with the General Plan of the City and County of San Francisco, including, but not limited to the Commerce and Industry Element, Environmental Projection Element, and Air Quality Element, and is consistent with the eight Priority Policies in City Planning Code Section 101.1 for reasons set forth in this motion.

I hereby certify that the foregoing motion was adopted by the Commission at its meeting on July 30, 2020.

Jonas P. Ionin

Commission Secretary

AYES: Koppel, Moore, Chan, Diamond, Fung, Johnson

NOES: None

ABSENT: Imperial

ADOPTED: July 30, 2020